International Comparative Legal Guides

Digital Business 2026

A practical cross-border resource to inform legal minds

Seventh Edition

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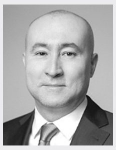
Expert Analysis Chapter

Q&A Chapters

Uzbekistan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1 E-Commerce Regulation

1.1 What are the key e-commerce legal requirements that apply to B2B e-commerce in your jurisdiction (and which do not apply to non-e-commerce business)? Please include any requirements to register with regulatory bodies, as well as a summary of legal obligations specific to B2B e-commerce.

In the Republic of Uzbekistan ("**Uzbekistan**"), legal requirements specific to B2B e-commerce are primarily governed by the Law of Uzbekistan "On E-Commerce" (the "**E-Commerce Law**"). Unlike traditional offline trade, the E-Commerce Law establishes a dedicated legal framework for the conclusion and evidencing of contracts in the digital environment, while the underlying commercial obligations between business entities remain governed by general civil and commercial law.

The key distinction for B2B e-commerce lies in the legal recognition of electronic documents and electronic messages. Under the E-Commerce Law, contracts may be concluded through electronic means, and documents generated by information systems in connection with the sale of goods, performance of works, or provision of services are deemed equivalent to hard-copy documents and may serve as legal evidence of a transaction. The Law also imposes specific content requirements for electronic offers, including disclosure of information about the offering party, relevant licences or permits (where applicable), and payment and delivery terms. These rules, set out in Article 14 of the E-Commerce Law, do not apply in the same structured form to non-e-commerce transactions.

In addition, the regulatory regime distinguishes between ordinary sellers and buyers and subjects of e-commerce infrastructure, such as operators of electronic trading platforms. Where a business acts as an e-commerce operator rather than merely as a contracting party for both B2B and B2C channels, it is subject to a notification regime introduced by Cabinet of Ministers Resolution No. 885 dated 26 December 2024, effective from 1 July 2025. This regime requires, among other things, the existence of a legal entity incorporated in Uzbekistan, a functioning information system, and inclusion in a state register of e-commerce operators. Accordingly, B2B e-commerce obligations in Uzbekistan may include not only the use of electronic contracting mechanisms, but also compliance with notification and operational requirements that do not apply to conventional offline trade.

1.2 What are the key e-commerce legal requirements that apply to B2C e-commerce in your jurisdiction (and which do not apply to non-e-commerce business)? Please include any requirements to register with regulatory bodies, as well as a summary of legal obligations specific to B2C e-commerce.

In the B2C segment, the general rules of the E-Commerce Law described above are supplemented by the special requirements of consumer protection, competition and advertising legislation, which do not have the same significance in trade between business entities.

Importantly, B2C e-commerce is also a subject to the Law of Uzbekistan "On Competition" (the "**Competition Law**") and to Resolution of the Cabinet of Ministers of Uzbekistan "On the Approval of Regulatory Legal Acts on Antimonopoly Regulation in Commodity and Financial Markets" No. 256 dated 1 May 2024 (the "**Competition Regulation Resolution**") including rules prohibiting anti-competitive agreements, abuse of dominance, and special rules for online platforms, which may be particularly relevant for digital platforms and marketplaces interacting directly with consumers.

The main feature of B2C e-commerce is that, before conclusion of a contract through information systems, the seller must disclose to the consumer the scope of information prescribed by law about itself, the goods, the terms of the transaction, and the complaint-handling procedure. This is the principal distinction between B2C e-commerce and ordinary non-electronic trade: in the digital environment, the law strengthens pre-contract disclosure and protection of the consumer as the weaker party. This follows from Articles 4, 6, and 13 of the Law of Uzbekistan "On Consumer Protection" (the "**Consumer Protection Law**"), read together with Articles 16, 18, and 21 of the E-Commerce Law.

In addition, rules on retail sales and purchase in e-commerce, performance of the contract, methods of payment, and issuance of electronic settlement documents, including an electronic receipt and other documents confirming acquisition of goods, works, or services, are of greater significance in the B2C model. In ordinary non-electronic trade, these requirements are not built around a single special regime of digital transaction and digital confirmation of performance. In e-commerce, by contrast, the law directly links execution of the transaction, performance, payment, and confirmation of purchase with electronic documents and information systems. These matters are governed by Articles 21 to 23 of the E-Commerce Law.

Another important element specific to B2C e-commerce involves processing of personal data of consumers, which must be carried out in accordance with the Law of Uzbekistan "On Personal Data" (the "**Personal Data Law**"). This includes requirements relating to obtaining consent for data processing, ensuring confidentiality and security of personal data, and restricting unlawful disclosure of personal data to third parties. Thus, it becomes structurally central in B2C e-commerce, where transactions are conducted entirely through digital interfaces.

1.3 Please explain briefly how the EU's Digital Services Act and Digital Markets Act and/or equivalent local legislation, such as the UK's Online Safety Act and Digital Markets, Competition and Consumers Act, are affecting digital business in your jurisdiction.

Regulation (EU) 2022/2065 (the "**Digital Services Act**") and Regulation (EU) 2022/1925 (the "**Digital Markets Act**"), as well as relevant UK legislation on online safety, digital markets, and consumer protection, do not form part of the domestic law of Uzbekistan and have no direct legal effect there. These regimes are relevant only where businesses established in Uzbekistan target users in the EU or the United Kingdom and fall within the territorial or material scope of those laws.

In practice, the influence of EU and UK platform regulation on the Uzbekistan market remains limited. Uzbekistan's e-commerce market is driven primarily by domestic and regional platforms rather than large Western global platforms. Local operators dominate the market, while regional and Chinese marketplaces have expanded their presence, meaning that EU and UK platform regimes have only indirect significance for most digital businesses operating in Uzbekistan.

