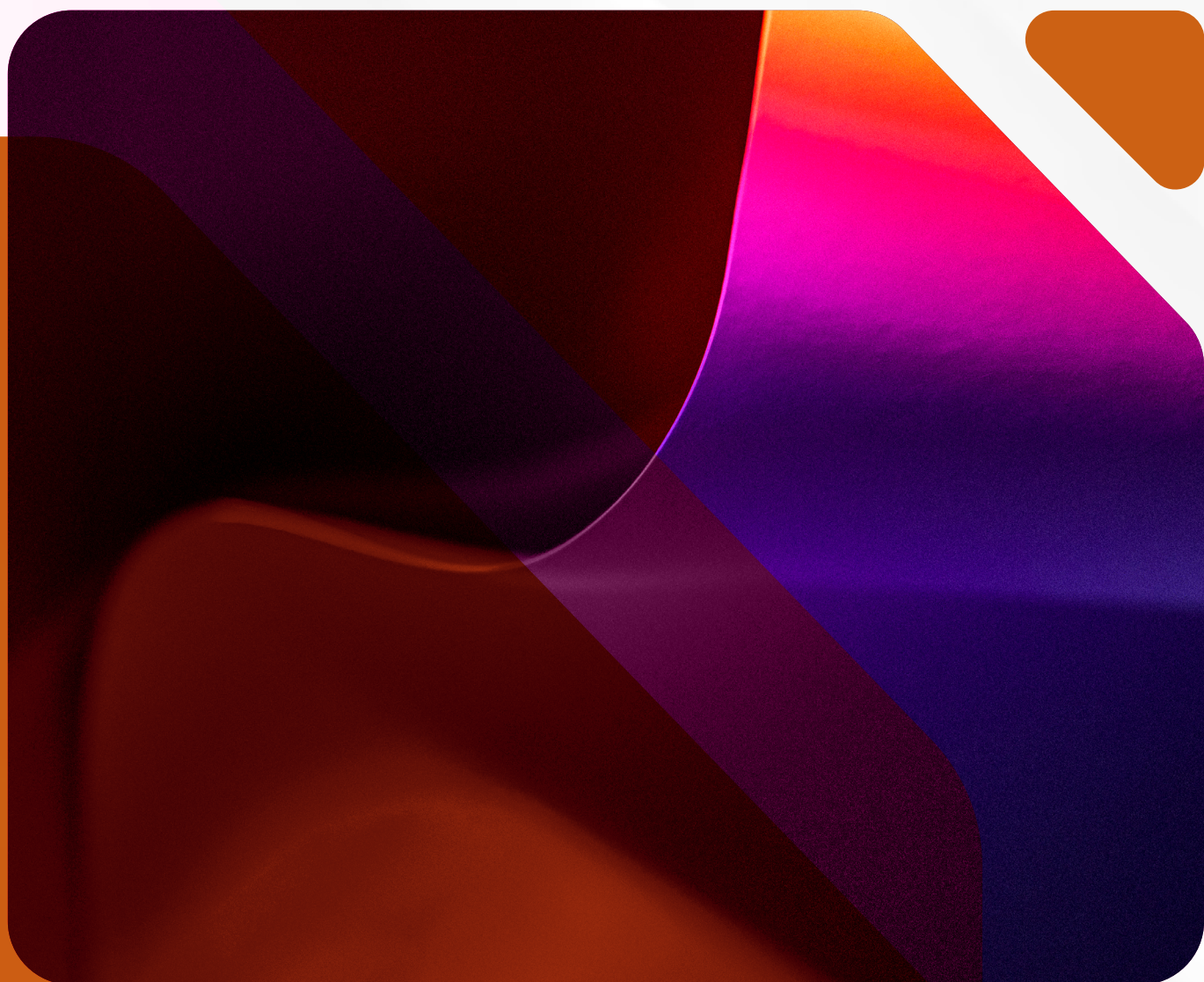


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Uzbekistan prepares the legislative foundation for the Tashkent International Financial Centre

APRIL 2026



OVERVIEW

On 30 March 2026, the President of the Republic of Uzbekistan signed Decree No. DP-48 establishing the Tashkent International Financial Centre (the “TIFC”). The Ministry of Investments, Industry and Trade has subsequently published the draft Constitutional Law “On the Tashkent International Financial Centre” (the “Draft Law”) for public consultation, with the comment period closing on 16 April 2026.

