



# 2023

## ANNUAL REPORT

---

**BALANCE OF PAYMENTS, INTERNATIONAL  
INVESTMENT POSITION AND EXTERNAL DEBT  
OF THE REPUBLIC OF UZBEKISTAN**

What is the publication about?

The publication provides information on the balance of payments and international investment position for 2023, which was compiled in accordance with the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6, IMF, 2009) and External Debt Statistics Manual (IMF, 2013).

---

What date are data relevant?

The data, presented in the publication, are relevant as of March 31, 2024.

---

Where can data be found?

Statistical tables on the standard and analytical presentations of the balance of payments and international investment position are available on websites of the Central Bank of Uzbekistan <http://www.cbu.uz/> and International Monetary Fund <http://data.imf.org/>.

---

Whom and how to contact with questions and proposals concerning the publication?

**A. Olimov**

*Director of Currency regulation and balance of payments department*

(+998) 71 212-60-38

[olimov@cbu.uz](mailto:olimov@cbu.uz)

**O. Tojiddinov**

*Deputy director of the department – head of balance of payments division*

(+998) 71 212-60-77

[o.tojiddinov@cbu.uz](mailto:o.tojiddinov@cbu.uz)

**Sh. Khayitboev**

*Deputy head of balance of payments division*

(+998) 71 212-60-42

[sh.khayitboev@cbu.uz](mailto:sh.khayitboev@cbu.uz)

Any questions and proposals can also be sent to e-mail address [val@cbu.uz](mailto:val@cbu.uz).

## BRIEF REVIEW

**During 2023**, dynamics of balance of payments and international investment position indicators of Uzbekistan were influenced by, on the one hand, such **external factors** as an increase in prices of Uzbekistan's main raw materials in global markets, rise of travel-related services' growth rates and persistence of high interest rates in international financial markets, on the other hand, such **internal factors** as increases in imports of goods and services within the framework of large-scale investment projects implemented in economic sectors and servicing cost of external debt.

During reporting period, due to growth in volume of imports at a higher rate than volume of exports, the negative trade balance amounted to USD 17.6 bln.

The volume of exports amounted to USD 24.5 bln., whereas import volumes were equal to USD 42.1 bln., which increased by 12% and 18%, respectively, compared to 2022.

Export of goods amounted to USD 19.4 bln. and services to USD 5.1 bln., while import of goods and services accounted for USD 34.5 bln. and USD 7.6 bln., respectively.

Primary income balance was negative and amounted to USD 761 mln., in which inflows and outflows amounted to USD 3.6 bln. and USD 4.3 bln., respectively.

Positive balance of secondary income decreased by 13% compared to 2022 and totaled to USD 10.5 bln. Income earned from non-residents amounted to USD 11.2 bln., whereas payments to them reached USD 672 mln.

Under the influence of above-mentioned factors, in 2023 **current account** of Uzbekistan's balance of payments was formed with negative balance equal to USD 7.8 bln.

Current account deficit was mainly financed by external borrowings attracted by the government and corporate sector companies, foreign direct and portfolio investments.

During 2023, **financial account balance** was negative and amounted to USD 9.3 bln. Assets of residents increased by USD 1.1 bln., while liabilities grew by USD 10.4 bln.

Net increase of financial assets was mainly provided by growth of other investment related assets by USD 3.9 bln. and reduction of foreign currency part of international reserve assets by USD 2.8 bln.

Financial liabilities were mainly formed by increases of foreign direct, portfolio and other investments by USD 2.2 bln., USD 995 mln. and USD 7.2 bln., respectively.

During reporting period, net increase in foreign direct investments into share capital amounted to USD 870 mln., net growth of loans attracted from parent companies accounted for USD 913 mln. and reinvested incomes of foreign investors totaled to USD 786 mln. Moreover, net decrease in investments by enterprises operating on the basis of product sharing agreements (PSA) amounted to USD 382 mln.

Negative balance of portfolio investments in 2023 amounted to USD 995.4 mln. due to attraction of foreign portfolio investments to the capital of non-financial organizations, as well as accrued interest on international bonds issued by the government of Uzbekistan, commercial banks and other enterprises and issuance of “green” Eurobonds.

The **net international investment position** of Uzbekistan accounted for USD 12.4 bln. as of January 1 of 2024. The volumes of assets and external liabilities of residents in foreign currency were equal to USD 84.9 bln. and USD 72.5 bln., respectively.

As of the end of 2023, **total external debt**<sup>1</sup> amounted to USD 53 bln., in which public external debt reached USD 29.7 bln. and corporate external debt stood at USD 23.3 bln.

---

<sup>1</sup> Total external debt includes public and publicly guaranteed debt (public external debt) and publicly non-guaranteed debt (corporate external debt), as well as accrued but unpaid interests.