At the same time, Uzbekistan has its own regulatory framework addressing comparable issues through the E-Commerce Law, the Consumer Protection Law, the Law of Uzbekistan "On Advertising", the Competition Law, the Competition Regulation Resolution and related implementing acts, which at great length regulate platform activity, consumer-facing obligations, advertising, data protection, cybersecurity, and operator compliance.

Draft legislation on the regulation of online platforms suggests a gradual convergence with international regulatory trends, although no single comprehensive platform statute comparable to the EU model has yet been adopted.

1.4 Are there are any new laws planned in your jurisdiction that will affect e-commerce going forward?

The regulation of e-commerce in Uzbekistan is currently evolving along several parallel tracks, reflecting a shift from a transaction-focused framework toward broader regulation of digital platforms, operators, and supporting infrastructure.

First, proposed changes to the existing e-commerce framework are envisaged under the draft revised Rules for Conducting E-Commerce (the "**Draft Rules**"), which would replace the regime established by Cabinet of Ministers Resolution No. 185 dated 2 June 2016. The Draft Rules are to set out a detailed classification of operators, including marketplace operators, order aggregators, and digital streaming service providers. The Draft Rules also expand regulatory requirements applicable to platforms, including the introduction of escrow mechanisms, signalling a move toward a more structured, platform-oriented regulatory model.

Second, sector-specific and infrastructure-oriented reforms are progressing in parallel. Presidential Resolution No. 136 dated 13 April 2026 sets quantitative targets for the development of e-commerce through 2030 and provides for measures affecting logistics and foreign trade, including the experimental introduction of bonded warehouses for goods sold through electronic platforms and simplified customs arrangements. At the same time, pharmaceutical e-commerce is emerging as a separate reform track, with proposals under development for the online sale of medicines via marketplaces, subject to enhanced requirements for pharmacies and courier services. Although these initiatives remain at the policy-development stage, they further illustrate Uzbekistan's transition toward a regulatory model that emphasises platform status, operator obligations, logistics infrastructure, foreign trade mechanisms, and sector-specific digital commerce rules.

2 Data Protection

2.1 How has the domestic law been developed in your jurisdiction in the last year?

Over the last year, the development of personal data law in Uzbekistan has been driven primarily by significant amendments to the Personal Data Law, as well as by the introduction of specific regulations, particularly in the field of artificial intelligence ("**AI**").

The most important development is the reform of the data localisation and cross-border data transfer regime, according to Law of Uzbekistan "On Amendments and Additions to the Law of Uzbekistan 'On Personal Data'" No. 1125 dated 26 March 2026. Whereas previously all personal data of citizens of Uzbekistan were subject to mandatory storage exclusively within the territory of Uzbekistan, after the amendments, mandatory localisation requirements remain primarily for biometric data, genetic data, and data of users of local telecommunications services. For other categories of personal data, storage and processing outside Uzbekistan are permitted subject to the conditions set out in the new wording of Article 27-1 of the Personal Data Law, including recognition of a foreign state as ensuring adequate protection, application of standard contractual clauses or binding corporate rules, and compliance with approved international standards. At the same time, the list of states ensuring adequate protection has not yet been approved.

As a result, organisations are now required to reassess their data storage models, cross-border data transfer mechanisms, and contractual arrangements with service providers.

In addition, according to the amendments, introduced by Law of Uzbekistan "On Amendments and Supplements to Certain Laws of Uzbekistan in Connection with Artificial Intelligence Regulation" No. 1115 dated 21 January 2026, a statutory definition of AI has been introduced, and reliance solely on outputs generated by AI systems in making legally significant decisions affecting human rights and freedoms has been prohibited. The same law also establishes restrictions on the unlawful processing and dissemination of personal data using AI technologies. In practical terms, this means that regulation of data and AI in Uzbekistan has become more closely connected and more operational.

These amendments represent a shift from a restrictive localisation model introduced in 2021 towards a more flexible and internationally aligned framework, aimed at facilitating the entry of global digital and fintech services, including payment systems.

2.2 What privacy challenges are organisations facing when it comes to fintech, retail, AI and digital health?

Organisations operating in Uzbekistan face increasing privacy and data protection risks as digitalisation accelerates across sectors such as fintech, e-commerce, AI, and digital health, while regulatory requirements continue to expand.

A central challenge arises from AI-driven and automated processing of personal data. The use of AI amplifies risks associated with profiling, automated decision-making, and large-scale dissemination of data, particularly in fintech and retail. In the fintech sector, compliance risks are heightened by the overlap of multiple regulatory regimes, including personal data protection, banking secrecy, payment services regulation, and information security rules. Businesses must simultaneously assess lawful grounds for data processing and comply with strict restrictions on access, storage, transfer, and use of financial information in remote service channels.

In retail and e-commerce, key challenges stem from the need to balance data-driven business models with data minimisation, database registration, and restrictions on cross-border data transfers, as well as special rules for automated, biometric, and genetic data processing, including storage. These obligations complicate the use of analytics, personalised marketing, and platform-based sales models.

Digital health presents particularly elevated risks due to the processing of sensitive medical, biometric, and genetic data, which are subject to stricter protection and localisation requirements. These rules limit cross-border data processing and increase organisational and technical compliance burdens. Additional legal uncertainty arises from international data transfer rules, as the absence of an approved list of jurisdictions ensuring adequate protection complicates reliance on cross-border data flows, mandating the receipt of the data subject's consent.

2.3 What support are the government and privacy regulators providing to organisations to facilitate the testing and development of fintech, retail, AI and digital health, such as, for example, sandboxes?

Uzbekistan has introduced several regulatory and institutional mechanisms aimed at supporting innovation in AI, fintech, and the broader digital economy sectors. In the area of AI, a special experimental and innovative regime was established by Presidential Resolution No. 5234 dated 26 August 2021 and further regulated by Cabinet of Ministers Resolution No. 717 dated 29 November 2021. This regime allows for the testing and implementation of AI-based software products within a controlled legal framework and facilitates the accelerated receipt of permits necessary for pilot projects.

