# KAZAKHSTAN



COUNTRY ASSESSMENTS

## HIGHLIGHTS

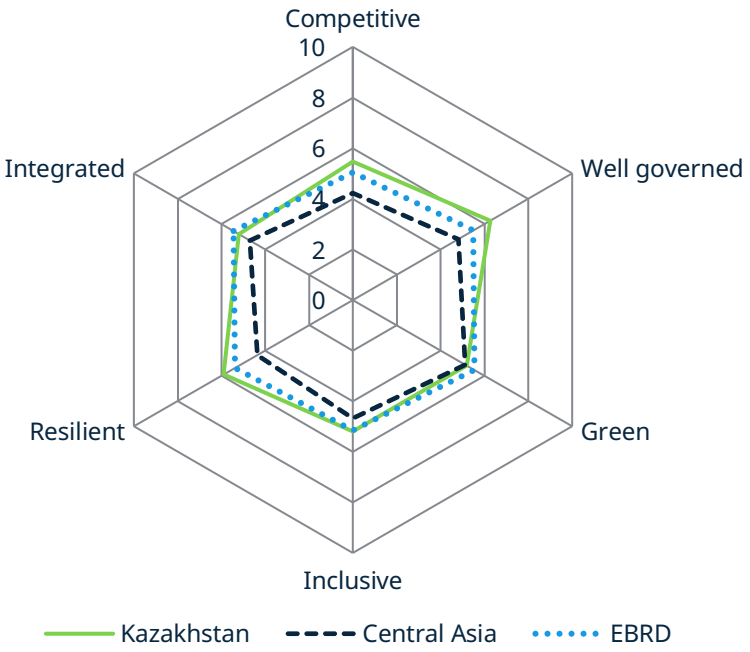
- **Economic growth slowed to 4.1 per cent year on year in the first half of 2026 amid disruptions to the oil sector.** While the non-oil sector continued to support economic activity, temporary production and export disruptions in the hydrocarbon sector weighed on the country's overall growth.
- **Kazakhstan adopted a new constitution following a nationwide referendum.** It restructures the political system, introducing a unicameral parliament and reinstating the position of vice president.
- **The country is taking important steps to translate its energy transition ambitions into investment.** The launch of the Just Energy Transition Investment Platform, with its flagship projects such as the Mirny onshore wind farm and the grid modernisation programme of Alatau Zharyk Company (AZhC), provides a framework for expanding renewable energy and strengthening the country's electricity system.

*For more information about country macroeconomic developments, please consult our latest Regional Economic Prospects report.*

## KEY PRIORITIES FOR 2027

- **Ensure fiscal discipline remains a central policy priority.** Oversight of quasi-fiscal activities should be strengthened, while National Fund withdrawals should remain exceptional and transparent. As the country's financing needs grow, continued tariff liberalisation will be required to attract private investment, improve infrastructure financing, reduce subsidy dependence and ease the fiscal burden on the state.
- **Deepen domestic capital markets to unlock long-term financing.** This requires pension, insurance and investment-fund reforms to expand the institutional investor base, along with initiatives to strengthen market liquidity, corporate governance and investor protection. Efforts should also be made to broaden the range of capital-market instruments available and encourage greater use of bond and equity financing.
- **Strengthen irrigation practices and water management.** Ageing infrastructure and the limited adoption of water-saving technologies are constraining agricultural productivity and increasing pressure on scarce water resources. Priority should be given to modernising irrigation networks, using water more efficiently and expanding water-saving technologies to enhance resilience and sustainability.

## ASSESSMENT OF TRANSITION QUALITIES (1-10)




*For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.*

## KEY REFORMS AND POLICY DEVELOPMENTS[1]

### Constitutional reform

- In March 2026 the country adopted a new constitution following a nationwide referendum. The reform brought about a major restructuring of the political system, including the replacement of the bicameral parliament with a unicameral legislative body (Kurultai), the reinstatement of the position of vice president and the establishment of a People's Council (Halyq Kenesi), with powers related to legislative initiatives and referendums.

### Renewable energy agenda

- In November 2025 Kazakhstan submitted its updated Nationally Determined Contribution (NDC 3.0), raising the country's climate mitigation target. It is now pursuing a 17 per cent reduction in national net greenhouse gas emissions relative to 1990 levels by 2035 (unconditional) and as much as a 25 per cent reduction with international support.
- In April 2026 the country announced the Just Energy Transition Investment Platform, which aims to mobilise around US$ 20 billion (€17 billion) in investment to deliver 10 GW of new renewable energy capacity by 2035 and support grid modernisation, battery storage, electrification and workforce reskilling.
- The first flagship investments under the platform have advanced. The Mirny project is the country's first industrial-scale wind power plant with battery storage, combining 1 GW of wind capacity with a 300 MW/600 MWh battery energy storage system. Meanwhile, the AZhC investment addresses a key bottleneck in the energy transition by upgrading electricity distribution infrastructure, deploying smart-grid technologies and increasing the network's capacity to integrate additional renewable energy.