The Draft Law provides the legislative foundation for the TIFC as a designated territory within the Republic of Uzbekistan, operating under a special legal, governance and regulatory regime in the fields of finance, banking, capital markets and investment. The stated purpose is to develop a competitive capital market, attract international investment, and establish the TIFC as a leading international financial and dispute resolution centre.

What distinguishes the TIFC from a typical incentives-based regime (such as a free economic zone) is its proposed legal architecture. The Draft Law would create a separate legal order in which the founding law, Financial Centre Enactments and, on a supplementary basis, the principles, legislation and judicial precedents of the law of England and Wales operate within a single hierarchy. For foreign investors and institutions, that matters because it points toward a platform designed to be easier for international market participants to navigate, not merely fiscally attractive.

The Draft Law would also create the institutional core of the proposed centre: a Coordinating Council chaired by the President, an Administration, an independent Financial Services Authority and the Tashkent International Commercial Court. It would combine that institutional framework with proposed tax and customs relief through 1 January 2076, together with separate language, visa, labour and investment-tax-residency measures.

This update highlights the Draft Law’s principal legal features, the points of immediate commercial relevance, and the issues most likely to shape the incorporation and market-entry decision as the text moves through adoption. Because the Draft Law remains under consultation, the final enacted version may differ.

KEY REGULATORY FEATURES

01 | Applicable-Law Hierarchy and Legislative Framework

The TIFC's defining structural feature is the creation of a separate legal order within Uzbek sovereign territory. The Draft Law establishes a hierarchy of applicable law: (i) the founding law itself; (ii) Financial Centre Enactments adopted by the TIFC's governing bodies; (iii) the principles, legislation and judicial precedents of the law of England and Wales, to the extent not inconsistent with the foregoing; and (iv) certain legislative acts of the Republic of Uzbekistan applicable to matters outside the TIFC's jurisdiction or expressly incorporated by the founding law.

Financial Centre Enactments may be adopted by the Council, the Administration, the Financial Services Authority and the Tashkent International Commercial Court, each within their respective spheres of competence. The Administration may adopt Enactments having the force of legislative acts of the Republic of Uzbekistan across a broad range of matters, including civil, business and labour relations; procedural matters; banking, investment and tax; licensing and registration; and public procurement. The Financial Services Authority exercises comparable legislative authority in relation to financial services regulation, supervision and enforcement.

Financial Centre Enactments would prevail over any conflicting normative legal act other than the Constitution, the founding law itself and international treaties ratified by the Republic of Uzbekistan. For prospective users, the significance lies in the clarity that hierarchy is intended to provide. Because the Draft Law expressly orders the applicable sources of law and provides that Financial Centre Enactments prevail over conflicting normative acts within that hierarchy, if enacted and implemented coherently, it would give the TIFC a more predictable legal framework than an ordinary special regime.

02 | Governance, Regulation and Dispute Resolution

The Draft Law establishes four principal governing bodies within TIFC framework: (i) The Coordinating Council (the "Council"), (ii) the Administration, (iii) the Financial Services Authority and (iv) the Tashkent International Commercial Court. The Council, chaired by the President, sets the overall strategy, approves budgets and audit reports, and adopts Financial Centre Enactments. The Council's composition and charter are approved by the President. The Secretary of the Council serves simultaneously as the Governor of the Financial Centre, who acts as Chair of the Administration and is appointed by presidential decree.

The Administration is the principal executive and administrative body, responsible for day-to-day management, infrastructure, licensing of non-financial activities and "other permitted activities," and coordination with Uzbek state authorities. The Financial Services Authority is the principal regulatory body for financial services and ancillary services, with express statutory independence in licensing, supervision and enforcement. Its credibility will turn less on formal independence than on whether its licensing, supervision and enforcement approach is predictably administered from the outset.