In addition, Uzbekistan established the International Centre for Digital Technologies "Enterprise Uzbekistan" under Presidential Decree No. 233 dated 26 November 2025. The Centre operates under a special legal regime designed to support IT and digital businesses and provides preferential treatment in areas such as taxation, customs regulation, labour relations, personal data protection, and intellectual property. The Central Bank of Uzbekistan also actively promotes fintech development through initiatives related to open banking, digital payment systems, and regulatory cooperation, with the aim of enabling innovation while maintaining regulatory oversight.

Further support is provided through the Technological Park of Software Products and Information Technologies (the "**IT Park**"), created under a series of presidential and governmental acts. IT Park residents benefit from significant tax and customs incentives and organisational advantages linked to residency status. In addition, Uzbekistan is actively developing a regulatory sandbox framework within the International Centre for Digital Technologies "Enterprise Uzbekistan" established at the IT Park. In particular, the sandbox is intended to operate under a special legal regime covering areas such as taxation, customs regulation, financial services, labour relations, personal data processing, intellectual property, and dispute resolution, thereby enabling companies to test innovative digital solutions in a controlled regulatory environment. The initiative is being developed with the involvement of international advisors and is expected to incorporate elements of international best practices in data protection and digital regulation.

3 Cybersecurity Framework

3.1 Please provide details of any cybersecurity frameworks applicable to e-commerce businesses.

E-commerce businesses operating in Uzbekistan are subject to a multi-layered cybersecurity framework that combines general cybersecurity legislation with sector-specific rules applicable to online payments, remote financial services, and personal data processing.

The core framework act is the Law of Uzbekistan "On Cybersecurity" (the "**Cybersecurity Law**"), which establishes the foundations of state policy in this area, provides mechanisms for assessing cybersecurity risks, and empowers the authorised state body to issue binding instructions. The Cybersecurity Law applies broadly to information systems and networks, including those used in e-commerce activities.

Of greater practical relevance for e-commerce businesses involved in payments and online financial services are the Law of Uzbekistan "On Payments and Payment Systems" (the "**Law On Payments and Payment Systems**") and sector-specific regulations issued by the Central Bank of Uzbekistan. In particular, the Remote Financial Services Cybersecurity Regulation approved by Resolution of the Board of the Central Bank No. 3759 dated 21 January 2026 on minimum information security and cybersecurity requirements for the provision of remote financial services establishes binding standards for credit institutions, payment organisations, and payment system operators. The Remote Financial Services Cybersecurity Regulation establishes minimum requirements for user identification and authentication, use of OTP codes, biometric identification, device and session management, protection of mobile applications and web versions, storage and protection of data, and prevention of fraud incidents. These requirements directly affect e-commerce platforms that integrate online payments.

In addition, e-commerce businesses must comply with data-related cybersecurity obligations under the Personal Data Law, which requires appropriate organisational and technical measures to ensure data security and confidentiality, as well as the Law of Uzbekistan "On Telecommunications" (the "**Telecommunications Law**"), which imposes obligations to protect communication networks and transmitted information.

3.2 Please provide details of other cybersecurity legislation in your jurisdiction. If there is any, how is that enforced?

In addition to the Cybersecurity Law, Uzbekistan has several sector-specific legislative frameworks that impose cybersecurity obligations, with the most detailed and operational regime applying to the banking and payments sector.

For instance, the Law of Uzbekistan "On Protection of Information in the Automated Banking System" establishes mandatory requirements for the protection of information processed by banks and payment institutions, including safeguards for banking secrecy and prevention of unauthorised access. These general obligations are further specified by the Central Bank's Regulation on Minimum Requirements for Information Security and Cybersecurity and the Prevention of Fraud in the Remote Provision of Financial Services No. 3759 dated 21 January 2026, which translates statutory duties into concrete technical and organisational requirements for payment organisations and payment system operators. Enforcement is carried out through Central Bank supervision, mandatory compliance audits, and regulatory directions.

Further cybersecurity-related requirements arise under the Telecommunications Law, which regulates licensing and supervision of telecommunications operators and providers, mandates compliance with technical and security standards, and requires protection of communication networks and monitoring of unauthorised access during data transmission. Compliance is overseen by sector regulators through licensing conditions, inspections, and administrative measures.

At the strategic level, the Cybersecurity Strategy of Uzbekistan for 2026–2030, approved by Presidential Decree No. 38 dated 10 March 2026, prioritises protection of state information systems and critical information infrastructure, enhanced cybersecurity monitoring, and strengthened safeguards in the financial and payment sectors. In practice, enforcement of cybersecurity legislation in Uzbekistan relies on a combination of sector-specific supervision, binding technical requirements, and broader state policy measures aimed at strengthening national digital resilience, with the strictest controls applied where cybersecurity risks intersect with finance, state systems, and critical infrastructure.

4 Cultural Norms

4.1 What are consumers' attitudes towards e-commerce in your jurisdiction? Do consumers embrace e-commerce and new technologies or do consumers still prefer shopping in person?

From the business and market perspectives, Uzbekistan remains a country in which traditional offline retail formats continue to play a dominant role. Thus, according to a 2024 market report cited by Kursiv Uzbekistan, online sales accounted for only approximately 2 per cent of Uzbekistan's retail turnover, while 83 per cent of retail sales still took place through bazaars, markets, and counters, and only 13 per cent through chain and independent self-service stores. This reflects a retail culture that remains traditional and predominantly offline.

Consumer preferences for physical inspection of goods, combined with a relatively cautious attitude toward online transactions, particularly outside major cities, continue to limit the pace of e-commerce adoption. Trust, logistics, and delivery considerations also remain important factors shaping consumer behaviour, especially in areas outside the major urban centres.