### Coal industry expansion

- The National Project for the Development of Coal-Fired Generation through 2030, adopted in March 2026, envisages 7.8 GW of new and modernised coal-fired capacity using cleaner technologies. It includes eight new facilities and upgrades to 11 existing plants.
- The project is linked to the country's broader digitalisation agenda, which envisages the growth of the information technology (IT) sector, data centres and artificial intelligence (AI), with a corresponding increase in demand for reliable baseload electricity – something that is already in short supply.

### New law on banks and banking activities

- The new law, which came into effect in March 2026, introduces a two-tier licensing regime to promote competition and proportionate regulation, as well as key elements of an effective resolution regime for banks.
- The legislation also allows traditional banks to offer Islamic financial products and services, and establishes a legal framework for the digital tenge and digital financial assets. Enhanced supervision strengthens consumer protection.

1 From the fourth quarter of 2025 to October 2026.

**Trans-Caspian Transport Corridor (TCTC) development**

- During President Kassym-Jomart Tokayev's visit to Brussels in June 2026, Kazakhstan and the European Union reaffirmed their cooperation on the TCTC, also known as the Middle Corridor. A €150 million agreement was signed with the European Investment Bank to support transport connectivity projects in Kazakhstan.

**Critical raw minerals**

- In December 2025 the government approved amendments to the Subsoil and Subsoil Use Code, improving conditions for strategic investors and establishing a platform with open access to geological information. It also introduced auction-based mineral licensing and increased local content requirements for works and services from 50 per cent to 70 per cent to support strategic exploration and domestic processing.
- The government has committed around US$ 470 million (€408 million) in public funding for geological exploration in 2026-28 and deepened cooperation with international partners in the critical raw materials sector.

# KYRGYZ REPUBLIC



COUNTRY ASSESSMENTS

## HIGHLIGHTS

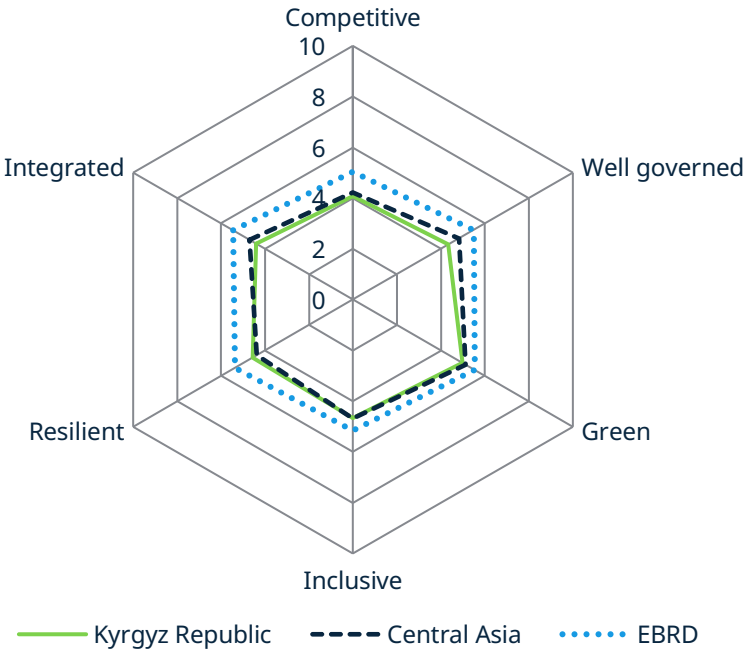
- **Economic growth remains robust, despite weaker remittances.** Real gross domestic product (GDP) expanded by 11.1 per cent year on year in January to July 2026, driven primarily by a strong performance in the construction, services and manufacturing sectors, including metallurgy.
- **The country has made notable changes to tax legislation.** The amendments are designed to reduce informality, enhance revenue mobilisation and lower the administrative burden for businesses.
- **A law on venture-capital financing has been introduced.** The law is expected to improve access to early-stage funding, support startup development, and foster innovation and economic diversification.