The Tashkent International Commercial Court is established as the dedicated judicial body of the TIFC, and the Draft Law guarantees the independence of both the Court and the

Financial Services Authority. The Court would consist of a Court of First Instance and an Appeal Court; judges may be nationals of any state; Appeal Court decisions on jurisdiction and on the merits would be final; and TIFC judgments would be directly enforceable in Uzbekistan in the same manner and on the same conditions as judgments of other Uzbek courts that have entered into legal force. The Court would also have jurisdiction over disputes connected with TIAC awards (in line with the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards) and exclusive jurisdiction over the interpretation and construction of TIFC law.

Separately, where a Financial Centre Participant has regulated entities both within the TIFC and in other parts of Uzbekistan, the Financial Services Authority and the Central Bank are required to cooperate on consolidated supervision.

03 | Structuring Scope and Permitted Activities

The Draft Law defines "financial services" broadly and non-exhaustively: acceptance of deposits; credit-related services; arrangement and advisory services; money transfer and currency exchange; investment activities as principal or agent; management of assets, funds and collective investment portfolios; advising on financial products; safekeeping and custodial services; insurance; operating stock exchanges, clearing organisations and depositories; operating alternative trading systems and crowdfunding platforms; trust services; credit rating agencies; and the issuance, listing and trading of financial products.

Separately, the Draft Law identifies "other permitted activities" as commercial or professional activities that do not constitute financial or ancillary services but are licensed by the Administration. These expressly include: establishing, managing and administering holding companies, special purpose entities, treasury companies and headquarters organisations; establishing and administering funds, trusts and fiduciary structures; corporate services including company formation and governance; professional services including legal, consulting, accounting, tax advisory, valuation and technology development; and fintech services.

This matters commercially because it signals a platform intended to accommodate structuring and holding activity, not only licensed financial business. The enumeration is open-ended: the Draft Law provides for any other activity designated by Financial Centre Bodies as a permitted unregulated activity.

The Draft Law also provides that official identification numbers issued within the TIFC framework are to be recognised throughout Uzbekistan, which may prove practically useful for participants, employees and investment residents operating across both the TIFC and the wider Uzbek market.

04 | Tax, Customs and Currency Flexibility

The Draft Law would establish a comprehensive tax and customs incentive package through 1 January 2076. Financial Centre Bodies and their organisations are exempt from corporate income tax. Financial Centre Participants (other than digital asset exchanges) are exempt from corporate income

tax and social tax on income derived from specified financial services, including Islamic banking, reinsurance and insurance brokerage, investment fund management, brokerage, dealing and underwriting, and other services specified by a joint Enactment with the Ministry of Economy and Finance.

Ancillary service providers and participants providing certain financial services would also be exempt from corporate income tax on income derived from services to Financial Centre Bodies and to other Participants. Financial Centre Participants providing the specified financial services would be exempt from VAT. Property and land tax exemptions apply to facilities within the TIFC territory.

At the individual level, foreign employees of Participants and Financial Centre Bodies are exempt from personal income tax on income derived from TIFC employment. The Draft Law would also exempt from personal income tax and corporate income tax:

- capital gains from the sale of securities listed on the Stock Exchange;
- capital gains from the sale of shares or participatory interests in Financial Centre Participants; and
- dividends and interest on listed securities, as well as dividends on shares in Financial Centre Participants.