At the same time, consumer attitudes are clearly evolving. In Tashkent, Samarkand, and other large cities, e-commerce usage is growing steadily, driven primarily by younger and more digitally engaged consumers. Industry commentary consistently describes the market as being at a formative but rapidly developing stage, with integrated digital ecosystems – combining online shopping, payments, and fintech services within a single application – playing a key role in changing consumer habits.

4.2 Do any particular payment methods offer any cultural challenges within your jurisdiction? For example, is there a debit card culture, a direct debit culture, a cash on delivery-type culture?

From a practical business perspective, Uzbekistan is much more of a card-and-transfer market than a credit card market. Daily consumer behaviour is built largely around the national card systems Uzcard and HUMO, as well as around local fintech apps such as Click, Payme, and Paynet. HUMO's own 2024 performance data show that Click was the leading platform for online payments and transfers, with Paynet and Payme following it, and that the same apps dominated both HUMO-to-HUMO and HUMO-to-Uzcard transfers.

This is reinforced by broader payment statistics. Central Bank reporting showed that the volume of peer-to-peer transfers through Uzcard and HUMO increased sharply in 2023, reaching UZS 224.3 trillion, with 65.7 per cent of those transfers carried out through Uzcard and 34.3 per cent through HUMO. This strongly suggests that consumer payment habits in Uzbekistan are centred on debit cards, card-to-card transfers, and mobile payment apps with relatively low penetration of traditional credit cards.

It should be noted that a platform that does not integrate properly with Uzcard, HUMO, Click, Payme, and similar tools is likely to face real market challenges. However, international card systems, such as Mastercard, Visa, Unipay and others are aggressively expanding in Uzbekistan at the moment. Further, following recent personal data storage liberalisation, international mobile wallets, such as ApplePay, are expected to enter Uzbekistan in 2026–2027.

At the same time, cash payments continue to play a significant role in everyday transactions, particularly outside major urban centres, which reinforces a hybrid payment culture combining digital transfers with traditional payment methods. In addition, the Central Bank of Uzbekistan has, in practice, attempted to introduce requirements relating to the designation and purpose of transfers. However, following public criticism, this approach was softened and effectively retained as a recommendation.

At the same time, regulatory policy is increasingly aimed at promoting cashless payments. In particular, according to Presidential Decree of Uzbekistan "On additional measures aimed at popularizing non-cash payments and reducing the share of the shadow economy" No. 246 dated 10 December 2025, from 1 April 2026 certain categories of transactions must be carried out exclusively through bank cards or electronic payment systems. These include payments for services provided by state bodies, utilities (electricity, gas, and water, subject to limited exceptions), alcohol and tobacco products, fuel and electric vehicle charging services, high-value transactions exceeding UZS 25 million (except for agricultural products), as well as transactions involving real estate and relatively new motor vehicles.

Credit cards have emerged in Uzbekistan only in recent years and still very few banks offer them. From a behavioural perspective, the relatively low penetration of credit card products in Uzbekistan is also linked to consumer caution towards borrowing, including religious considerations relating to interest-based financing. As a result, foreign platforms entering the market must not only integrate technically with local payment systems, but also adapt to these established payment habits, as failure to do so may create barriers to adoption and scaling.

4.3 Do home state retailer websites/e-commerce platforms perform better in other jurisdictions? If so, why?

For Uzbekistan, the more accurate position is that domestic e-commerce platforms do not, at this stage, generally perform better in foreign jurisdictions. The local market is still focused on scaling internal coverage, logistics, fulfilment, and merchant infrastructure. The Uzbekistan e-commerce market is explicitly described as a market that is still being formed, with less than 10 per cent of the population being active users of large e-commerce players, according to Wildberries own market assessment.

From a business model perspective, this is largely explained by the relative novelty of the market. Local platforms are still in the process of increasing coverage of the domestic population and building the underlying infrastructure required for scale, rather than pursuing outward expansion.

At the same time, the Uzbekistan market itself has become increasingly attractive to larger and more experienced outside players, mainly originating from the Russian Federation. For instance, Wildberries e-commerce platform was expanding pick-up points and building logistics centres in Uzbekistan, while Ozon had also started operating in the country. In 2025, local Uzum Market was formally recognised as the dominant digital platform operator in the marketplace segment in Uzbekistan, which underlines that its strength remains domestic rather than cross-border. As a result, the competitive dynamic in Uzbekistan is largely inward facing.

4.4 Do e-commerce firms in your jurisdiction overcome language barriers to successfully sell products/services in other jurisdictions? If so, how and which markets do they typically target and what languages do e-commerce platforms support?

At present, e-commerce platforms based in Uzbekistan are not widely established as significant cross-border retail players in foreign jurisdictions. The domestic e-commerce market remains primarily focused on internal expansion, and local platforms have generally not pursued large-scale outward internationalisation.

In practice, cross-border sales of goods from Uzbekistan are more commonly facilitated through established regional or international marketplaces rather than through Uzbekistan platforms operating their own retail infrastructure abroad. Market commentary suggests that recent growth dynamics are driven mainly by the inward expansion of foreign and regional platforms into Uzbekistan, rather than the outward expansion of local platforms.

As a result, language barriers have not yet become a major operational issue for local e-commerce platforms in foreign markets. Most platforms continue to operate primarily in Uzbek and Russian, reflecting their domestic customer base. Where cross-border sales occur, language adaptation and localisation are typically handled by external marketplaces rather than by local platforms themselves. Nevertheless, some Uzbekistan fintech and e-commerce companies have started to expand to neighbouring countries, such as Tajikistan, which shares very similar cultural patterns, but has untapped potential.