*For more information about country macroeconomic developments, please consult our latest Regional Economic Prospects report.*

## KEY PRIORITIES FOR 2027

- **Make efforts to rein in inflation.** Maintaining a tight monetary policy stance and avoiding pro-cyclical fiscal stimulus will be important to safeguard macroeconomic stability, real incomes and purchasing power**.**
- **Diversify destinations for migrant workers.** The country's heavy reliance on Russia as the primary destination for migrant workers exposes it to economic, regulatory and geopolitical risks. Expanding access to alternative labour markets could reduce external vulnerabilities and create opportunities for higher-skilled employment abroad. In the longer term, such efforts should be complemented by domestic job creation to reduce structural dependence on remittances.
- **Prioritise sanctions risk management.** The authorities should continue to monitor sanctions-related risks and strengthen compliance, export control, customs and financial-sector oversight frameworks. Efforts to prevent sanctions circumvention are essential to safeguard access to international financial markets and payment systems, support foreign investment and minimise disruptions to trade and economic activity.

## ASSESSMENT OF TRANSITION QUALITIES (1-10)




*For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.*

## KEY REFORMS AND POLICY DEVELOPMENTS[1]

**Programme to promote renewable energy**

- Approved in May 2026, the State Programme for the “Development of Renewable Energy Sources in the Kyrgyz Republic for 2026-2030: Distribution and Microgeneration” envisages a reduction in greenhouse gas emissions, the creation of conditions to attract investment in renewables, and decentralised electricity production.

1 From the fourth quarter of 2025 to October 2026.

- The programme encourages businesses and the general population to install solar panels and wind turbines for self-consumption and supports micro-hydro integration into the national grid.

**Law on venture-capital financing**

- Adopted in July 2026, the law establishes a comprehensive regulatory framework for venture-capital markets, formally defining startups, business angels and venture funds. It also introduces financing instruments, including a simple agreement for future equity (SAFE), convertible loans and option contracts.
- By providing legal certainty, the law is expected to improve access to early-stage financing for innovative firms, strengthen the startup ecosystem, encourage technology entrepreneurship and support the development of a more diversified and innovation-driven economy.

**Sanctions compliance**

- Following the European Union's designation of the Kyrgyz Republic as a high-risk jurisdiction for sanctions circumvention in April 2026, the authorities have intensified their sanctions-compliance and risk-mitigation efforts.
- Key measures include the liquidation of around 50 high-risk companies, tighter oversight of sanctions-sensitive trade, the establishment of a dedicated agency to oversee sanctions-related compliance and regulate the virtual-asset market, and the termination of banking relationships with more than 120 companies. In addition, to coordinate the government response, President Sadyr Japarov has appointed a special representative on sanctions policy and sanctions risk mitigation.

**Fiscal reforms**

- In April 2026 the government introduced a budget deficit ceiling of 3 per cent of GDP and a public debt limit of 70 per cent of GDP for the 2027-28 budget cycle.
- In August 2026 the authorities adopted tax reforms that revised the simplified tax regime, linked gold and silver mining taxes more closely to commodity prices and provided targeted tax debt relief for coal producers and livestock exporters. The reforms also strengthen oversight of cross-border trade and e-commerce while simplifying tax administration, supporting compliance and reducing informality.

**Tamchy Special Financial Investment Territory**

- Launched in July 2026, the Tamchy Special Financial Investment Territory aims to increase the country's attractiveness as an investment destination by providing tax exemptions (on value-added tax, profits, dividends and capital gains) for up to 49 years, along with unrestricted profit repatriation and access to an independent dispute-resolution mechanism based on English common-law principles.
- The authorities expect the zone to host around 3,900 companies and create 10,000 jobs by 2035.