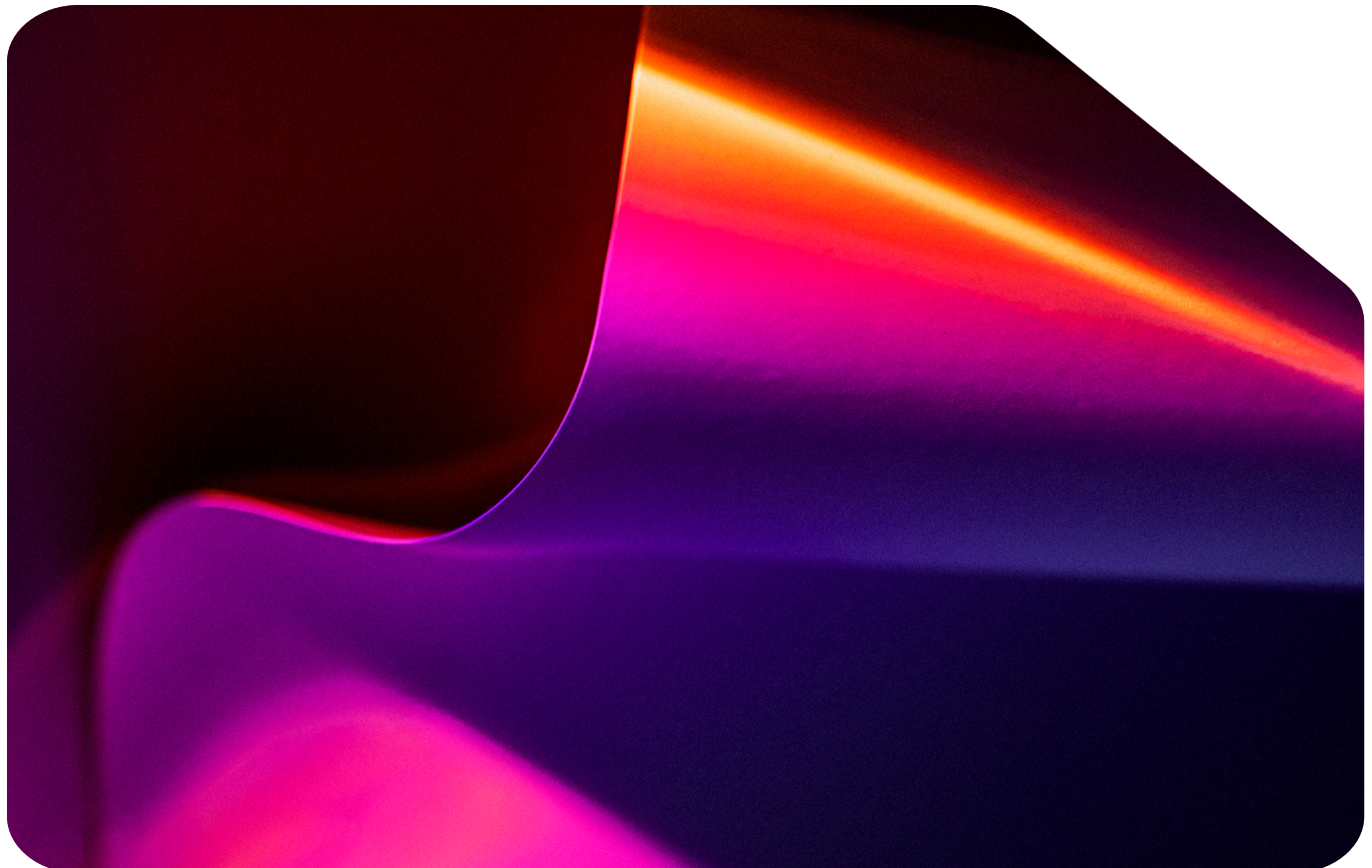
Customs duties and other charges on imports for use or consumption within the TIFC are disapplied until 1 January 2076. Currency regulation exemptions allow Financial Centre Participants to denominate and perform monetary obligations in foreign currencies, open accounts with foreign banks, and carry out cross-border currency operations without the restrictions otherwise applicable under the Currency Regulation Law. The founding law explicitly requires that joint instruments adopted by the TIFC and the Central Bank reflect the principles of free repatriation of capital and free currency convertibility.

05 | English-Language Operation, Mobility and Tax Residency

English would be the official language of the TIFC. Financial Centre Enactments would be drafted, adopted and published in English, with the English text prevailing over any official translation in the event of discrepancy. Proceedings before the Tashkent International Commercial Court would be conducted in English, and written agreements carried out in the TIFC would be made in English unless otherwise agreed by the parties and permitted by TIFC law.

Foreign citizens carrying out activities in the TIFC may obtain entry visas at Uzbek diplomatic missions abroad or upon arrival at an international airport. Financial Centre Persons may obtain visas for up to five years, with the possibility of extension without leaving the Republic. Financial Centre Participants and Bodies may hire foreign citizens without obtaining work permits, and legislation restricting the hiring of foreign citizens or establishing localisation preferences does not apply within the TIFC territory.

The Draft Law also proposes an investment tax residency programme, to be established by Financial Centre Enactment and approved by the Council. Eligibility requires, at a minimum, that the applicant was not a resident of Uzbekistan during the five years preceding the application and that the applicant's Uzbek citizenship (if any) has not ceased during the preceding ten years. Investment Residents who meet those criteria and make a mandatory budget payment may obtain Uzbek tax residency status, with an exemption from personal income and corporate income tax on income from sources outside Uzbekistan. The draft definition of "family members" is also narrow, covering a Financial Centre Employee's spouse and children under 18 years of age.