4.5 Are there any particular web-interface design concepts that affect consumers' interactivity? For example, presentation style, imagery, logos, currencies supported, icons, graphical components, colours, language, flags, sounds, metaphors, etc.

This question falls largely outside the scope of legal analysis and would require separate product, behavioural, or marketing research. We do not have a sufficiently reliable empirical basis to identify which specific web-interface design concepts statistically improve consumer interactivity in Uzbekistan. Accordingly, the more accurate answer is that this issue is outside our core area of legal expertise and would be better addressed through dedicated market and UX analysis.

4.6 Has the COVID-19 pandemic had any lasting impact on these cultural norms?

Yes, although the effect was more limited than transformative. According to a local online media Spot.uz market review, published on 31 December 2024, the pandemic helped normalise delivery services, online ordering, and digital interaction with service providers, but Uzbekistan's e-commerce market was still in an active formation stage and lacked sufficient logistics, warehousing, software, and marketing infrastructure. Moreover, very strict COVID-19 quarantine measures in early 2020 were significantly relaxed by the end of the same year.

The same review describes the sector as one that was still building basic market infrastructure and consumer habits rather than offering a fully developed alternative to offline retail. Therefore, COVID did help e-commerce in Uzbekistan, but not dramatically, because at that stage the sector was still not developed enough to offer the population a full-scale substitute for traditional retail or to support a broad shift of consumers to fully online purchasing.

5 Brand Enforcement Online

5.1 What is the process for online brand enforcement in your jurisdiction?

Online brand enforcement in Uzbekistan is primarily based on the protection of exclusive rights under trademark and copyright legislation, including the Law of Uzbekistan "On Trademarks, Service Marks and Appellations of Origin of Goods" (the "**Trademark Law**").

In practice, enforcement usually begins with confirming the title to the relevant intellectual property right and collecting evidence of infringement in the online environment (including website content, marketplace listings, or domain names), followed by sending a cease-and-desist letter or initiating administrative action through the Ministry of Justice, which has powers to identify infringements, conduct inspections, and impose administrative fines on legal entities for unlawful use of trademarks.

Where the infringement continues, the rights holder may bring a claim before the courts seeking cessation of unlawful use, compensation or damages, or statutory compensation.

Online enforcement practice is still building up with regulators and courts not rushing to penalising online platforms for specific vendor's violations.

5.2 Are there any restrictions that have an impact on online brand enforcement in your jurisdiction?

A material limitation is that trademark and copyright enforcement in Uzbekistan still depends on the classic elements of proof. In the trademark context, there must be an existing protectable right and a provable act of use infringing the owner's exclusive right. In the copyright context, the claimant must show that the disputed material qualifies as a protected work under Articles 6 and 7 of the Law of Uzbekistan "On Copyright and Related Rights", that it does not fall within the category of non-protected materials under Article 8, and that the use does not fall within the statutory free-use and limitation provisions set out in Articles 24 to 32. Plenum Resolution of the Supreme Court No. 19 dated 23 June 2023 also makes clear that courts must examine the specific legal nature of the intellectual property dispute and the relevant object of protection.

In addition, enforcement in Uzbekistan is largely reactive in nature, as authorities generally act upon complaints rather than through proactive monitoring, which places the burden of identifying infringements on the rights holder. Uzbekistan law does not yet provide a single universal cross-platform notice-and-takedown regime requiring all online intermediaries to remove content immediately upon complaint by the right holder. As a result, the speed and effectiveness of enforcement often depend on the evidentiary record, the intermediary's willingness to cooperate, and the claimant's ability to move quickly to judicial or administrative remedies.

Furthermore, complex disputes, including cross-border infringement and unfair competition claims, may take time to resolve through the national courts.

6 Data Centres and Cloud Location

6.1 What are the legal considerations and risks in your jurisdiction when contracting with third party-owned data centres or cloud providers?

When contracting with third-party data centres or cloud service providers in Uzbekistan, the principal legal risks relate to compliance with personal data protection, banking secrecy (where applicable), information security, and cybersecurity requirements.

From a data protection perspective, the Personal Data Law imposes strict rules on the processing, storage, and transfer of personal data. Particular risks arise in relation to automated processing and the handling of biometric and genetic data, which are subject to enhanced protection and mandatory localisation requirements. Under the recently liberalised Article 27-1 of the Personal Data Law, biometric and genetic personal data must, as a general rule, be stored and processed within the territory of Uzbekistan. In addition, personal data databases subject to localisation must be registered in the State Register of Personal Data Databases. Failure to comply with localisation or registration requirements may result in administrative liability and, in certain cases, suspension of data processing activities.

Where cloud services are used in the financial sector, additional risks arise from banking secrecy legislation. The Law of Uzbekistan "On Banking Secrecy" restricts the disclosure and use of information constituting banking secrecy and permits disclosure only in strictly defined cases and procedures established by law. This requires cloud arrangements to ensure controlled access to data, strict confidentiality obligations, and technical and organisational safeguards preventing unauthorised disclosure to third parties. Similar considerations apply under the Law of Uzbekistan "On Protection of Information in the Automated Banking System", which mandates the use of certified security tools, controlled access regimes, and the establishment of dedicated information protection functions within financial institutions.

From a contractual perspective, additional risks arise in allocating responsibility between the customer and the cloud provider, particularly in relation to data breaches, system outages, loss or corruption of data, and compliance with localisation and cross-border transfer requirements. In practice, this requires careful structuring of service agreements, including provisions on data security, incident notification, and compliance with regulatory requirements.

6.2 Are there any requirements in your jurisdiction for servers/data centres to be located in that jurisdiction?

Under the previous localisation regime, all personal data of Uzbekistan citizens had to be stored on servers in Uzbekistan. This hindered entry of international platforms, fintech and cloud providers. The 2026 amendments to the Personal Data Law significantly relaxed the regime – now only biometric, genetic and telecom-subscriber data are subject to mandatory storage in the territory of Uzbekistan.