# MONGOLIA





## HIGHLIGHTS

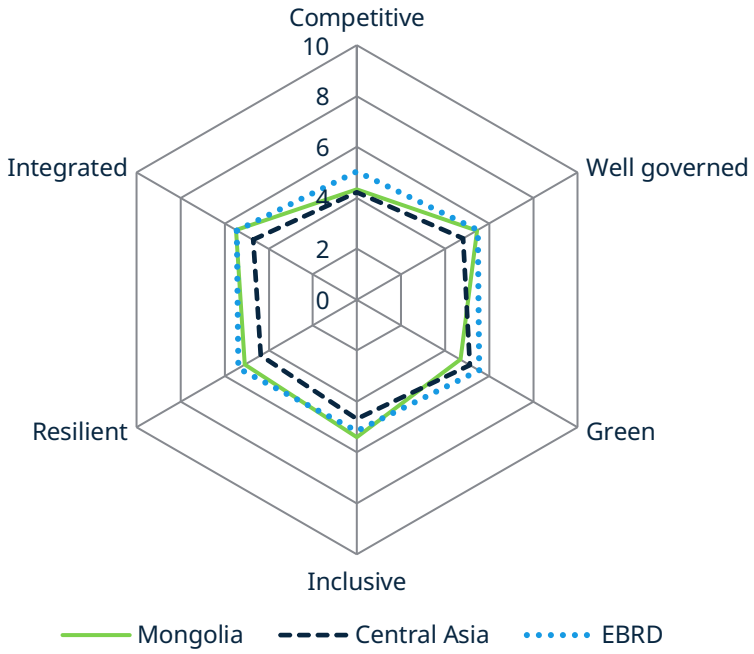
- **Economic growth accelerated in the first half of 2026.** Real gross domestic product (GDP) grew 7.7 per cent year on year, largely driven by mining sector expansion amid robust demand from China. Coal output also benefited from a low base effect the previous year.
- **Broad legislative reform strengthened the business environment.** The Law on Economic Freedom and related amendments enhanced investor protection, reduced barriers to business activity and expanded access to capital markets.
- **Renewable-energy procurement became more market oriented.** The country held its first competitive renewable-energy auction in June 2026, supporting private-sector participation in new generation capacity and broader efforts to reduce the country's dependence on imported fuel and energy.

*For more information about country macroeconomic developments, please consult our latest Regional Economic Prospects report.*

## KEY PRIORITIES FOR 2027

- **Preserve fiscal discipline amid reform implementation.** With tax amendments taking effect in 2027 and spending pressures increasing as a result of higher wages and social support, the authorities should carefully evaluate additional commitments, such as the proposed pension reform, and strengthen fiscal buffers. This is particularly important given the budget's dependence on volatile commodity revenues.
- **Strengthen energy security.** While some progress has been made on expanding fuel storage capacity and diversifying fuel supply sources, the country remains vulnerable to external supply disruptions. The authorities could boost resilience by completing the long-delayed domestic oil refinery, expanding strategic fuel reserves and accelerating the energy transition.
- **Reduce the state's footprint in the economy.** Recent measures to promote economic freedom and reform state-owned enterprises (SOEs), including adopting the new SOE Governance Law, should be followed by concrete steps to strengthen the law's implementation and provisions, improve governance and increase private-sector participation.

## ASSESSMENT OF TRANSITION QUALITIES (1-10)




*For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.*

## KEY REFORMS AND POLICY DEVELOPMENTS[1]

### Business climate

- In July 2026 parliament adopted the Law on Economic Freedom and a broader legislative package, which introduced wide-ranging reforms. These include a reduction in withholding tax on interest income, the extension of capital-market tax incentives and the removal of foreign ownership limits in the banking sector. The reforms also strengthened investor protections and simplified business regulations to attract investment and deepen capital markets.
- In January 2026 the government launched an Investor Protection Centre to provide one-stop investor support, resolve grievances before they reach court and relay business concerns to the government, enhancing transparency and investor confidence.

### Tax reform

- In June 2026 parliament approved tax amendments, effective January 2027, to ease compliance and support business activity.
- Key changes include raising the value-added tax (VAT) registration threshold from MNT 50 million (€12,100) to MNT 400 million (€97,100), increasing the simplified regime threshold to MNT 2.5 billion (€600,000), and easing taxation for individuals and self-employed workers.

### SOE reform

- In July 2026 the government signed a memorandum of understanding with Franklin Templeton to support SOE reform and prepare certain firms for potential domestic and international listings through a national investment fund.
- The reform aims to improve SOE governance, transparency, profitability and investment readiness ahead of any potential market offering.

### Amendments to the draft Minerals Law

- Long-awaited amendments to the Minerals Law were approved by parliament in October 2026.
- The reforms will modernise the mining sector framework by simplifying exploration licensing, strengthening the regulation of critical minerals and mineral processing, and increasing local revenue sharing. Together, the measures aim to attract investment, revive exploration activity and enhance the sector's contribution to local development.

### Energy security and renewable energy procurement

- In spring 2026 the government adopted a resolution to reduce dependence on imported fuel and energy by developing five solar power plants with battery storage, for a combined capacity of 220 MW of solar generation and 135 MW/440 MWh of storage. The projects are planned for completion ahead of the winter peak.
- The projects were awarded to the winning bidders through the country's first competitive renewable-energy auction in June 2026, without state budget financing, thus supporting private-sector participation in renewable generation.