STRATEGIC OUTLOOK FOR INVESTORS

Although the TIFC remains pre-operational, the Draft Law is already sufficiently developed to merit close attention. For prospective users, the central question is no longer whether Uzbekistan intends to build a financial centre, but what the first wave of Financial Centre Enactments will actually enable to achieve. That makes the current consultation and early-Enactment period the relevant window for assessing whether the eventual package will justify early platform decisions.

01 | Regional Positioning and Immediate Market Relevance

The commercial proposition is already visible: a Central Asia-facing platform with a separate legal regime, broad permitted activities, English-language operation and a long incentive horizon, but with several threshold questions still deferred to implementation. For many market participants, that combination may already justify early engagement, even if it is not yet enough to support a firm incorporation decision.

The President's role in the TIFC governance structure may also be viewed as a signal of political commitment to the project. At the same time, the practical value of that signal will depend on whether the supporting Enactments, institutional appointments and operational infrastructure follow at the pace the Draft Law envisages.

For prospective entrants, the relevant near-term consideration is whether the first implementation package converts that signal of a strong commitment into a platform credible enough to support early engagement and participation.

02 | Private Equity, Venture Capital and Fund Structuring

The Draft Law contains several features relevant to PE/VC, fund formation and holding-company structuring, though their practical effect will depend substantially on the content of Financial Centre Enactments yet to be adopted.

The express inclusion of holding companies, SPVs, funds, trusts and fiduciary structures within the TIFC's "other permitted activities" framework (Article 2) provides a statutory basis for structuring activity. The tax exemption for investment fund management services, fund accounting and safekeeping, and services related to the issuance, sale and purchase of fund securities (Article 10) may create a fiscally attractive environment for fund administration. Capital gains exemptions on the sale of shares or participatory interests in Financial Centre Participants, and the exemption of dividends on such interests from personal and corporate income tax, could make TIFC vehicles attractive as regional holdcos or intermediate holding structures.

That said, the Draft Law does not itself specify the legal vehicles available for formation within the TIFC or the governance framework that will apply to them. Those matters are delegated to Financial Centre Enactments to be adopted by the Administration. Until those Enactments are published, it is not possible to confirm whether the TIFC will offer the structuring options and governance mechanics typically used for funds, SPVs and holding structures.

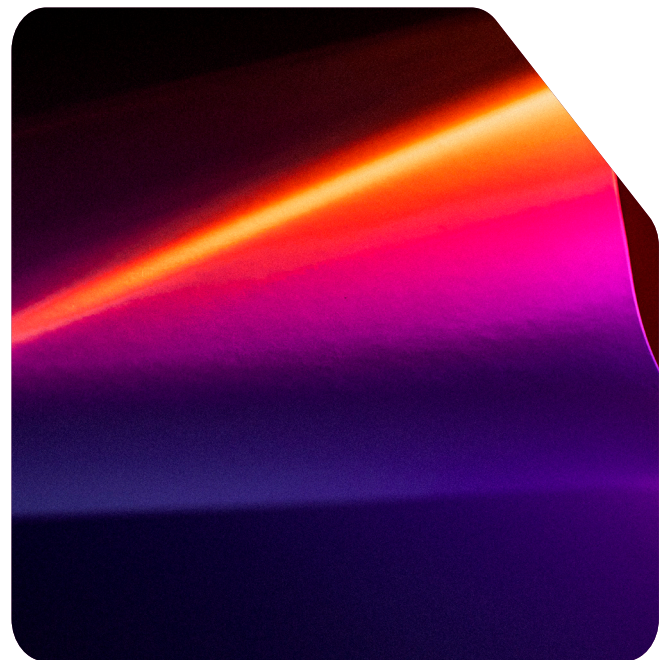
For sponsors, fund managers and regional holding structures, the immediate decision point will be the first entity-law package: until that package is published, the Draft Law supports preliminary structuring analysis, subject to further elaboration.