## PROJECTIONS FOR 2024

Taking into account final indicators of external sector statistics of Uzbekistan, expectations and assessments of experts on economic growth rates in the main trading partners during current and following years, dynamics of changes in conjuncture of international financial and commodity markets, labor and capital migration, foreign trade and logistics, projections on balance of payments indicators of the Republic of Uzbekistan for 2024 were formed under **baseline** and **alternative** scenarios.

### I. Baseline scenario

#### Export of goods and services.

The formation of gross external demand for export goods of Uzbekistan remains dependent on economic activities in main trading partners, process of economic fragmentation and elimination of uncertainties in the world. In January 2024, International Monetary Fund revised forecasts on economic growth rates of countries in the world including main trading partners of Uzbekistan. In particular, China's economy is expected to increase by 4.6% (0.4% more), Russia's economy by 2.6% (1.5% more) and Turkey's economy by 3.1% (0.1% more), while the projection on economic growth rate of Kazakhstan has been decreased (by 1.1%).<sup>2</sup>

Along with this, positive expectations regarding world prices for the main export commodities of Uzbekistan has remained. In particular, since the beginning of 2024, an average price of gold has been above 2 thousand dollars per troy ounce. Additionally, against the backdrop of the geopolitical situation and high demand for gold on international markets, the average price of gold is projected to increase until the end of the year.<sup>3</sup>

A number of factors signaling higher growth in services exports for the current year is prevailing. This is reflected in establishment of targets for export of travel related services (tourism), implementation of large-scale reforms in the field of information technology (IT), as well as high demand for usage of transport corridors in Central Asia and transport services of Uzbekistan.

<sup>2</sup> World economic outlook, IMF, January 2024.

<sup>3</sup> Gold outlook 2024, World Gold Council, December 2023.

In particular, in 2024, foreign tourist visits to the republic are projected to increase by 60% (*more than 10 mln. people*) compared to the previous year.<sup>4</sup>

Under the influence of above-mentioned factors, also as a result of restoring of relative advantage (competitiveness) of certain economic sectors (textiles, chemicals, food and non-precious metals industry) in the international markets and scale of financial support of these sectors by the government, opportunities to enter new markets (international GSP+ system) are to be at a high level in the following years, **total export volume** is expected to increase by 9-11% compared to 2023.

### Import of goods and services.

Based on persistence of high level of consumer demand for imported goods and machinery-equipment, vehicles and raw materials within the framework of investment programs on socio-economic development of regions (*projected real GDP growth in 2024 is 5.5-6%<sup>5</sup>*), as well as the government's efforts to reduce fiscal deficit (*fiscal consolidation*) and plans to import mineral products (oil, gas and electricity) to cover domestic consumption, in 2024 **total import volume** is forecasted to grow by 7-9% compared to 2023.

### Primary and secondary incomes.

It is expected that in 2024, **primary income**, similar to the previous year, will be formed with negative balance (*about 1% of GDP*). This condition is explained by an increase in servicing cost of loans attracted from non-residents at floating interest rates against the backdrop of preserving relatively high levels of interests, despite a possible slight decline of rates in international financial markets.

Considering shift of labor migration flows from traditional countries to other alternative markets, scope of special programs within the framework of intergovernmental agreements directed to employ migrants on an organizational basis and expectations of economic activity in migrant workers' main recipient-countries as well as historical average growth rates of transfers volume, remittances to Uzbekistan in 2024 are expected to increase by 5-10% compared to 2023, while the **secondary income** component will be formed with a positive balance.

---

<sup>4</sup> Presidential decree of the Republic of Uzbekistan "On measures to significantly increase the flow of foreign tourists to the republic and further intensify domestic tourism" (No. PD-9) dated January 12, 2024.

<sup>5</sup> Main directions of monetary policy for 2024 and 2025-2026. Publication of the Central Bank of the Republic of Uzbekistan, 2023.



## Financial account.

In 2024, the current account deficit is expected to be financed mainly by the net inflow of **foreign direct investments** (*to be at the level of 2022 due to expected investments in energy, mining, mechanical engineering, chemical industry, banking and finance and other sectors*), **portfolio investments** (*issuance of new Eurobonds in international financial markets*) and **external debt**.

