

**RESOLUTION OF THE CABINET OF MINISTERS OF THE REPUBLIC OF
UZBEKISTAN ON AMENDMENTS AND ADDITIONS TO THE RESOLUTION OF
THE CABINET OF MINISTERS NO. 589 OF JULY 15, 2019 "ON THE PROCEDURE
FOR ORGANIZING THE ACTIVITIES OF THE TECHNOLOGICAL PARK OF
SOFTWARE PRODUCTS AND INFORMATION TECHNOLOGIES", AS WELL AS
THE REPEAL OF CERTAIN GOVERNMENT DECISIONS**

In accordance with the Decree of the President of the Republic of Uzbekistan dated October 5, 2020 № RP-6079 "On approval of the strategy "Digital Uzbekistan - 2030" and measures for its effective implementation", as well as to further improve the activities of the Technology Park of software products and information technology, improve the competitiveness of production and services in the field of information technology and create even more favorable conditions for their development, the Cabinet of Ministers decides:

1. To introduce amendments and additions to the Resolution of the Cabinet of Ministers of July 15, 2019 № 589 "On the procedure for organizing the activities of the Technological Park of software products and information technologies". (SP of the Republic of Uzbekistan, 2019, No. 7, Art. 163) according to the Annex No. 1.
2. To recognize as invalid some decisions of the Government according to the Annex No. 2.
3. Control over execution of this Decree shall be entrusted to O. M. Umarov, Advisor to the Prime Minister of the Republic of Uzbekistan - Head of the Department for IT, Telecommunications and Innovation Development, and Sh. M. Sadikov, Minister for Development of Information Technologies and Communications of the Republic of Uzbekistan.

**Prime Minister of the
Republic of Uzbekistan A. ARIPOV
Tashkent,
October 30, 2020**

№ 672

APPENDIX № 1**to the resolution of the Cabinet of Ministers of October 30, 2020 № 672**

Amendments and additions to the Resolution of the Cabinet of Ministers Decree No. 589 of July 15, 2019 "On procedure for organizing the activities of the Technological Park of software products and information technologies"

1. Paragraph 2 shall be revised to read as follows:

"2. To allow, with exception, the Directorate of the Technological Park of Software Products and Information Technologies (hereinafter referred to as the Directorate):

within the framework of its tasks to attract specialized specialists on a contractual basis as consultants, including foreign ones, without tenders (competitive bidding);

independently develop and approve staff schedule, determine conditions of remuneration and material incentives for employees of the Directorate differentially, depending on the complexity, quality and volume of work performed".

2. In the Regulation on the organization of the Technological Park of Software Products and Information Technologies (Annex):

(a) Paragraph 1 shall be amended to read as follows:

"The present Regulation determines the procedure for organization of activities of the Technological Park of Software Products and Information Technologies, registration and deprivation of legal entities of the resident status, application of tax and customs privileges granted to residents, tax privileges to the employees, who concluded labor contracts with residents, as well as selection and financing of promising startup projects";

b) in paragraph 2:

Paragraph four shall be amended to read as follows:

"Technopark of software products and information technologies (hereinafter - Technopark) - organizational and legal formation, acting on the principles of extraterritoriality within the territory of the Republic of Uzbekistan, with placement of Technopark residents throughout the republic to create the most favorable conditions for the development of information technology products";

To supplement paragraphs fourteenth and fifteenth of the following content:

"web portal - a section on the official website of Technopark Directorate in the World Wide Web, designed for receiving documents for obtaining Technopark resident status by legal entities, as well as interaction of Directorate with Technopark residents, including receiving reports, conclusions, business plans, etc. The web-portal operation procedure is determined by the Directorate;

The Expert Board is a body set up under the Technopark Directorate from among qualified specialists of the ministries and departments, scientific institutions, higher educational institutions and other specialists to analyze the business plans of legal entities applying for

the Technopark resident status, as well as Technopark residents. The procedure of the Expert Council's work shall be defined by the Technopark Directorate";

Paragraph 14 shall be re-numbered as paragraph 16;

c) paragraph 5 shall be revised to read as follows:

"5. The activities of the Directorate shall be financed from the following sources:

monthly deductions of Technopark residents in the amount of one percent of the aggregate income;

income from rendering services as well as income from leasing real estate objects assigned to the Directorate;

grants and loans from international financial organizations and institutions;

income received as a result of venture capital financing of startup projects;

funds of the Information and Communication Technology Development Fund (hereinafter referred to as the Fund) and structural subdivisions of the Ministry of Information Technology and Communications Development of the Republic of Uzbekistan;

other sources not prohibited by law;

d) in paragraph 6:

supplement the fourth paragraph with the following content:

"approves the regulation and composition of the Expert Council";

The fourth paragraph to the fourteenth paragraph shall be deemed to be the fifth to the fifteenth paragraphs, respectively;

e) Paragraph 9 shall be amended to read as follows:

"9. Legal entities to obtain the Technopark resident status must meet the following criteria:

a) be registered in the territory of the Republic of Uzbekistan as a legal entity;

b) carry out the type (types) of activities according to the Appendix No. 2 to these Regulations (hereinafter - the list);

c) to have economically justified business plans according to the types of activities specified in the List. The business plan shall indicate specific measures to implement one or more of the listed activities according to the List, types of services and their scope, justification of the need for their implementation, monetization model of the proposed project, results of the planned financial and economic activity. The form of the business plan and requirements for it shall be approved by the Directorate";

f) in paragraph 10:

the first paragraph shall be amended to read as follows:

"10. To be registered as a Technopark resident, an applicant shall submit an application through a web portal with an attached business plan proposed for implementation as a Technopark resident";

add the following paragraphs:

"The applicant shall be responsible for the accuracy of the submitted information. In case of detection of inconsistencies in the documents submitted by the applicant to this Regulation and the requirements of the legislation of the Republic of Uzbekistan, the applicant has the right to eliminate the shortcomings within five working days and to re-submit the application. If the applicant fails to eliminate the inconsistencies within the specified period, the Directorate shall be entitled to refuse to accept the application.

Submission of the application by a legal entity, after filling in all the necessary forms on the web portal, is its consent to conclude the Agreement on the conditions of activities of the Innovation Center resident (hereinafter - the Agreement) in case the decision to register the legal entity as a Technopark resident is made";

g) To replace number "5" in paragraph 11 with number "3";

h) paragraph 12 shall be revised as follows:

"12. Within 3 (three) business days the submitted application and documents shall be sent by the Directorate to the Expert Board for expert examination of business plans for compliance of the project with the directions of activities specified in the List, possibilities of its implementation, determination of innovativeness and significance for the development of information technology industry of the project proposed for implementation by a legal entity as a Technopark resident.

The Expert Council has the right to invite the applicant for presentation of a business plan or refuse to register.

The Expert Council conducts examination of the business plan within not more than ten business days.

According to the results of the examination the Expert Council shall issue a conclusion on the compliance or non-compliance of the submitted business plan with the types of activities defined in the List";

and) in paragraph 14:

paragraphs two and three shall be amended to read as follows:

"failure to eliminate inconsistencies identified in the documents submitted by the applicant within the specified period;

implementation of activities in obsolete, non-promising or insignificant directions confirmed by the opinion of the Expert Board";

to supplement paragraphs four and five with the following content:

"the business plan proposed for implementation does not correspond to the directions of activities specified in the List, or its implementation may go beyond the established directions of activities;

any unfulfilled obligations of the legal entity or other related persons to the Technopark under the previous agreements on the Technopark resident activities";

The fourth paragraph shall be considered the sixth paragraph;

j) Paragraph 16 shall be revised as follows:

"16. Making a decision on registration of a legal entity as a Technopark resident implies the legal entity's consent to the Agreement on the Technopark resident operating conditions.

The form of the agreement shall be approved by the Ministry of Information Technology and Communications Development of the Republic of Uzbekistan, shall be posted on the official website of the Directorate and shall be an agreement of public offer";

k) Paragraph 18 shall be revised as follows:

"18. Technopark resident is obliged:

carry out only the activities specified in the substantiated business plan in accordance with the List;

comply with the agreement on the operating conditions of the Technopark resident concluded with the Management Board;

provide information about its activities in the form and within the terms approved by the Administration, including copies of statistical and tax reports, via the Administration web-portal;

to transfer monthly, not later than the 20th day of the month following the reporting period, to the demand deposit account of the Directorate in the amount of one percent of the total income;

annually by July 1 of the year following the reporting year to conduct a mandatory audit of financial and economic activities and audit of a special issue and send one copy of the audit report and the audit opinion to the Directorate via the web portal, and the audit report on the results of the audit of the special issue should reflect the compliance of the actually performed activities of the legal entity with the activities specified in the List, the List, as well as the types of activities carried out during the financial year, and their share in the total income, while the audit report shall indicate the compliance of the income received and actually carried out activities of the legal entity with the types of activities specified in the List;

to carry out new types of activities not specified in the business plan submitted by the Technopark resident upon approval of a new (additional) business plan by the Directorate;

to annually provide information about the training courses in information technologies held by the Directorate, in case such courses are organized, as well as to coordinate the training program within the framework of such courses.