1 From the fourth quarter of 2025 to October 2026.

**Wastewater recycling plant**

- In March 2026 the country's first large-scale wastewater recycling plant began operations, processing up to 50,000 cubic metres per day for use by Ulaanbaatar's thermal power plants, reducing their reliance on groundwater and enhancing the capital city's water security.



# TAJIKISTAN





## HIGHLIGHTS

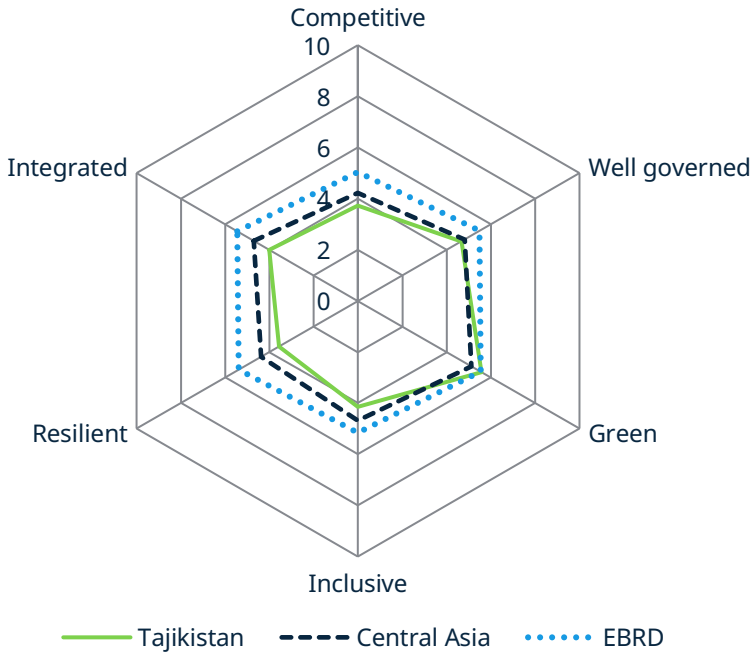
- **Economic growth has maintained robust momentum.** Real gross domestic product (GDP) grew 8.2 per cent year on year in the first half of 2026, primarily driven by the services sector, although a contraction in mining tempered overall economic performance.
- **The new State Investment Programme (2026-30) is being implemented.** It aims to promote private-sector participation through public-private partnerships (PPPs), special economic zones and investment incentives to support long-term economic development.
- **The government approved the Telecommunications Development Strategy to 2040.** The strategy expands digital infrastructure and affordable high-speed internet access in a phased approach, including closing connectivity gaps by 2030 and building a fully integrated digital economy by 2040.

*For more information about country macroeconomic developments, please consult our latest Regional Economic Prospects report.*

## KEY PRIORITIES FOR 2027

- **Strengthen digital connectivity to support technology adoption, attract private investment and help narrow regional development gaps.** Ambitious plans to develop digital services, artificial intelligence and smart technologies are being constrained by limited internet penetration and uneven network quality, particularly in rural areas. Expanding broadband infrastructure and improving access to reliable high-speed internet would help to address these gaps.
- **Streamline the regulatory and investment framework in the mining sector to support the development of critical minerals.** Home to significant deposits of strategic minerals, Tajikistan could unlock its largely untapped resource potential and attract greater private investment with a stable regulatory environment, transparent licensing procedures and a predictable tax regime.
- **Continue to prioritise fiscal sustainability.** Prudent budget management and energy-sector reforms will support long-term growth, while greater energy self-sufficiency by 2027 should build resilience. Staying on track with competitive solar energy auctions will help to attract foreign direct investment, diversify energy sources and support sustainable economic development.

## ASSESSMENT OF TRANSITION QUALITIES (1-10)




*For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.*

## KEY REFORMS AND POLICY DEVELOPMENTS[1]

**State Investment Programme for 2026-30**

- Approved in December 2025, the programme envisages 864 projects worth US$ 15.7 billion (€13.3 billion), with energy and transport accounting for almost two-thirds of planned investment. It aims to mobilise domestic and foreign financing for priority development projects, address infrastructure gaps, strengthen energy and transport connectivity, and support long-term economic development.

1 From the fourth quarter of 2025 to October 2026.

- The authorities are also seeking to expand private-sector participation through PPPs, special economic zones and investment incentives, helping to attract additional funding for priority infrastructure projects. For the first time, the focus is shifting beyond energy investments to social sectors, including health and education.