Personal data that is not subject to mandatory localisation may be stored and processed outside Uzbekistan. However, such cross-border processing is permitted only where the conditions expressly listed in Article 27-1 of the Personal Data Law are met, including adequate protection in the foreign state or use of standard contractual clauses or binding corporate rules.

7 Trade and Customs

7.1 What, if any, are the technologies being adopted by private enterprises and government border agencies to digitalise international (cross-border) trade in your jurisdiction?

In Uzbekistan, digitalisation of cross-border trade is expressed, first of all, through use of state customs electronic services and the Single Window system. The official customs portal expressly lists digital instruments aimed at facilitating electronic declaration of goods, advance electronic notification of the customs authorities regarding goods and vehicles, a searchable interactive integrated tariff system, etc.

Particular attention should be given to the information system for foreign trade operations "E-Contract" (the "**E-Contract System**"). The system enables participants in cross-border trade to electronically submit and store information on foreign trade contracts, certificates on services/works rendered, and invoices using a digital signature. In addition, the E-Contract System facilitates effective oversight of the execution of foreign trade contracts and invoices by the customs and tax authorities, while supporting secure information exchange among business entities, state authorities, the commodity exchange, and commercial banks. These measures have been developed to stimulate increased participation by Uzbekistan vendors in regional marketplaces resulting in export growth.

7.2 What do you consider are the significant barriers to successful adoption of digital technologies for trade facilitation and how might these be addressed going forward?

Notably, although the adoption of digital technologies for trade facilitation, namely the E-Contract System, is of a mandatory nature, which ensures its widely spread usage by the business entities, its effective utilisation can be constrained by uneven digital capacity among market participants and persistent technological and infrastructure limitations. To illustrate, large enterprises generally adapt more quickly to digital trade tools, whereas small and medium-sized enterprises ("**SMEs**") often face challenges due to the limited technical knowledge, shortage of the qualified staff, and insufficient digital skills. These challenges are compounded by infrastructure gaps in the rural areas, as well as overall cybersecurity readiness. Particularly, there is a tremendous deficit of warehouses in Uzbekistan at the moment. Addressing these barriers will require targeted capacity-building initiatives, user-friendly system design, and financial or technical support for SMEs, alongside continued investment in digital and logistics infrastructure, and robust cybersecurity frameworks to ensure reliability, resilience, and inclusive participation in digital trade.

8 Tax Treatment for Digital Businesses

8.1 Please give a brief description of any relevant tax incentives for digital businesses in your jurisdiction. These could include investment reliefs, research and development credits and/or beneficial tax rules relating to intellectual property.

The principal tax incentives for digital businesses in Uzbekistan are linked to tax residency in the IT Park. Residents of the IT Park benefit from a strong preferential tax regime, including a reduced personal income tax rate of 7.5 per cent, a zero rate of corporate income tax, a zero rate of social tax, and exemptions from customs duties on the import of goods for their own needs. To qualify for IT Park residency, a business entity must be registered with the IT Park and operate within approved categories of activity, such as software development, the export of IT services, etc.

At the same time, the preferential regime has become more targeted. According to official information published by the IT Park, as of 1 April 2026, certain activities, including those of payment organisations, payment system operators, marketplaces, and microfinance organisations, were excluded from the general preferential regime.

8.2 What areas or points of tax law do you think are most likely to lead to disputes between digital businesses and the tax authorities, either domestically or cross-border?

One of the most common sources of disputes in digital business models concerns the classification of transactions as services rendered in electronic form, as well as the determination of the tax agent and the place of supply of such services for tax purposes.

An additional area of dispute relates to the structuring of payment models and the legal status of intermediaries involved in the provision of digital products. E-commerce arrangements often involve multiple participants, including operators of electronic trading platforms and payment service providers, while the applicable tax treatment depends on the precise legal role of each participant and the nature of the services they supply. As a result, inconsistencies in contractual structuring or characterisation of relationships may lead to differing tax interpretations and increased compliance risks.

9 Employment Law Implications for an Agile Workforce

9.1 What legal and practical considerations should businesses take into account when deciding on the best way of resourcing work in your jurisdiction? In particular, please describe the advantages and disadvantages of the available employment status models.

When choosing a workforce model in Uzbekistan, it is important to consider that Uzbekistan labour legislation is strongly socially oriented and provides a wide range of statutory protections for employees. These also include enhanced guarantees for certain vulnerable categories, such as pregnant women, single parents, employees under the age of 18, etc.

For digital businesses in particular, the choice between an employment contract and a civil-law arrangement should be driven not only by the desired level of flexibility, but also by the actual legal nature of the relationship. Uzbekistan labour law prioritises substance over form and may reclassify a civil-law arrangement as an employment relationship if it contains the mandatory characteristics of employment.

Nevertheless, an employment contract remains the most stable workforce model where a company requires ongoing control over the work process, integration of the worker into internal business processes, subordination to internal rules, and continuous performance of a defined labour function.

At the same time, when entering into an employment relationship in Uzbekistan, employers must take into account the limited grounds on which an employment contract can be terminated at the employer's initiative, whereas the fixed-term employment contracts cannot be used as a general flexibility tool and are permitted only in specific cases expressly provided by law (Articles 111, 112, and 113 of the Labour Code).

Nevertheless, there are a growing number of international/foreign companies outsourcing their labour needs to Uzbekistan. The most common example is that many US logistics companies are outsourcing their operational support to Uzbekistan. On a separate note, imposition of sanctions to Russia and Belarus has also led to many international IT companies, such as EPAM, moving their offices and people to Uzbekistan.

9.2 Are there any specific regulations in place in your jurisdiction relating to carrying out work away from an organisation's physical premises?