03 | Digital Assets and Fintech

The Draft Law dedicates a separate article (Article 6) to the regulation of digital assets, establishing that the definition, types, issuance procedures, circulation and safekeeping requirements - as well as the requirements for digital asset exchanges and their licensing - are to be set by Enactments of the Financial Services Authority. Digital asset exchanges are required to maintain information security policies, report cyber incidents to Uzbek cybersecurity authorities, and inform consumers of the risks of unbacked digital assets. Interaction between licensed exchanges and Uzbek commercial banks is to be governed by Enactments agreed with the Central Bank and the National Agency for Prospective Projects.

The separate treatment of digital assets gives the TIFC a stronger legislative anchor for fintech activity than a purely regulatory approach would have provided. Here too, however, the real commercial test will be the content of the Financial Services Authority's first Enactments and the practical banking interface.

For fintech and digital-asset participants, the relevant near-term question is whether the Financial Services Authority's first Enactments and respective bespoke bank-interface rules would permit smooth operational onboarding.



KEY CONSIDERATIONS AND FURTHER DEVELOPMENT

The Draft Law is substantial, yet to be further supplemented with a comprehensive operating framework. Some of the below considerations may help to indicate potential matters for the TIFC to become an operating platform in the near term.

01 | Constitutional Alignment

A potential constitutional consideration arises under Article 15 of the Constitution of Uzbekistan (the “Constitution”), which provides that the Constitution has supreme legal force and direct effect and forms the basis of a single legal space across the Republic. The point matters because the Draft Law would introduce within the TIFC a framework that is arguably differentiated from the legal regime currently used in Uzbekistan.

The Draft Law would introduce within the TIFC, among other things:

- a special territory with its own legal, governance and regulatory regime;
- a separate applicable-law hierarchy under Article 5 of the Draft Law;
- Financial Centre Enactments with legislative force within the TIFC framework;
- a specialist court structure under Article 18 of the Draft Law;
- an English-language legislative and operating regime under Article 19 of the Draft Law; and
- a dedicated financial regulator under Articles 13 and 17 of the Draft Law.

Under the current Uzbek framework, by contrast:

- the Constitution and ordinary Uzbek legislation apply across the territory of the Republic within a single legal space;
- Uzbek is the state language; and
- special regimes, including free economic zones, have generally adjusted customs, currency, tax and related investment conditions within that ordinary legal order, rather than introducing a separate hierarchy of legal sources, a separate court structure, or a separate operating language.

The TIFC would accordingly represent a more differentiated legal and institutional model than the preferential-zone regimes currently used in Uzbekistan, and the combined effect of those features may raise a question under Article 15: whether the TIFC remains fully within the single legal space or operates as a materially differentiated framework within it. The Draft Law addresses this through Article 21, read together with Article 154 of the Constitution, by proposing conforming amendments to more than thirty legislative acts beginning with the Constitution itself. Whether that route is sufficient will depend on the final

amendment text and on the broader implementing package the Draft Law contemplates, including Financial Centre Enactments, court rules, the licensing and registration framework, and coordination instruments with state bodies.

02 | Legislative Status and Adoption Timeline

At the time of writing, the Draft Law is under public consultation and has not been enacted. As a Constitutional Law, it will require adoption by the Oliy Majlis (Parliament) of the Republic of Uzbekistan through a procedure more rigorous than that applicable to ordinary legislation. The final enacted text may differ from the consultation draft. Market participants should monitor the legislative process closely and note that any analysis based on the current draft is subject to change.

The Draft Law does, however, contain an activation framework. Article 20 provides that, no later than six months after the law enters into force, Financial Centre Bodies are to prepare and adopt the Enactments expressly provided for in the Draft Law and necessary for the effective establishment and functioning of the TIFC. After that, the Council is to assess operational readiness and, if satisfied, adopt a decision declaring the TIFC ready to commence operations, which must then be submitted to the President for approval. Upon Presidential approval, the TIFC is deemed activated from the date specified in that approval, provided that such date is not later than one month from the date of approval.

03 | Entity Toolkit and Governance Rules

Entity forms, formation mechanics and governance rules are still largely deferred to future Financial Centre Enactments. For sponsors, fund managers and holding-company users, that appears to be a key consideration. Until the first entity-law package is published, it remains unclear whether the TIFC will offer the vehicles and governance mechanics needed for customary fund, SPV and holding structures.