The Technopark resident may have other obligations in accordance with the agreement on the Technopark resident activities concluded with the Directorate;

l) The first paragraph of Paragraph 19 shall be revised to read as follows:

"19. Within 3 working days after the decision on granting Technopark resident status the Directorate";

m) The first paragraph of Clause 20 shall be revised to read as follows:

"20. In case of reorganization of a legal entity in the form of transformation, the Technopark resident status is transferred to the reorganized legal entity from the date of its state registration, preserving all rights and previously assumed obligations. In this case within ten days after the state registration the legal entity shall apply in writing to the Directorate to make changes in the unified register of residents and other documents, this procedure also applies when the name of the legal entity is changed";

(o) In paragraph 21:

in the second paragraph, replace the words "in subparagraph "a" of paragraph 9 of these Regulations" with the words "as specified in the List";

Add paragraphs 6 to 8 to read as follows:

Failure to submit in due time information on his activities, tax and statistical reports, business plan, as well as the audit report and audit opinion or submission of unreliable information in them;

Failure to pay the deductions specified in the fifth paragraph of paragraph 18 of these Regulations;

in the event of reorganization of a legal entity;

Paragraph six shall be deemed to be paragraph nine;

j) in paragraph 22:

the words "after termination of the agreement on the conditions of activities of the Technopark resident with the Directorate in accordance with the legislation" shall be deleted;

add the following paragraph:

"Deprivation of a legal entity of the Technopark resident status shall not result in termination of the obligations defined in these Regulations";

p) Paragraph 23 shall be deemed invalid;

c) In the Paragraph 24 the words "State Tax Committee and the State Customs Committee of the Republic of Uzbekistan" shall be replaced with the words "State Tax Committee, State Customs Committee of the Republic of Uzbekistan and the commercial bank servicing the legal entity";

t) in paragraph 25 replace "Technopark residents" with "Technopark residents and their employees";

(y) In the second paragraph of paragraph 26, replace "reporting period" with "month";

f. Paragraph 27 shall be revised to read as follows:

"27. The Technopark resident has the right to receive income from activities stipulated by part three of Article 297 of the Tax Code with payment of generally established taxes, with the income received under paragraphs 1, 9, 16 and 18 of part three of the above article being exempt from all taxes when carrying out activities in accordance with the List";

(x) Paragraph 28 shall be amended to read as follows:

"28. Failure of the Technopark residents to comply with the obligations stipulated by paragraph 18 of this Regulation shall result in deprivation of the Technopark resident status, and upon notification of the Directorate, the state tax authorities shall take measures to cancel the application to them of the benefits specified in Clause 25 of this Regulation, with restoration of obligations to pay them to the State Budget of the Republic of Uzbekistan in the prescribed manner";

c) in paragraph 29:

From the first paragraph, delete the words "(including in the case of voluntary refusal)";

Add the following paragraph:

"The date of receipt of a legal entity's application to the Directorate shall be considered the date of a Technopark resident's voluntary renunciation of the resident status";

(h) In paragraph 50 the words "funds of the Fund" shall be replaced with the words "funds of the Fund and the Directorate's own funds";

w) Paragraph 51 shall be revised to read as follows:

"51. Startup projects shall be financed by the Fund by allocating funds on a non-repayable basis, including at the expense of funds raised by the Directorate in accordance with paragraph 53 hereof, and other sources not prohibited by law;

e) in the first paragraph of paragraph 53, the words "by the Fund" shall be replaced with the words "by the Fund (subject to funding by the Fund)";

y) The text of Appendix No. 1 shall be amended to read as follows:

"SCHEMES

for organising the work of the Directorate of the Software and IT Technology Park in registering residents"

Stages	Subjects	Activities	Timeline
Stage 1	Applicant (legal person)	Submits an application in the approved form to the Directorate with all the necessary documents (business plan, etc.) for registration as a Technopark resident.	As required
Stage 2	Directorate	Receives the application and the documents and forwards them to the Experts Council.	Within 3 working days