The Labour Code of Uzbekistan separately regulates the remote mode of work. Namely, Article 452 defines remote work, Article 453 regulates permanent and temporary remote work, while Article 454 regulates temporary transfer or transition to remote work at the employer's initiative. Remote work is defined as performance of a labour function outside the employer's location and outside a fixed workplace, provided that information and telecommunication networks, including the Internet network, are used for performance of the labour function and for interaction between the employer and the employee.

Notably, Article 458 provides for categories of workers who enjoy a preferential right to temporary transfer or transition to remote work, which includes pregnant women, parents (guardians) of children under the age of 14, persons with disabilities, etc.

However, the above rules apply to Uzbekistan employees working remotely from their Uzbekistan employers. The Uzbekistan legal framework does not provide for people residing in Uzbekistan to work for foreign companies without any presence in Uzbekistan. This is hindered by currency, banking and tax regulations.

9.3 What long-term effects or changes are likely to result from the COVID-19 pandemic?

The long-term effects of the COVID-19 pandemic on labour relations include, among other things, the widespread use of remote working arrangements, as well as the introduction of hybrid work models, under which employees are permitted, or in some cases required, to work remotely for several days per week. However, this is mostly practised by international and large domestic companies only.

10 Top 'Flags' for Doing Business as a Digital Business in Different Jurisdictions

10.1 What are the key legal barriers faced by a digital business operating in your jurisdiction?

The key legal barriers include personal data protection requirements, notably the mandatory registration of personal data databases and compliance with specific conditions governing the storage and processing of personal data. These requirements include the mandatory localisation of biometric and genetic data within the territory of Uzbekistan, as well as rules permitting the cross-border storage and processing of other categories of personal data only based on permission of the data subject.

A further material barrier is the obligation to comply with cybersecurity and information security requirements applicable to information systems and networks. In the payments segment, enhanced regulatory standards apply, including requirements for the protection of internet infrastructure, the encrypted exchange of confidential data, and the use of multi-factor authentication mechanisms.

In addition, digital businesses operating in Uzbekistan must take into account the competition law framework applicable to digital platforms introduced by the Competition Regulation Resolution. Within this framework, the authorised body may recognise a digital platform operator as holding a dominant position where, in addition to the existence of direct and indirect network effects, the operator meets one of the established thresholds, including revenue within the relevant digital space or the number of active end users or business users. In addition, when assessing the position of a digital platform operator, the authorised body may determine the boundaries of the relevant digital space and assess the operator's ability to use personal and other user data that may affect the competitive environment. A digital platform operator may also be recognised as having superior bargaining power where alternative platforms are absent or difficult to use, where the possibility of using multiple platforms is limited, or where the operator is able to unilaterally influence conditions such as pricing, quality, volume, or territorial scope of services. It should also be noted that the thresholds for recognising a digital platform as holding a dominant position or superior bargaining power are relatively broad and may capture a wide range of market participants. In particular, dominance may be established based on a quite low user base or revenue criteria combined with network effects, as well as the platform's ability to use user data or influence market conditions. As a result, online platforms become subject to additional restrictions, including limitations on restricting users' ability to install third-party applications, change default settings, or easily cancel subscriptions.

In the fintech segment, regulatory barriers stem from banking secrecy rules and restrictions on the disclosure of information constituting banking secrecy, as well as licensing requirements applicable to payment system operators and electronic money system operators.

10.2 Are there any notable advantages for a digital business operating in your jurisdiction?

Legally significant advantages include the regime of the IT Park, which operates on an extraterritorial basis, and the tax and customs incentives available for its residents and support for start-up projects.

An additional advantage is the existence of a special regime supporting solutions based on AI technologies, which gives participants in experimental research procedural simplifications in connection with testing and receipt of permit documents, thereby facilitating launch of corresponding projects within the legal framework.

10.3 What are the key areas of focus of the regulator in your territory for those operating digital business in your territory?

In the e-commerce sector, state regulation primarily focuses on the formulation and implementation of public policy governing e-commerce activities. This includes the regulation of e-commerce operations, as well as courier and delivery services for both general consumer goods and pharmaceuticals.

In addition, according to the Competition Regulation Resolution, a key area of regulatory focus is competition in digital markets. In particular, the authorities actively monitor the market position and share of digital platform operators, including the assessment of dominance and superior bargaining power based on criteria such as network effects, user base, and the use of user data as a competitive factor, and impose specific restrictions on platform conduct. Many online platforms have already been declared as having dominant market positions, leading to these restrictions.

In the payments segment, regulatory attention is directed toward strengthening the cybersecurity resilience of payment operators, increasing customer awareness of cybersecurity risks and threats, and further improving internal control systems, processes, and procedures.

11 Online Payments

11.1 What regulations, if any, apply to the online payment sector in your jurisdiction?

In Uzbekistan, the online payment sector is subject to extensive regulation, primarily covering payment services, competition, information security, and data protection. Key regulatory instruments are the Law on Payments and Payment

Systems, which provides for rules governing payment systems and electronic money, as well as licensing and supervisory requirements on payment system operators and electronic money institutions.

In addition, competition regulation applies, including rules introduced by the Competition Regulation Resolution, which establish procedures for the identification and recognition of dominance, superior bargaining power, and anti-competitive agreements and coordinated actions in commodity and financial markets, including in relation to digital platforms.

From a cybersecurity and data protection perspective, the Law on the Protection of Information in Automated Banking Systems plays a significant role. This law regulates the protection of information processed within automated banking and payment systems and establishes mandatory organisational, technical, and cryptographic safeguards to ensure information security, cybersecurity resilience, and the protection of banking secrecy. It also requires payment and banking institutions to implement certified security tools, restrict unauthorised access to information, and maintain internal information security functions.

