

XII. PRIVATIZATION OF ENTERPRISES AND ORGANIZATIONS

Privatization is the acquisition from the state by individuals and non-state legal entities of public property or shares of state joint-stock companies.

According to the Agency for State Asset Management of the Republic of Uzbekistan, in January-September 2023, 681 enterprises and objects (hereinafter referred to as objects) were privatized (including program and non-program objects).

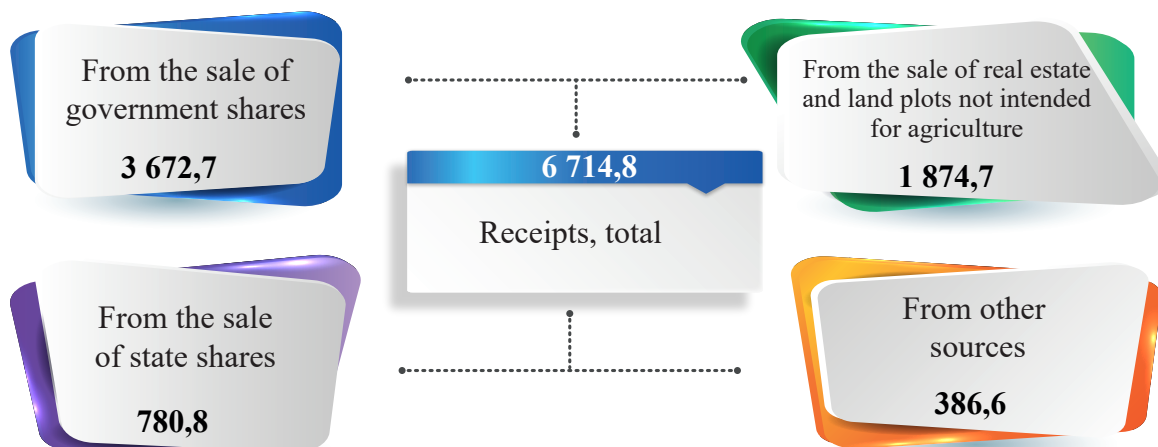
Main privatization indicators (for January-September 2023)

	<i>Number of privatized enterprises and facilities</i>		<i>Receipt of funds from the sale of state assets</i>	
	<i>units</i>	<i>% to total</i>	<i>billion soums</i>	<i>% to total</i>
Republic of Uzbekistan	681	100,0	6 714,8	100,0
Republic of Karakalpakstan	44	6,5	37,0	0,6
<i>regions:</i>				
Andijan	55	8,1	37,9	0,6
Bukhara	49	7,2	51,1	0,8
Jizzakh	33	4,8	44,9	0,7
Kashkadarya	47	6,9	50,4	0,8
Navoi	38	5,6	33,5	0,5
Namangan	40	5,9	36,7	0,5
Samarkand	47	6,9	84,6	1,3
Surkhandarya	41	6,0	33,8	0,5
Syrdarya	27	4,0	15,7	0,2
Tashkent	97	14,2	275,8	4,1
Fergana	73	10,7	103,7	1,5
Khorezm	59	8,7	59,1	0,9
Tashkent city	31	4,6	769,4	11,5
CA Agencies	-	-	5 081,1	75,7

In the reporting period, the largest number of objects were privatized in Tashkent region – 97 objects (14.2% of the total number of privatized objects in the republic), Fergana region – 73 objects (10.7%), Khorezm region – 59 objects (8.7%) and Andijan region – 55 objects (8.1%).

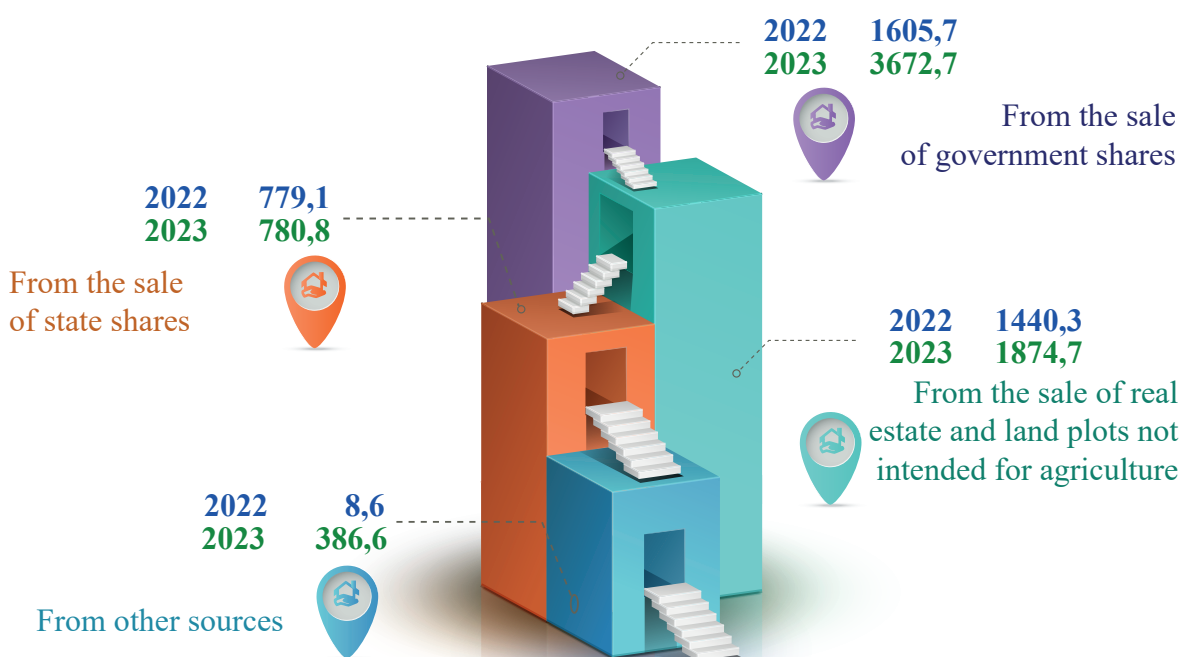
Privatization of a land plot is the alienation of a non-agricultural land plot that is state-owned, owned by citizens and (or) legal entities of the Republic of Uzbekistan.

