

## Privatization effectiveness considered



On July 1, President Shavkat Mirziyoyev chaired a videoconference to discuss the effectiveness of the activities carried out and further priority tasks in the privatization of state assets.

Privatization is one of the important economic measures that provide budget revenues and serves as the basis for new investment projects, job creation and the production of value-added products. The availability of land, buildings and infrastructure is a prerequisite for the development of entrepreneurship.

Therefore, the issue of privatization has been identified as one of the key areas of economic reforms. Work is underway to reduce the number of enterprises with a state share at least 3 times in the current and next years. These transformations are widely recognized by the world's authoritative experts and media.

On 27 October 2020, the Decree of the President of the Republic of Uzbekistan "On measures to accelerate the reform of enterprises with the participation of the state and the privatization of state assets" was adopted. In the first half of this year, 478 state property buildings were sold for 1 trillion 100 billion UZS.

However, much remains to be done. In particular, 288 out of 556 buildings designated for sale have not yet been put up for auction. In addition, 511 buildings at the disposal of enterprises and banks with state participation, which are not related to their main activities, have not yet been sold.

The tasks of effectively organizing the privatization process, simplifying the procedures for participating in auctions and expanding access to them were discussed at the meeting.

It was noted that this year more than 900 state-owned buildings will be put up for sale. The practice of selling state property at a starting price of "1 UZS", the sale of land plots with an investment obligation will be canceled. Buildings will be put up for electronic auction at the market price.

The fee for participation in the online auction will be abolished, and the costs of entrepreneurs for

electronic registration will be covered by the State Assets Management Agency. When buying real estate at auction, the payment period will be extended from the current 5 days to 15 days.

A procedure will be introduced according to which the sale and lease of buildings and vehicles of organizations with a state share of more than 50 percent will be carried out only through an electronic auction.

Responsible persons were instructed to develop a draft resolution providing for this new procedure.

The necessity of putting up for sale the state shares in 13 large real estate objects in Tashkent and 11 industry enterprises with the involvement of foreign consultants was emphasized.

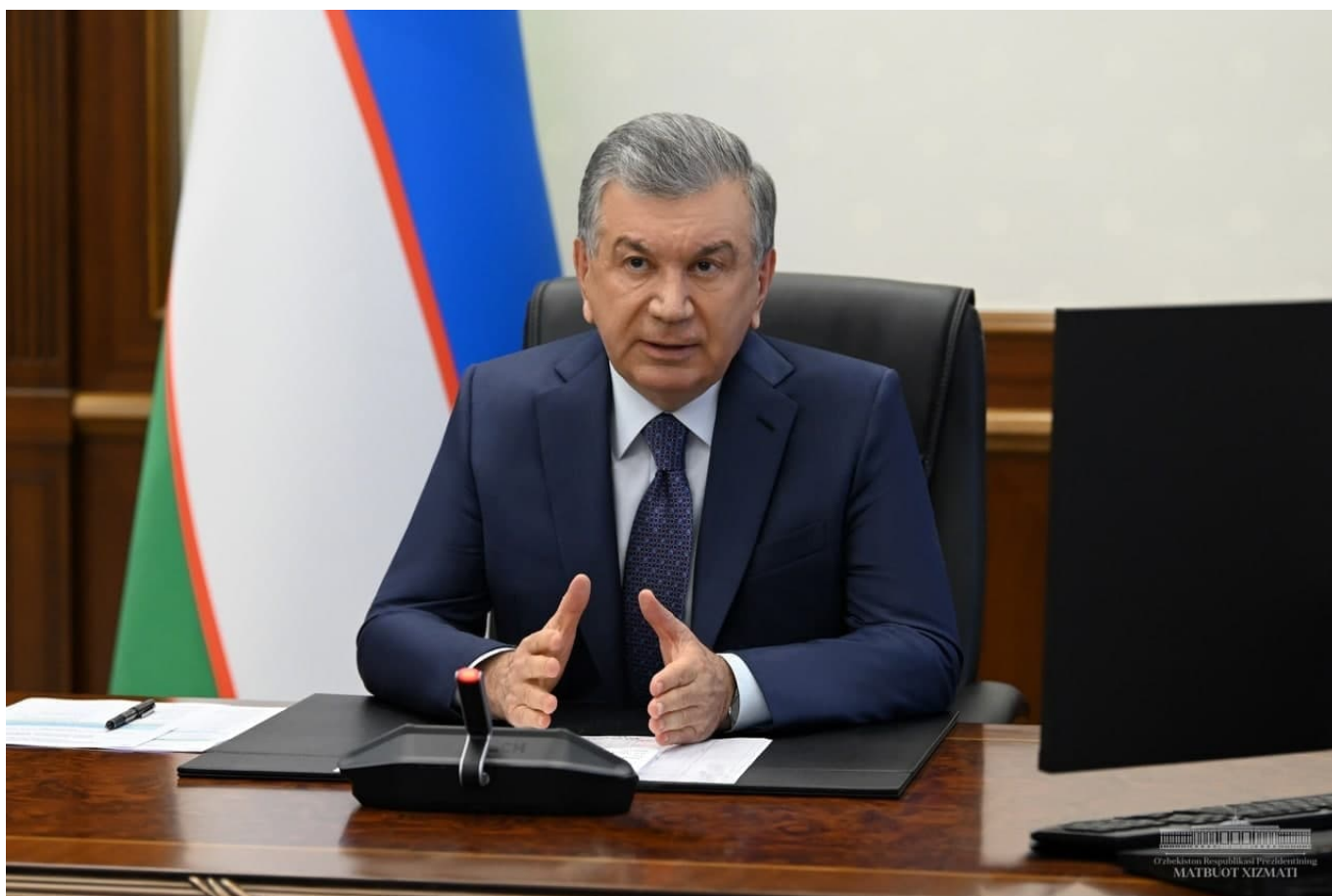
Hokims of regions, districts and cities were instructed to put up for sale 154 abandoned buildings under their jurisdiction within a month.

The share of funds remaining at the disposal of the regions after the sale of property put up for auction by hokimiyats will be increased from 73 to 87 percent. These funds will be distributed between the regional and district (city) budgets.

The State Assets Management Agency was instructed to re-conduct a full inventory of non-core and empty facilities of enterprises and banks with the participation of the state and prepare them for privatization.

Proposals for financial rehabilitation and modernization of idle or unprofitable enterprises were discussed.









Source