**Power Sector Development Programme for 2026-30**

- Approved in December 2025, the programme aims to bolster the country's energy security and support its ambition to become a major regional electricity exporter by increasing electricity generation capacity by 2,680 MW, modernising transmission infrastructure and expanding electricity exports to 5 billion kWh per year.
- Priorities include construction of the Rogun hydropower plant, the rehabilitation of existing hydropower assets, the development of solar and wind projects, and greater digitalisation and reinforcement of the power grid.

**Renewable Energy Action Plan for 2026-27**

- Introduced in April 2026, the plan forms part of the broader 2023-27 Renewable Energy Programme. It focuses on expanding clean energy infrastructure and improving electricity access, particularly in remote areas, including by commissioning small hydro, solar and wind plants and village electrification projects.
- It also includes private-sector-led solar development in Dushanbe, as well as research initiatives, capacity building to support renewable integration and innovation, and skills training for workers.

**Telecommunications Development Strategy to 2040**

- The strategy, approved in May 2026, aims to expand digital infrastructure, improve access to affordable high-speed internet and reduce digital inequality while supporting the integration of digital services across the economy.
- It will be implemented in three stages: to 2030, focusing on basic infrastructure and closing access gaps; to 2035, prioritising the introduction of advanced technologies and the expansion of digital services; and to 2040, focusing on building a fully integrated and globally connected digital economy.

**Privatisation agenda**

- The authorities are preparing a new privatisation programme for selected large state-owned enterprises to increase private-sector participation, attract investment, improve operational efficiency and reduce the fiscal risks associated with state ownership.
- Private capital could be mobilised through partial divestments, PPPs, bond issuance and other investment mechanisms aimed at strengthening corporate governance and commercial performance.



# TURKMENISTAN





## HIGHLIGHTS

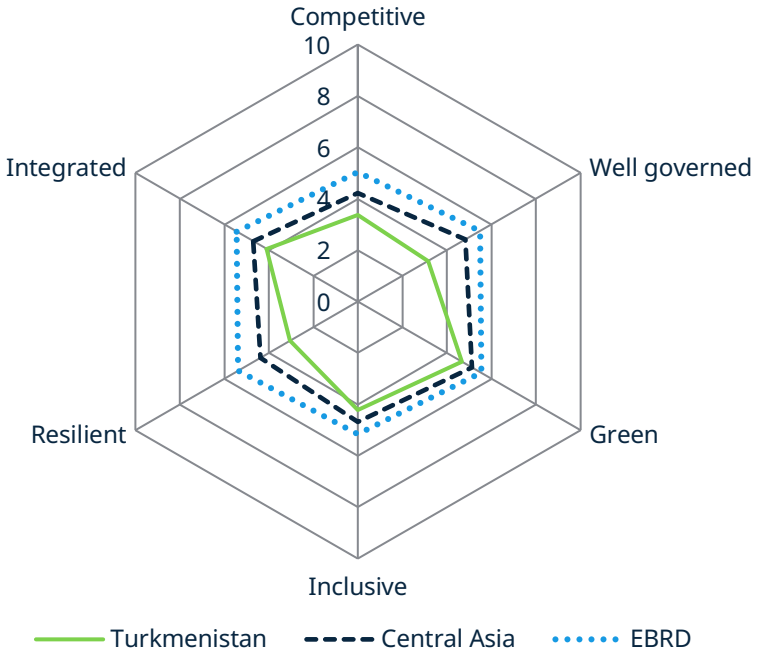
- **Economic growth remains strong and is on course to reach the government's target of 6.3 per cent in 2026, according to official statistics.** Public investment, especially in housing, natural resources and manufacturing, remains the main driver of growth, while low taxes and input costs continue to support private-sector expansion.
- **Turkmenistan's digital transformation is gathering pace** thanks to the 2026-28 Digital Economy Programme, which aims to boost digital adoption by fostering innovation, skills development and the use of artificial intelligence (AI).
- **Expansion of the hydrocarbon sector remains a key driver of economic growth.** New agreements with China National Petroleum Corporation (CNPC) on the fourth phase of the Galkynysh gas field and with Malaysia's Petronas on offshore Caspian blocks are expected to boost production capacity and encourage further upstream investment, reinforcing the sector's pivotal role in the economy.

