ISSN: 2053-3578 I.F. 12.34

ECONOMIC DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN IN THE CONTEXT OF DIGITALIZATION

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Abstract. This article analyzes the economic development of the Republic of Uzbekistan in the context of digital transformation, as well as reforms aimed at liberalizing all aspects of public life. The study explores the institutional and infrastructural prerequisites for digitalization, as well as the impact of public policy and innovative technologies on the performance of digital economy entities.

Key words: statistical information, digital technologies, data analysis, balanced economic growth, quality, human capital, efficiency.

Thanks to the extensive opportunities created for the development of digital technologies in our country, significant results have been achieved. The number of IT Park residents has exceeded 2,800, and the number of foreign companies has reached 752. Approximately 40,000 young people earn high incomes in this sector.

Over the past five years, industry exports have increased from $170 million to nearly $1 billion. Internet speeds have increased sevenfold, and mobile internet speeds have increased 4.5 times. Last year, startups attracted $70 million in venture capital investment.

As a result, Uzbekistan climbed 12 spots and entered the top 100 of the global startup ecosystem ranking. The country also climbed 17 spots in the international Artificial Intelligence Readiness Index, taking first place in Central Asia. Uzbekistan topped the CIS ranking for telecommunications growth.

Work in this area continues consistently. Specifically, the following goals have been set for next year: digitalization of 70 percent of government services and an increase in the volume of IT services to 100 trillion soums. Aiming to at least 55th place in the e-Government Development Index is also planned. A number of draft documents have been developed to achieve these targets.

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These drafts and proposals were discussed during the presentation. To date, 760 types of government services have been digitalized. Last year, 10 million citizens used these digital services.

The head of state emphasized that the time has come to move on to the next stage - Digital Government. He noted that the first priority should be given to the areas most in demand by the population: education, healthcare, construction, and utilities.

According to the decree of the President of Uzbekistan dated October 14, 2024, a strategy for the development of artificial intelligence technologies through 2030 was adopted. $50 million has been allocated for infrastructure development in this area. The goal is to create a national artificial intelligence model and train 1 million specialists.[1]

The information technology industry in Uzbekistan began to emerge in the early 1990s, when businesses and banks began using computers to automate processes, including financial and personnel records. The first computer equipment distributors, software developers, database generators, service companies, and internet providers emerged at the same time. Digital technologies became a subject of study at universities.

The Uzbek government had previously shown interest in IT: they supported infrastructure development and created educational programs, but the industry had no strategic significance.

1-table

Number of IT Park residents

Year	Number of residents
2020	411
2021	523
2022	1122
2023	1652
2024	2600
2025	3065

Source: IT Park data

[1] Government portal of the Republic of Uzbekistan

ISSN: 2053-3578 I.F. 12.34

Most residents are export-oriented, providing services in the United States, Europe, and the Persian Gulf. More and more startups are entering international markets, from SaaS platforms to mobile apps. Many global players have already localized regional offices or data centers in Uzbekistan.

IT Park Resident Profiles

Direction	Number of residents
IT services. Systems integration, custom development, technical support, cloud solutions, and cybersecurity.	948
IT products. Companies develop fintech platforms and solutions in the fields of HealthTech, BioTech, E-Commerce, and AI.	859
Corporate headquarters. Call centers, analytics hubs, legal and financial outsourcing services.	554
Education. EdTech companies	541
Creative Industries and GameDev	156
Venture and acceleration funds	7

Source: IT Park data

What assistance does IT Park provide to residents? Key support mechanisms include tax incentives until 2040. Residents are exempt from income tax, VAT, property tax, and social contributions. The country provides turnkey business registration services—remotely, without the need for a physical presence in Uzbekistan. New residents are provided with free offices, equipment, HR support, and wage subsidies.[1]

We offer support for entering foreign markets, including mentoring from international experts, participation in exhibitions, acceleration tracks, and assistance with entering foreign markets. We assist foreign companies with registration, legal support, banking infrastructure, recruitment, and obtaining IT visas.

Uzbekistan offers an IT Visa—a specialized visa for IT specialists and their families. It grants multiple entry, work, and study rights, as well as almost complete equality with Uzbek citizens. Today, more than 750 residents of IT Park Uzbekistan export products and services to over 90 countries. The park has become the region's largest IT hub, and it has the potential to transform into a transnational platform with global ambitions. The state's goals by 2030 are: 10,000 resident companies in the ecosystem, 300,000 jobs, and IT services exports worth up to $5 billion per year.[2]

As part of Uzbekistan's startup ecosystem, there are 56 incubation centers at universities. These universities have launched promising startups that have successfully completed the incubation stage and are continuing to operate in the market.

Startups are in demand and have the potential to scale. Examples include Aisha, a project developed by a student at the American University of Technology; The Lost Chapters and Bron 24, startups from Amity University students; TASS Vision, a student initiative from Westminster International University in Tashkent; and Oygul, a project by students from several universities: New Uzbekistan University, Westminster International University, and the University of Manchester.

To support startup founders, IT Park invites mentors from Plug and Play Tech Center, one of Silicon Valley's largest venture accelerators; DIFC Innovation Hub, a key innovation hub in Dubai; and Alchemist Accelerator, a prestigious startup accelerator in San Francisco. IT Park is not the only technology park in Uzbekistan. The country also has other parks supporting innovative projects in various industries and regions.

Table 2

Technology parks of Uzbekistan

Park	Profile
Yashnobod Innovation Technopark, Tashkent	A multidisciplinary innovation platform. Residents are engineering and manufacturing companies.
Chirchiq Industrial Technopark, Chirchik	Focused on import substitution and development of the industrial sector
Jizzakh Industrial Technopark, Jizzakh	A regional industrial center. Residents include household appliance

	manufacturers, construction companies, furniture manufacturers, and agricultural enterprises.
Cyber Park, Tashkent	Ecosystem for cybersecurity solutions
INNO, Tashkent	Innovative Educational, Industrial and Technological Park

In June 2025, the IT Park ecosystem saw its first public exit: Georgian TBC Bank Group acquired a 53% stake in Billz for $9 million with a buyout option. Investors Sturgeon Capital and Aloqa Ventures partially sold their stakes.[3]

For Sturgeon, this was the first exit in the region, with a yield of 3.95% and an IRR (Internal Rate of Return; a measure of return on investment, taking into account time and risk, used to evaluate performance – Forbes Club) of 35%. The deal was a landmark event and confirmed the investment attractiveness of Uzbek startups.

Conclusion

Research shows that the economy of the Republic of Uzbekistan is currently developing in accordance with the country's adopted strategies for the development of sectors and sectors of the national economy. Every sector of the economy is increasingly using advanced innovative technologies year after year.

The results of the study confirm that improving the efficiency of digital service providers is a key area for national economic development in the context of digital transformation. Uzbekistan's digital sector is gradually becoming an independent driver of economic growth, capable of not only increasing productivity and service quality but also shaping a new framework for interaction between business, government, and society.

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ISSN: 2053-3578 I.F. 12.34

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