**Receipts to the Fund for the Management, Transformation and Privatization
of State Assets for January-September 2023, billion soums**



Denationalization is the transformation of state-owned enterprises and organizations into business partnerships and societies, other enterprises and organizations that are not publicly owned.

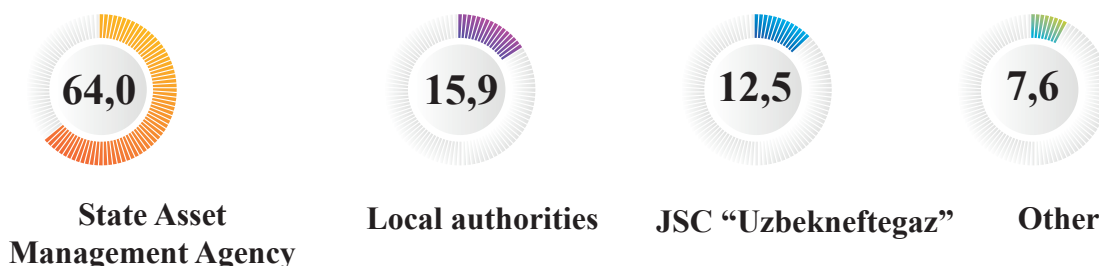
Receipts to the Fund for the Management, Transformation and Privatization of State Assets, billion soums (for January-September 2022-2023)



In January-September 2022, the total amount of funds received by the Fund for the Management, Transformation and Privatization of State Assets amounted to 3 833.7 billion soums, and for the same period in 2023 this figure amounted to 6 714.8 billion soums and, compared to the previous year, increased by 1.8 times.

In January-September 2023, the smallest share of revenues came from other sources and amounted to 5.8% of total revenues.

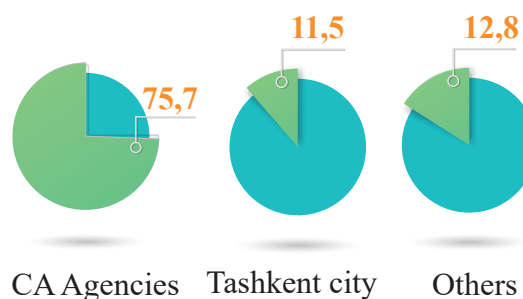
**Structure of privatized state property by ministries and departments
for January-September 2023 (% of total)**



In the structure of privatized state property, the largest share falls on the objects of the Agency for Management of State Assets – 436 objects (64.0% of the total number of objects privatized in the republic), local authorities – 108 objects (15.9%) and "Uzbekneftegaz" JSC – 85 objects (12.5%).

Proceeds from the sale of state assets in January-September 2023 amounted to 6 714.8 billion soums.

(In a territorial context, the largest portion of revenues from the sale of state assets falls on the Agency's CA (75.7% of all revenues), Tashkent city (11.5%), Tashkent (4.1%), Fergana (1.5%), Samarkand (1.3%), Khorezm (0.9%), Bukhara (0.8%) and Kashkadarya (0.8%) regions.



In order to effectively use the state non-residential stock, in January-September 2023, 20,072 lease agreements for state property were concluded.

As a result, 6.3 thousand new jobs were created.

A total of 226.2 billion soums were received from the lease of state property.

In a territorial context, the largest portion of revenues from the rental of state property falls on the city of Tashkent (41.8% of all revenues), Tashkent (7.4%), Khorezm (7.2%), Bukhara (5.4%) and Samarkand (5.1%) region.

Trades in state-owned real estate (auctions) organized by a seller or real estate organization, as well as a specialized organization that provides services for organizing and conducting auctions and competitions, including in electronic form in the manner established by the Cabinet of Ministers of the Republic of Uzbekistan, are auctions for the sale of state-owned real estate objects.

The buyer is a non-state legal entity or individual (resident or non-resident of the Republic of Uzbekistan) who has entered into a purchase and sale agreement with the seller for a state-owned real estate property (hereinafter referred to as the purchase and sale agreement) in accordance with current legislation.

Explanations of statistical indicators

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Investment obligations obligations to make investments in a state-owned real estate object, accepted by the buyer when selling a state-owned real estate object, having a monetary value and carried out in forms that do not contradict legislation.

Social obligations are obligations assumed by the buyer when selling a state-owned property that do not have a monetary value and are carried out in forms that do not contradict the law.

An auction is a form of bidding by determining the buyer on a competitive basis, in which the right to conclude a purchase and sale agreement for a state-owned real estate property is given to the participant who offers the highest price for it. Auctions can be open or closed.

The balance holder is a legal entity to which the state real estate object being sold is assigned.

The starting price is the price set by the seller for putting up a state-owned property for auction.

State real estate objects property complexes (enterprises), buildings and structures, unfinished construction objects that are in state ownership.

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An online electronic auction is a method of conducting electronic trading in the form of an auction, in which non-agricultural land plots are sold on a specialized electronic trading platform on the Internet on the basis of equal access to the auction for potential buyers.