# THE WAVERLEY SERIES

# UZBEKISTAN

*An Insight of Investment, Trade and Economy*

September 2026

For Advisory & Partnership

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## UZBEKISTAN — AT A GLANCE

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| **Capital** | Tashkent |
| **Population** | ≈ 37–38 million (2026 est.) |
| **Real GDP growth** | 7.7% (2025, ADB); 8.5% year-on-year recorded in H1 2026 on official figures; ADB projects 6.7% for full-year 2026 and 6.8% for 2027 |
| **GDP per capita** | Economy on track to exceed $180 billion in nominal size this year, well above the $100 billion target originally set for 2026 |
| **Inflation** | Being actively managed within the government's continued macroeconomic stabilisation programme; official focus has shifted toward household-income growth for the remainder of 2026 |
| **Fiscal position** | Supported by a fixed-capital investment boom of roughly UZS 338.9 trillion (≈ USD 28.3 billion) in H1 2026, up 17.5% year-on-year |
| **Credit ratings** | Moody's upgraded to Ba2 from Ba3 in June 2026; Fitch affirmed BB and revised its outlook from stable to positive |
| **Currency** | Uzbek som (UZS) |
| **Key exports** | Gold, cotton, textiles and apparel, natural gas, copper |
| **Principal partners** | China, Russia, South Korea, European Union, United States; CIS, SCO, ADB, EBRD |
| **Governing framework** | 2017 reform programme (foreign-exchange liberalisation, trade opening, privatisation, monetary reform); WTO accession targeted for 2026; new Tashkent International Financial Centre under an English-law special regime |

Uzbekistan enters the final quarter of 2026 as one of the most consistently strong growth stories in this series, having posted 8.5% year-on-year GDP growth in the first half of the year, secured back-to-back credit rating upgrades, and completed a landmark $604 million London and Tashkent dual listing for its national investment fund. A wave of strategic-partnership agreements with Serbia, Georgia and South Korea, alongside a first-ever Central Asia-Republic of Korea summit, points to genuinely broadening diplomatic and commercial reach. Set against this: President Shavkat Mirziyoyev's own government has publicly flagged real implementation gaps, from special economic zones that have not exported at all this year to a paused initial public offering for the country's flagship gold producer, a reminder that the headline growth figures sit atop a transformation still working through genuine structural unevenness.

## 1. INVESTMENT & FDI

### *A genuine fixed-capital investment boom is running alongside a landmark capital-markets debut and one prominently paused flagship IPO.*

Uzbekistan's fixed-capital investment reached roughly UZS 338.9 trillion (approximately $28.3 billion) in the first half of 2026, up 17.5% year-on-year and more than twice the pace of GDP growth, with foreign investment and non-guaranteed foreign loans accounting for the large majority of the total. The clearest capital-markets milestone came in May, when the Uzbekistan National Investment Fund (UzNIF), managed by Franklin Templeton, completed a dual listing in London and Tashkent, raising $604 million through the sale of a 31% stake in an offering oversubscribed three times over — the first international share offering by an Uzbek company.

- **Fixed-capital investment boom:** the UZS 338.9 trillion (≈$28.3 billion) invested in H1 2026, growing more than twice as fast as GDP, reflects a highly coordinated national development strategy pairing state capital with foreign financing and non-guaranteed loans.
- **UzNIF's landmark listing:** the $604 million dual listing, oversubscribed three times, was described locally as a defining moment for Uzbekistan's capital markets and is intended as a template for further state-enterprise privatisations, including SQB and Asaka banks and Uzbekneftegaz.
- **Navoi Mining IPO paused:** plans to list up to 5% of Navoi Mining and Metallurgical Combine, one of the world's four largest gold producers, on the London and Tashkent exchanges remain paused since May 2026, with elevated gold prices raising the opportunity cost of diluting a highly profitable, wholly state-owned asset — a reminder that not every headline privatisation is proceeding on its original timeline.
- **Investment Forum scale:** the fifth Tashkent International Investment Forum drew more than 8,300 participants from 100 countries, including heads of state, underscoring the sheer scale of international investor attention Uzbekistan has attracted in 2026.

## 2. TRADE & BUSINESS

### *Textile exports are surging even as the president's own government has flagged real implementation gaps across special economic zones.*

Uzbekistan's textile and apparel exports rose 25% year-on-year in the first half of 2026 to $1.6 billion, with the sector's trade balance improving nearly 30% to $1.2 billion, genuinely strong performance against a 2026 government target of $3.3-4 billion in full-year textile exports. Overall six-month investment reached roughly €24.6 billion with exports around €12.7 billion. Yet a September meeting chaired by President Mirziyoyev candidly acknowledged significant unevenness beneath these totals: imports exceeded exports by a combined $5.6 billion across five regions in 2025, 29 of the country's 47 special economic zones have not exported anything since the start of the year, and 16 textile enterprises remain effectively idle due to protracted loan-related litigation, costing the country an estimated 5 trillion soum in lost production and $400 million in lost exports.