## II. Alternative scenario

Under alternative scenario, the formation of balance of payments indicators might be influenced by the following factors:

1. Lower than expected economic growth in Uzbekistan's main trading partners as a consequence of expansion of geo-economic fragmentation processes and increasing vulnerabilities in certain sectors of the global economy (for example, the real estate crisis in China);

2. Decrease in external aggregate demand for Uzbekistan's main export non-commodity goods and world prices of precious metals;

3. Lower than expected growth in international tourist inflows to Uzbekistan;

4. Increase in the cost of servicing external debt as a result of maintaining tighter global monetary conditions;

5. Decline in the volume of remittances resulted from high fluctuations in FX rates of the main sender countries due to aggravation of geopolitical situation, decrease in prices of energy products and strengthening of sanctions, as well as restrictions on migrant workers' activities;

6. Decrease in demand for imported goods as a result of a certain slowdown in economic growth in Uzbekistan and an optimization in population's real income.

## Addenda 1. Balance of payments for 2021-2023 (analytic presentation)

(mln. USD)

Indicators	2021	2022	2023
<b>A. Current account balance</b>	<b>-4 897,5</b>	<b>-617,8</b>	<b>-7 787,6</b>
Goods, credit (exports)	14 142,0	17 110,2	19 418,8
Goods, debit (imports)	22 908,7	28 309,2	34 475,6
Services, credit (exports)	2 300,0	4 815,3	5 117,7
Services, debit (imports)	5 027,2	7 301,1	7 622,2
Balance on goods and services	-11 493,9	-13 684,7	-17 561,3
Primary income, credit	2 554,0	4 211,3	3 552,5
Primary income, debit	2 196,7	3 308,4	4 313,6
Balance on goods, services, and primary income	-11 136,5	-12 781,7	-18 322,3
Secondary income, credit	6 892,3	13 018,2	11 206,6
Secondary income, debit	653,4	854,3	671,9
<b>B. Capital account (excluding reserve assets)</b>	<b>32,2</b>	<b>22,2</b>	<b>8,4</b>
Capital account, credit	32,2	22,2	8,4
Capital account, debit	0,0	0,0	0,0
Balance on capital account and current account	-4 865,3	-595,6	-7 779,2
<b>C. Financial account</b>	<b>-5 918,6</b>	<b>-305,0</b>	<b>-6 570,8</b>
Direct investment: assets	2,5	4,1	11,7
Direct investment: liabilities	2 280,2	2 604,0	2 187,2
Portfolio investment: assets	0,0	0,0	0,2
Equity and investment fund shares	0,0	0,0	0,2
Debt securities	0,0	0,0	0,0
Portfolio investment: liabilities	1 995,8	27,1	995,5
Equity and investment fund shares	16,0	25,6	23,3
Debt securities	1 979,8	1,5	972,2
Financial derivatives (other than reserves)	12,7	9,9	1,6
Financial derivatives: assets	0,0	0,0	0,0
Financial derivatives: liabilities	-12,7	-9,9	-1,6
Other investment: assets	4 255,8	11 264,2	3 853,3
Other equity instruments	0,6	0,4	0,4



Indicators	2021	2022	2023
Debt instruments	4 255,2	11 263,8	3 852,8
Central bank	0,0	0,0	0,0
Deposit-taking corporations (except the central bank)	222,9	1 645,8	-1 206,2
General government	-20,2	-21,1	-18,0
Other sectors	4 052,5	9 639,2	5 077,0
Other financial corporations	0,0	0,0	0,0
Nonfinancial corporations, households, and NPISHs	4 052,5	9 639,2	5 077,0
Other investment: liabilities	5 913,7	8 952,0	7 254,8
Other equity	0,0	0,0	0,0
Debt instruments	5 913,7	8 952,0	7 254,8
Central bank	0,0	0,0	0,0
Deposit-taking corporations (except the central bank)	1 340,8	3 861,4	972,5
General government	1 404,1	3 134,2	2 988,2
Other sectors	3 168,7	1 956,4	3 294,1
Other financial corporations	780,2	34,3	16,8
Nonfinancial corporations, households, and PISHs	2 388,5	1 922,1	3 277,3
<b>D. Net Errors and Omissions</b>	<b>-1 519,7</b>	<b>-1 033,5</b>	<b>-1 513,2</b>
<b>E. Overall Balance</b>	<b>466,4</b>	<b>1 324,2</b>	<b>2 721,6</b>
<b>F. Reserves and Related Items</b>	<b>-466,4</b>	<b>-1 324,2</b>	<b>-2 721,6</b>
Reserve assets	-466,4	-1 323,0	-2 751,8
Net credits from the IMF (other than reserves)	0,0	1,1	-30,2
Exceptional financing	0,0	0,0	0,0

*This statistic report uses analytic presentation, described in the 6th edition of the Balance of Payments Manual (BPM6).*