In practice, online payment providers must additionally comply with enhanced cybersecurity requirements applicable to payment infrastructure, including encrypted data exchange, multi-factor authentication mechanisms, and internal control procedures aimed at preventing unauthorised access, data leakage, and cyber incidents. Non-compliance may result in administrative, criminal, financial and civil liability.

11.2 What are the key legal issues for online payment providers in your jurisdiction to consider?

The key legal issues for online payment providers in Uzbekistan include the correct determination of their regulatory status and compliance with the applicable licensing, contractual, cybersecurity, and data protection requirements.

A primary issue is the proper qualification of an entity as a payment system operator, payment service provider, operator of an electronic money system or a bank. This classification determines the scope of regulatory obligations, including the requirement to obtain a licence and to comply with statutory rules governing the provision of payment services. The regulator for banks is the Central Bank of Uzbekistan. At the same time, the National Agency for Prospective Projects regulates specific segments of the digital economy, including crypto-assets, capital markets, insurance, and e-commerce, and is responsible for licensing and authorisation procedures in those areas. The Law on Payments and Payment Systems defines a payment system operator as a legal entity responsible for ensuring the operation of a payment system, establishes licensing requirements, and sets out mandatory terms for agreements on the provision of payment services, including those specified in Article 7 of the Law on Payments and Payment Systems.

A further significant area of legal risk relates to information security and cybersecurity in respect of payment infrastructure and remote service channels. The Law on Payments and Payment Systems imposes specific requirements for the protection of internet resources, servers, and communication channels against cyberattacks, mandates the use of multi-factor authentication in cases prescribed by law, and requires the exchange of confidential information over the Internet in encrypted form using licensed cryptographic information protection tools. These obligations are reflected, in particular, in Article 53 of said Law.

In addition, online payment providers must comply with personal data protection requirements, including the principle of data minimisation. Under the Law on Payments and Payment Systems, payment system operators and payment service providers are permitted to access, process, and store users' personal data solely for the purpose of providing payment services and are prohibited from requesting or collecting information beyond what is necessary for that purpose.

12 Digital and the Green Economy

12.1 With the current global emphasis on the environment and sustainability, will current or anticipated legislation in that area affect digital business in your jurisdiction?

Yes, it will, although the effect may be indirect and will impact mostly the energy-intensive digital infrastructure. Overall, the environmental and sustainability legislation in Uzbekistan is not primarily targeted at the digital sector. However, both existing frameworks and anticipated reforms might increasingly affect digital businesses, particularly in relation to energy use, infrastructure, ESG expectations, green finance, and data-intensive operations.

Uzbekistan's environmental and ESG agenda is centred on energy efficiency, renewable energy, and emissions regulation. Key instruments include the Strategy for Transition to a Green Economy for 2019–2030, the introduction of a green energy certificate system, and the Law of Uzbekistan "On Limiting Greenhouse Gas Emissions", which establishes requirements for emissions accounting and climate regulation. Together, these measures indicate a growing focus on sustainable energy use and environmental accountability.

For digital businesses, the most significant impact is expected in relation to energy consumption, energy sourcing, ESG approaches, and potential reporting obligations, particularly for data centres, cloud infrastructure, telecommunications operators, and other data- or energy-intensive projects. Accordingly, rather than sector-specific environmental regulation, the principal effect on digital business is likely to arise from the gradual strengthening of energy-related, ESG, and sustainability requirements applicable to large infrastructure operators, as well as consequently increasing energy costs.

12.2 Are there any incentives for digital businesses to become 'greener'?

At present, Uzbek legislation does not provide incentives specifically targeted at digital businesses as a separate category. However, it does establish general mechanisms that may be used by digital companies when implementing green or energy-efficient projects.

In particular, Presidential Resolution No. PP-156 dated 12 May 2023 introduced a green energy certificate system, which allows the issuance of certificates confirming the generation of 1,000 kWh of electricity from renewable sources. Green energy certificates are recognised as freely transferable civil-law objects, and income derived from their sale is exempt from profit tax, while expenses incurred for their acquisition are deductible for profit-tax purposes.

In addition, Uzbekistan is developing targeted incentives for digital infrastructure. In particular, a special preferential regime is being introduced in the Republic of Karakalpakstan, which is the northern part of Uzbekistan, to attract investment in AI and data centre projects, including tax exemptions, customs incentives, and preferential electricity tariffs for large-scale investors.

12.3 What do you see as the environmental and sustainability challenges facing digital businesses?

Digital businesses in Uzbekistan face a range of environmental and sustainability challenges, most of which arise indirectly from the growing intersection between digital infrastructure and environmental regulation rather than from sector-specific rules.

A key challenge is the high energy consumption associated with digital infrastructure, particularly data centres, cloud services, telecommunications networks, and large-scale platforms. As Uzbekistan advances its green economy and climate policies, digital businesses may increasingly need to address the efficiency of their energy use, the carbon footprint of their operations, and the sources of electricity powering their systems.

Another challenge relates to the gradual integration of ESG principles into state policy and investment frameworks. While ESG requirements are not yet uniformly mandatory for digital businesses, large digital infrastructure projects, especially those involving strategic assets or public support, may face heightened expectations regarding sustainability reporting, emissions accounting, and environmental risk management.

Digital businesses operating in data-intensive or logistics-related sectors may also encounter challenges linked to waste management, hardware lifecycle management, and supply-chain sustainability.

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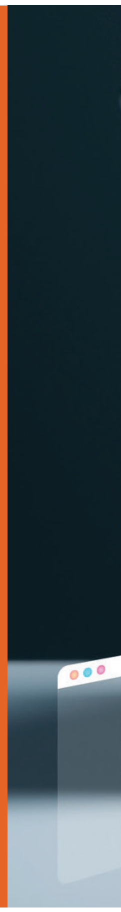

The International Comparative Legal Guides are published by: Global Legal Group