

Highlights:

- Governing law: Republic of Uzbekistan
- Date completed: Ongoing
- Value: Confidential

Case Study:

Unicase team advised foreign construction company (*hereinafter "the Client"*) on the question of **the necessity to obtain a license for the construction of a renewable energy facility.**

Background

In February 2020, one large construction company for the construction of renewable energy facilities asked us to prepare a memorandum on the question: *can a branch, as a type of company incorporated in the Republic of Uzbekistan, carry out construction activities/enter into an EPC contract/ request and obtain and hold a construction licence?*

Our team prepared the detailed answer on the question above.

According to Uzbekistan laws, construction activities are divided into several categories depending on the type and category of the objects under construction:

- construction using industrial high altitudes methods;
- design, construction, operation and repair of bridges and tunnels;
- design, construction, operation and repair of military facilities; and
- design, construction, operation of high-risk facilities and potentially dangerous industries.

As of today, the law is still silent on the types of licenses and permits required in the renewable energy sector.

As such, Unicase Tashkent office filed official requests to state bodies with questions listed below with a request to confirm or deny the following:

1. According to the Law of the Republic of Uzbekistan¹, licensed types of activities include activities that may cause damage to the rights and legitimate interests, health of citizens, public safety and regulation of which cannot be carried out by other methods other than licensing. The Client engaged in this type of activity fall under the Decree².
2. Presidential Decree³ approved a list of promising investment projects that do not require licensing of activities in the construction sector.
3. The Resolution⁴ refers to the "fast-track" system (simultaneous design, procurement and construction work) included in the state development programs of the Republic of Uzbekistan, without obtaining a permit in the construction sector.

¹ No. 71-II of 25.05.2000 "On licensing of certain types of activities"

² Decree of the Cabinet of Ministers of the Republic of Uzbekistan "On approval of regulations on licensing activities in the field of construction", Annexes No. 3 and 6.

³ PD-4563 09.01.2020 "On measures to implement the investment program of the Republic of Uzbekistan 2020-2022"

Thus, all three legislative acts directly or indirectly relate to a foreign contractor that performs design and construction work on the territory of the Republic of Uzbekistan.

In this case, a private foreign contractor is a contractor that performs the construction of objects that were included in the Decree⁵ and does not implement its actions on the basis of public procurement.

We still are waiting for the clarifications on the above issues.

⁴ PD-5445 22.05.2018 "On additional measures to optimize the procedure for carrying out design and construction work in capital construction"

⁵ PD-4563 09.01.2020 "On measures to implement the investment program of the Republic of Uzbekistan 2020-2022"