- **Textile export growth:** the 25% year-on-year rise in H1 2026 textile and apparel exports, alongside a widening trade surplus in the sector, represents genuine momentum toward the government's $3.3-4 billion full-year export target.
- **Acknowledged regional and SEZ gaps:** the president's own September review disclosed that 29 of 47 special economic zones have exported nothing this year and that five regions ran a combined $5.6 billion import-export gap in 2025, a candid acknowledgement that investment promotion has not yet translated evenly into export performance nationwide.
- **Idle enterprises from unresolved litigation:** 16 textile enterprises remaining non-operational due to loan-related legal disputes, at a cost the government itself estimates at $400 million in lost exports, illustrates a concrete, near-term resolvable obstacle rather than a structural weakness.
- **Services-led broader growth:** services expanded 16.9% in H1 2026, supported by trade, logistics, digital services and tourism, reinforcing the structural shift away from agriculture that has defined Uzbekistan's economy since the 2017 reform programme began.

# 3. MAJOR ECONOMIC DEVELOPMENTS

### *Growth remains among the fastest in the world and credit ratings are rising, even as the president has instructed officials to address uneven implementation.*

Uzbekistan's economy grew 8.5% year-on-year in the first half of 2026, according to official figures presented at a meeting chaired by President Mirziyoyev, following an exceptionally strong 7.7% expansion in full-year 2025 that outperformed earlier forecasts. Growth remained broad-based: services expanded 16.9%, construction 13.8%, industry 8% and agriculture 4.7% in the first half of the year. Moody's upgraded Uzbekistan's sovereign credit rating to Ba2 from Ba3 in June 2026, while Fitch affirmed its BB rating and revised the outlook from stable to positive, together marking some of the country's strongest credit-rating momentum in years.

- **Broad-based, accelerating growth:** 8.5% year-on-year GDP growth in H1 2026, following 7.7% for full-year 2025, reflects sustained momentum across services, construction, industry and agriculture simultaneously rather than a single-sector spike.
- **Credit rating upgrades:** Moody's Ba2 upgrade and Fitch's improved outlook together represent Uzbekistan's most significant credit-rating momentum in recent years, directly reducing the country's cost of external borrowing.
- **A genuine structural transformation:** agriculture's share of gross value added has fallen from 27.3% in 2017 to 17.3% in 2025, as faster industry and services growth reshaped the economy's composition, a durable trend the Ministry of Economy and Finance attributes directly to the reform programme launched that year.
- **Presidential instruction on implementation gaps:** despite the strong headline figures, the presidency has explicitly directed officials to address barriers in certification, working-capital access, logistics and market entry abroad, and to focus specifically on household incomes for the remainder of 2026 — an unusually candid acknowledgement that growth has not yet been felt evenly.

# 4. MAJOR PROJECTS & INFRASTRUCTURE

### *Large-scale renewable energy and cross-border connectivity projects anchor Uzbekistan's infrastructure pipeline.*

- **Karakalpakstan wind power:** a $2.6 billion wind power project in Karakalpakstan entered an active construction phase in September 2026, including new grid infrastructure, representing one of Central Asia's largest renewable-energy investments currently underway.
- **CAREC border modernisation:** the Asian Development Bank approved a $400 million financing facility in August 2026 to modernise borders and facilitate trade across the Central Asia Regional Economic Cooperation region, directly relevant to Uzbekistan's logistics and connectivity ambitions.
- **Trans-Afghan railway feasibility:** Uzbekistan, Pakistan and Afghanistan signed a tripartite framework agreement to conduct a feasibility study for the Trans-Afghan railway, a project that would open a new southern trade corridor for landlocked Uzbekistan if it proceeds.
- **Tashkent International Financial Centre:** announced at the fifth Tashkent International Investment Forum, the centre will operate under a special legal regime based on English law with significant tax incentives, positioning Tashkent as a prospective regional financial hub.

# 5. CONFERENCES, FORUMS & EXHIBITIONS

### *The Tashkent International Investment Forum has become Central Asia's most significant investment-promotion gathering.*

- **Fifth Tashkent International Investment Forum:** more than 8,300 participants from 100 countries attended, including heads of state, where President Mirziyoyev outlined six priorities for Uzbekistan's next development phase: investor protections, capital-market expansion, strategic-industry investment, green energy and AI, transport connectivity, and large-scale urban development.
- **Central Asia-Republic of Korea Summit:** held in Seoul in September, the first summit of its kind brought together Central Asian leaders and South Korea's president, producing Uzbekistan's $12 billion bilateral investment portfolio alongside broader regional cooperation commitments.
- **SCO Council of Heads of State:** President Mirziyoyev's participation in the Shanghai Cooperation Organisation summit in Bishkek, alongside the leaders of Kazakhstan, Kyrgyzstan and Tajikistan, reinforced Uzbekistan's continued engagement with the region's principal multilateral security and economic forum.