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## KEY PRIORITIES FOR 2027

- **Prioritise the commercialisation of the banking sector.** Gradually reducing state-directed and state-financed lending would strengthen market-based incentives, encourage deposit mobilisation, improve underwriting standards, accelerate digitalisation and expand access to finance for private businesses. Better capital allocation would help raise investment, productivity and economic diversification.
- **Diversify natural gas exports and utilisation to boost economic resilience.** Efforts should continue to expand export capacity towards southern and western markets while increasing the use of gas in power generation and the production of higher-value products, including fertilisers, fuels and polymers. This would reduce the country's dependence on a limited number of export markets and increase domestic value added.
- **Modernise railway infrastructure and link it to the new China-Kyrgyzstan-Uzbekistan railway to unlock Turkmenistan's potential as a regional transit hub.** Combined with improvements in border management and trade facilitation measures, rail investments would lower transport costs and encourage private investment in logistics and transport services, strengthening competitiveness and regional integration.

## ASSESSMENT OF TRANSITION QUALITIES (1-10)




*For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.*

## KEY REFORMS AND POLICY DEVELOPMENTS[1]

**Development of the digital economy**

- In early 2026 the country approved the State Programme for the Development of the Digital Economy for 2026-28 and an accompanying action plan, aiming to expand digital tools across the economy, introduce innovative technologies, develop a national AI strategy and strengthen digital skills.

1 From the fourth quarter of 2025 to October 2026.

- The authorities also announced banking-sector digitalisation measures, including fintech development and information and communications technology upgrades at the central bank and selected state-owned commercial banks.

**The Ashgabat-Turkmenabat highway**

- In April 2026 the country completed the 600 km Ashgabat-Turkmenabat highway with the opening of the Mary-Turkmenabat section, strengthening road connectivity from the capital towards Uzbekistan.

**Digital customs**

- In July 2026 Turkmenistan and Azerbaijan piloted the eTIR electronic customs data exchange for transit cargo on the Azerbaijan-Turkmenistan-Uzbekistan and Turkmenistan-Azerbaijan-Türkiye routes. The system simplifies border procedures, reduces paperwork and improves efficiency on the European-Central Asian corridor.

**Data quality**

- In June 2026 the country signed a World Bank advisory agreement to enhance the quality of national statistics. This includes aligning the country's compilation methodology with System of National Accounts 2025 standards and improving gross domestic product (GDP) measurement.
- The initiative also covers digital data collection, price and purchasing-power statistics, staff training and pilot surveys to improve economic data quality.

**Upstream hydrocarbon production**

- In April 2026 Turkmengaz and China's CNPC signed a contract for the design, construction and commissioning of the fourth phase of the Galkynysh gas field, one of the world's largest gas deposits. The project is expected to add 10 billion cubic metres of annual commercial gas production capacity, reinforcing the country's gas cooperation with China.
- In June 2026 Malaysia's Petronas signed a production-sharing agreement with the Turkmennebit state oil concern and Hazarnebit state-owned oil enterprise for offshore blocks 19 and 20 in Turkmenistan's Caspian sector, with an agreement to conduct 2D seismic studies on further northern offshore blocks. The agreements expand Petronas's upstream presence, with exploration activities reportedly set to start in December 2026.



# UZBEKISTAN





## HIGHLIGHTS

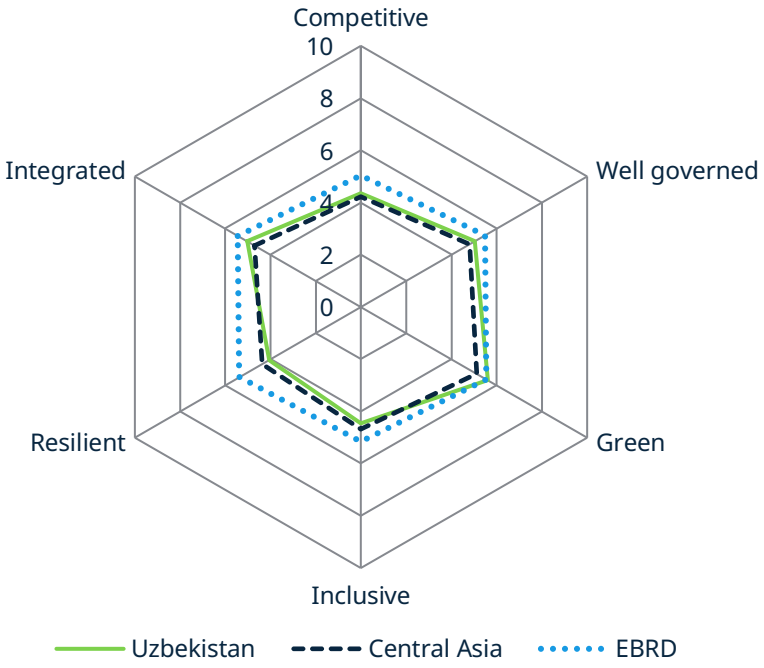
- **The economy continues to grow strongly.** Real gross domestic product (GDP) growth accelerated to 8.5 per cent year on year in the first half of 2026, driven by robust domestic demand and the continued expansion of the services sector.
- **Capital market and financial sector reforms gained momentum.** The country completed its first dual London-Tashkent listing with the initial public offering (IPO) of the National Investment Fund of Uzbekistan (UzNIF). Capital market and banking sector reforms were also advanced with a view to supporting financial-market development, diversifying financing instruments and improving the investment environment.
- **Energy sector reforms and investments have progressed.** The country adopted a more ambitious climate target in its updated Nationally Determined Contribution (NDC 3.0) and introduced a new tariff-setting framework for electricity and gas.