04 | Tashkent International Commercial Court

The Draft Law establishes the Court and guarantees its independence, while the operational structure is yet to be finalised. The text already provides for a Court of First Instance and an Appeal Court, permits judges of any nationality, makes Appeal Court decisions final, gives the Court jurisdiction over disputes connected with TIAC awards, provides for enforcement of its judgments in Uzbekistan on the same basis as judgments of other Uzbek courts, and grants it exclusive jurisdiction over the interpretation and construction of TIFC law. Even so, the composition, qualification requirements, tenure and dismissal rules for judges, the detailed procedural framework, and the practical operation of the Court’s case-management and registry functions remain to be set by Financial Centre Enactments and related rules.

In practice, investor confidence will turn not only on the Court's formal existence, but also on whether its first judges, first rules and first decisions make the Court be considered reliable and predictable from day one. Those features will determine whether the Court is viewed as a successful operating institution.

05 | Anti-Money Laundering and Counter-Terrorism Financing

AML/CFT remains one of the most sensitive implementation issues in the current draft. While the definition of "ancillary services" includes supervision for purposes of combating the legalisation of proceeds of crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction, the absence of an express constitutional mandate for AML/CFT compliance may attract scrutiny in the context of FATF mutual evaluation processes and from correspondent banking partners.

The criminal law carve-out in Article 8 - which disapplies certain articles of the Criminal Code within the TIFC territory and substitutes a regime of non-custodial penalties administered by Financial Centre Bodies - will require careful implementation to ensure that FATF-relevant predicate offences, including money laundering, terrorist financing and bribery, remain subject to full criminal jurisdiction. The design of the substitute sanctions regime for other conduct will need to be genuinely dissuasive to satisfy international compliance standards, to ensure that cross-border banks, investors and counterparties are willing to treat the regime as AML/CFT-safe, enabling seamless utilization of the platform.

06 | Banking Infrastructure and Correspondent Relationships

The operational viability of the TIFC as an international financial centre will depend, among other things, on the availability of reliable correspondent banking relationships enabling USD, EUR and other major-currency clearing. The Draft Law does not address this question, which is an operational rather than legislative matter. Securing such relationships before the TIFC becomes operational is likely to be a prerequisite for attracting international financial institutions and ensuring the practical usability of the currency-freedom provisions in the founding law.

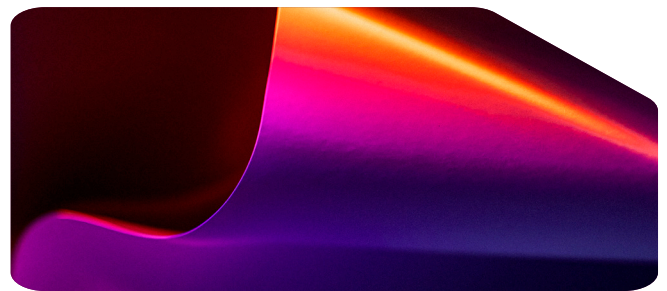
07 | Contract Governing Law and the Role of English Law

The Draft Law incorporates the principles, legislation and judicial precedents of the law of England and Wales as a persuasive source of law within the TIFC, to the extent not inconsistent with the founding law and Financial Centre Enactments. This creates a broadly familiar legal environment for international participants accustomed to English-law documentation. The applicable-law hierarchy also provides that legislative acts of the Republic of Uzbekistan apply to matters outside the TIFC's jurisdiction and, within the TIFC, in cases expressly provided for.

What the Draft Law does not expressly address is party autonomy in the choice of governing law for contracts. For sophisticated users, that omission matters. The supplementary role of English law does not answer the separate question of whether parties would be able to choose English law, New York law or another system as the governing law in their relationships. For clarity, we need to wait until the final draft of the law or early enactments of the governing body of TIFC are passed.

The Draft Law is an important step in Uzbekistan's capital-markets and financial-sector reform agenda. How quickly the TIFC realises its full potential will depend on the speed and coherence with which the implementing instruments, institutional appointments and operational build-out follow.

We will continue to monitor the legislative process and will provide further updates as the Draft Law is adopted and the subsidiary regulatory framework is developed.



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