**Addenda 2. International investment position for 2021-2023***(mln. USD)*

Indicators	01.01.2022	01.01.2023	01.01.2024
<b>Assets</b>	<b>70 404,0</b>	<b>82 293,7</b>	<b>84 861,9</b>
<b>Direct investments</b>	<b>197,7</b>	<b>202,0</b>	<b>209,9</b>
Equity instruments and investment fund shares	29,8	31,6	37,1
Investments of direct investor in direct investment enterprises	29,8	31,6	37,1
Investments of direct investment enterprises in direct investor (reverse investment)	0,0	0,0	0,0
Investments between fellow enterprises	0,0	0,0	0,0
Debt instruments	167,9	170,3	172,8
Investments of direct investor in direct investment enterprises	2,5	2,5	2,5
Investments of direct investment enterprises in direct investor (reverse investment)	0,0	0,0	0,0
Investments between fellow enterprises	165,4	167,9	170,4
<b>Portfolio investments</b>	<b>2,5</b>	<b>2,5</b>	<b>2,6</b>
Equity instruments and investment fund shares	2,5	2,5	2,6
Central Bank	0,0	0,0	0,0
Deposit enterprises, excluding the Central Bank	1,1	1,1	1,1
General government	0,0	0,0	0,0
Other sectors	1,4	1,4	1,5
Other financial institutions	0,0	0,0	0,0
Debt securities	0,0	0,0	0,0
Central Bank	0,0	0,0	0,0
Deposit enterprises, excluding the Central Bank	0,0	0,0	0,0
General government	0,0	0,0	0,0
Other sectors	0,0	0,0	0,0
Other financial institutions	0,0	0,0	0,0
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
<b>Other investments</b>	<b>35 064,6</b>	<b>46 321,6</b>	<b>50 084,7</b>

Indicators	01.01.2022	01.01.2023	01.01.2024
Other equity instruments	1,2	1,6	2,0
Debt instruments	35 063,4	46 320,0	50 082,6
Central Bank	0,0	0,0	0,0
Deposit enterprises, excluding the Central Bank	2 935,4	4 556,9	3 242,7
General government	3,3	3,7	4,9
Other sectors	32 124,7	41 759,4	46 835,1
Other financial institutions	0,0	0,0	0,0
<b>Reserve assets</b>	<b>35 139,2</b>	<b>35 767,5</b>	<b>34 564,6</b>
Monetary gold	20 949,7	23 064,8	24 632,2
Reserve position in IMF	0,0	0,0	0,0
Other reserve assets	14 189,5	12 702,7	9 932,5
<b>Liabilities</b>	<b>53 586,4</b>	<b>63 407,4</b>	<b>72 492,1</b>
<b>Direct investments</b>	<b>11 606,0</b>	<b>13 763,5</b>	<b>14 803,8</b>
Equity instruments and investment fund shares	10 054,1	11 362,4	11 406,9
Investments of direct investor in direct investment enterprises	10 054,1	11 362,4	11 406,9
Investments of direct investment enterprises in direct investor (reverse investment)	0,0	0,0	0,0
Investments between fellow enterprises	0,0	0,0	0,0
Debt instruments	1 551,8	2 401,1	3 396,9
Investments of direct investor in direct investment enterprises	1 388,2	2 227,5	3 170,2
Investments of direct investment enterprises in direct investor (reverse investment)	0,0	0,0	0,0
Investments between fellow enterprises	163,6	173,6	226,7
<b>Portfolio investments</b>	<b>4 720,4</b>	<b>4 192,1</b>	<b>5 295,3</b>
Equity instruments and investment fund shares	83,5	105,8	123,7
Central Bank	0,0	0,0	0,0
Deposit enterprises, excluding the Central Bank	37,1	48,4	57,4
General government	0,0	0,0	0,0
Other sectors	46,4	57,4	66,3
Other financial institutions	0,9	1,3	1,7

Indicators	01.01.2022	01.01.2023	01.01.2024
Debt securities	4 636,9	4 086,3	5 171,6
Central Bank	0,0	0,0	0,0
Deposit enterprises, excluding the Central Bank	993,2	893,9	1 027,7
General government	2 669,2	2 375,0	3 284,7
Other sectors	974,5	817,3	859,2
Other financial institutions	0,0	0,0	0,0
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>11,5</b>	<b>2,0</b>	<b>0,4</b>
<b>Other investments</b>	<b>37 248,5</b>	<b>45 449,8</b>	<b>52 392,6</b>
Other equity instruments	0,0	0,0	0,0
Other debt instruments	37 248,5	45 449,8	52 392,6
Central Bank	0,0	0,0	0,0
Deposit enterprises, excluding the Central Bank	6 766,0	10 441,1	11 348,2
General government	15 290,6	18 007,8	20 969,0
Other sectors	15 191,9	17 001,0	20 075,4
Other financial institutions	72,2	105,1	114,2
<b>Net international investment position</b>	<b>16 817,6</b>	<b>18 886,3</b>	<b>12 369,8</b>