*For more information about country macroeconomic developments, please consult our latest Regional Economic Prospects report.*

## KEY PRIORITIES FOR 2027

- **Deliver the privatisation programme in line with the announced timetable.** The UzNIF IPO saw strong investor appetite. However, several planned privatisations have been delayed and state-owned banks continue to account for nearly two-thirds of banking-system assets. Strengthening sector regulation, reforming infrastructure monopolies and reducing directed lending would help to ensure that privatisation translated into greater competition and efficiency.
- **Carefully sequence the launch of the Tashkent International Financial Centre (TIFC).** Clear regulatory boundaries and effective coordination with domestic regulators will be essential to attract new international investment and avoid regulatory and tax arbitrage.
- **Reduce reliance on commodity revenues.** Fiscal revenues remain heavily influenced by commodity prices, leaving public finances exposed to volatility and raising the risk of procyclical spending. Strengthening fiscal buffers in periods of strong economic performance and better targeting of tax incentives would enhance resilience.

## ASSESSMENT OF TRANSITION QUALITIES (1-10)




*For more on reforms and transition qualities, see Chapter 5 of the Transition Report 2026-27.*

## KEY REFORMS AND POLICY DEVELOPMENTS[1]

### UzNIF IPO

- In May 2026 the country completed its first dual listing on the London and Tashkent stock exchanges in the form of UzNIF's IPO, managed by Franklin Templeton. The state sold 31 per cent of the national fund for about US$ 600 million (€513.7 million), valuing it at almost US$ 2 billion (€1.7 billion).

1 From the fourth quarter of 2025 to October 2026.

**Capital market and financial sector reforms**

- In July 2026 a new Capital Market Law passed the first reading of the lower house of parliament. The draft law aims to strengthen investor protections, introduce new instruments and align key elements of the legal framework for capital markets with international standards.
- Effective June 2026, the country's Islamic Banking Law creates a legal framework for Islamic banking and Shariah-compliant finance. It also establishes an Islamic Finance Council under the central bank.

**Tashkent International Financial Centre**

- In July 2026 the government adopted the Constitutional Law "On the Tashkent International Financial Centre" establishing the TIFC, which will operate under English common law, with an independent commercial court, arbitration mechanisms and tax incentives that run to 2076.

**Tax reform**

- In May 2026 President Shavkat Mirziyoyev signed a decree to modernise the country's tax administration through greater digitalisation, including the use of artificial intelligence (AI), enhanced taxpayer services and a strengthened risk-based compliance management framework. The reform aims to improve voluntary compliance and tax-collection efficiency.
- The same month, the government adopted a separate decree to support small business growth by raising the value-added tax (VAT) threshold from UZS 1 billion (€71,240) to UZS 5 billion (€356,200), simplifying VAT administration and reducing the compliance burden for small and medium-sized enterprises.

**Energy tariffs**

- In 2026 the country transitioned to a regulatory asset base methodology for electricity and natural gas tariffs. The reform links tariffs to regulated assets, operating costs and investment requirements, aiming to improve pricing transparency, strengthen utility finances and attract investment**.**

**Climate commitments**

- In November 2025 the authorities submitted Uzbekistan's NDC 3.0. It sets a new target of cutting the intensity of the country's greenhouse gas emissions by 50 per cent by 2035, relative to 2010 levels – this is up from 35 per cent by 2030.

**Agrifood investment platform**

- In June 2026 the country launched the ANORA and national agrifood investment platform, developed with the EBRD and the Ministry of Agriculture of Uzbekistan, and based on a roadmap produced by the Food and Agriculture Organization. The platform aims to support implementation of agricultural reforms and mobilise up to US$1.5 billion (€1.3 billion) in sustainable investment by 2030. It is also designed to strengthen the sector's institutional and regulatory framework, improve access to finance and facilitate private investment in climate-resilient agriculture.