## 6. BUSINESS & INVESTMENT EVENTS

### *A wave of strategic-partnership signings this quarter has positioned Uzbekistan as an increasingly connected diplomatic and commercial hub.*

- **Serbia strategic partnership:** President Mirziyoyev's first official visit to Belgrade produced 20 signed agreements spanning transport, energy, digitalisation and labour mobility, an industrial cooperation action plan for 2026-2028, and support for the Middle Corridor trade route linking Central Asia to Europe.
- **Georgia strategic partnership:** signed in Tbilisi in July, the agreement covers customs cooperation, ICT and digitalisation, vocational and higher education, and a bilateral government cooperation programme for 2026-2027.
- **EU Team Europe regional mission:** on 15 September, the EU Ambassador and representatives of several member states began a mission to Uzbekistan's Fergana and Namangan regions specifically to extend European economic and development cooperation beyond Tashkent.

## 7. GOVERNMENT & INTERNATIONAL PARTNERSHIPS

### *Uzbekistan is simultaneously deepening ties across Europe, East Asia, its immediate region and the United States.*

- **South Korea:** the Seoul summit produced a $12 billion investment portfolio and five priority cooperation areas — trade, investment, critical minerals, transport and infrastructure — alongside continued growth in the more than 700 Korean joint ventures already operating in Uzbekistan.
- **United States:** growing US-Uzbekistan trade and investment ties, reinforced by engagement from the US special envoy for South and Central Asia, reflect Washington's continued interest in deepening commercial ties with Tashkent.
- **Tajikistan:** the first meeting of the Uzbekistan-Tajikistan Supreme Interstate Council produced a joint statement deepening strategic partnership and allied relations, alongside sector-specific cooperation plans in industry, mining and tourism through 2028.
- **EBRD:** the European Bank for Reconstruction and Development's Uzbekistan portfolio has grown to €880 million across 39 projects, reflecting continued multilateral development-finance engagement alongside the bilateral partnerships described above.

## 8. SME & PRIVATE-SECTOR DEVELOPMENTS

### *Preferential financing and export-support programmes aim to extend the investment boom to smaller textile and technology enterprises.*

The government has allocated $200 million in preferential loans specifically to replenish textile-sector working capital, alongside a financial-recovery programme for 138 enterprises and plans to bring a further 100 companies into export activity for the first time, directly targeting the implementation gaps described in Section 2. In the technology sector, IT Park Uzbekistan continues actively expanding international partnerships, including new cooperation with Germany's IT ecosystem and South Korea's KISED on startup development, while also removing 105 non-performing companies from its register in September alone, a sign of active portfolio management rather than passive growth.

- **Textile-sector working capital support:** the $200 million preferential loan programme, combined with financial recovery for 138 enterprises, represents a direct, government-funded response to the sector-specific gaps identified in the president's own September review.
- **Technology-sector startup ecosystem:** Uzbekistan's Spaceborne startup reaching the finals of the Constructor Start Demo Day, selected from over 2,100 applicants, illustrates genuine depth developing in the country's technology entrepreneurship pipeline beyond its traditional resource and textile sectors.

## 9. NEW INVESTMENT OPPORTUNITIES / PROJECTS ANNOUNCED

### *Renewable energy, capital markets and critical minerals offer the clearest near-term openings for new capital.*

- **Karakalpakstan wind power construction phase:** the $2.6 billion project's move into active construction, including new grid infrastructure, opens near-term opportunities for contractors, equipment suppliers and co-investors in Central Asian renewable energy.
- **Tashkent International Financial Centre:** the planned English-law special legal regime and associated tax incentives represent a genuinely new structural opening for international financial institutions considering a regional Central Asian base.
- **Further SOE privatisations:** following UzNIF's successful dual listing, planned public offerings for SQB and Asaka banks and Uzbekneftegaz represent the next wave of Uzbek capital-markets opportunities, alongside Navoi Mining's eventual, currently paused, listing.
- **Critical minerals cooperation with South Korea:** identified as one of five priority areas in the new $12 billion bilateral investment portfolio, critical-minerals cooperation offers a concrete, newly formalised entry point distinct from Uzbekistan's traditional gold and cotton export base.

## SUMMARY ASSESSMENT

Uzbekistan in September 2026 remains one of the most consistently strong growth stories among the markets this series covers. GDP growth of 8.5% in the first half of the year, back-to-back credit rating upgrades, a landmark $604 million capital-markets debut for UzNIF, and a wave of new strategic partnerships with Serbia, Georgia and South Korea together point to a genuinely broadening, increasingly internationally engaged economy.

Set against that: the government's own September review disclosed that more than 60% of special economic zones have exported nothing this year, that five regions ran a combined $5.6 billion trade gap in 2025, and that 16 textile enterprises remain idle due to unresolved litigation. The Navoi Mining gold-producer IPO, once a flagship privatisation, remains paused indefinitely. These are not signs of an economy in difficulty — growth, investment and credit metrics all point the other way — but they are a genuinely honest reminder that Uzbekistan's transformation remains structurally uneven beneath its strong headline numbers.

For investors, the coming months offer concrete signals to watch: whether the $12 billion South Korean investment portfolio and the Karakalpakstan wind project convert diplomatic and financing momentum into disbursed capital, whether the Navoi Mining IPO timeline is eventually revived, and whether the specific, government-identified textile and special-economic-zone gaps close as the preferential financing programmes take effect.