Stage 3	Experts Council	<p>1. Examines the business plan, gives an appropriate opinion to the Directorate on the results of the appraisal.</p> <p>2. If necessary, invites the applicant to make a presentation of the business plan in order to make a final decision.</p>	Within no more than 10 working days
Stage 4	Directorate	<p>1. Examines the documents and decides whether to register (or not to register) as a resident.</p> <p>2. In case of refusal of registration, indicates in the decision of the Directorate the ground for refusal and provides the applicant with an extract from this decision.</p>	Within no more than 15 working days of the application
Stage 5	Applicant	In the event of a refusal, it eliminates the reasons for the refusal to register as a Technopark resident and re-submits the application with other documents attached.	As required
Stage 6	Directorate	<p>1. Makes an entry in the Unified Register of Residents and issues a certificate of registration of a legal entity.</p> <p>2. Sends official notification to the State Tax Committee, the State Customs Committee and the commercial bank serving the legal entity.</p>	Within 3 working days of the decision

z) The text of Annex No. 2 shall be amended to read as follows:

“LIST

of activities allowed to be carried out by the residents of the Technology Park for Software and Information Technology

1. Designing, developing, implementing (including granting permission to use the software, assigning (transferring) the exclusive rights to the software) software, including computer games, for any platforms.
2. Providing services of implementing services or performing stages of implementing, supporting and maintaining the software, including training to work with the software.
3. Software revision and modification.

4. Creation of data bases during information systems and software development, preparation of records for these data bases in required format, providing access to them, their support and maintenance.
5. Data processing activities using software.
6. Providing advertising space in own software or otherwise making profit from additional functions of the software.
7. Development and implementation of automated management systems.
8. Analysis of information needs of legal entities (system analysis, business analysis), consulting on the use of information technology for innovation (re-engineering) of business processes with the development of technical requirements for information systems and software.
9. Audit of information systems and software in the process of their development, implementation and operation for compliance with technical requirements and (or) information needs of users.
10. Provision of automated services by means of software developed by Technopark resident for search, selection, processing and sorting of data at the request of third parties, as well as provision of information to them.
11. Rendering services to non-residents of the Republic of Uzbekistan on development, management (implementation) of administrative and business processes (outsourcing of business processes) with the use of software (software-hardware).
12. Implementation of materials, technologies, devices and systems of micro-, opto- and nanoelectronics, microelectromechanics and compatible embedded software developed by Technopark resident.
13. Development (research, design, testing, technical tests) of data transmission systems equipment, technologies, devices and systems of radiolocation, radio navigation, radio communication, radio control, radio frequency identification and implementation of the results of such developments with or without the provision of services for mastering them in production.
14. Development or individual stages of development (research, design, engineering, prototyping, testing), production (non-industrial in nature) of high-tech systems and devices, hardware and software compatible with them, as well as sales of manufactured products and (or) results of developments with or without services for their mastering in production.
15. Activities on technical and/or cryptographic protection of information, including application of electronic digital signature.
16. Activity connected with working out, introduction, realisation of the concept of a computing-communication network of physical subjects equipped with the built in technologies for interaction between themselves and with external environment (the Internet of things);

17. Educational activities in the field of information and communication technologies, including through the World Wide Web, under programmes approved by the Technopark Directorate.

18. Exporting of information services through the World Wide Web.

Note. The classification of activities, giving explanations for them is carried out by the Expert Council of the Directorate".

ANNEX No. 2

to Cabinet of Ministers Resolution No. 672 of October 30, 2020

LIST

of some decisions of the Government of the Republic of Uzbekistan declared null and void

1. Decree of the Cabinet of Ministers No. 631 of 15 August 2017 "On measures to organize the activities of the Mirzo Ulugbek Innovation Center to support the development and implementation of information technologies". (Law of the Republic of Uzbekistan, 2017, No. 33, Art. 860).
2. Paragraph 6 of the annex to Cabinet of Ministers Decree No. 269 of 30 March 2019 "On amendments to some decisions of the Government of the Republic of Uzbekistan (Presidential Decree No. UP-5582 of 24 November 2018 "On additional measures to improve customs administration and increase the efficiency of state customs service bodies of the Republic of Uzbekistan"). (RP of the Republic of Uzbekistan, 2019, No. 3, Art. 53).
3. Paragraph 49 of the annex to Resolution No. 661 of the Cabinet of Ministers of 10 August 2019 "On introducing amendments and additions to some acts of the Government of the Republic of Uzbekistan (Resolution of the President of the Republic of Uzbekistan No. PP-4160 of 5 February 2019 "On additional measures to improve the rating of the Republic of Uzbekistan in the annual World Bank and International Finance Corporation Doing Business report") (RP of the Republic of Uzbekistan, 2019, No. 8, Art. 179).
4. Decree of the Cabinet of Ministers No. 204-f of March 25, 2019.