

## More than \$100 million of credit resources to be allocated for service sector projects

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**On June 16, the President of the Republic of Uzbekistan Shavkat Mirziyoyev chaired a videoconference on development of services and domestic tourism.**

The Head of the state dwelt on the epidemiological situation in the country and drew attention to the fact that recently the number of people infected with coronavirus has significantly increased, moreover, many cases are detected among the population.

In particular, over the past two weeks 482 out of 551 cases were detected among the population in the city of Tashkent. It is regrettable that in 57 cases, the source of infection remains unknown. Such a disturbing situation is also observed in Tashkent, Navoi and Kashkadarya regions.

"All of this shows that the situation with coronavirus is becoming increasingly complex. The moment has come for a significant increase in vigilance and responsibility in the fight against the pandemic. At this stage, we must strictly follow the quarantine rules, no matter how difficult it is. Each of us must carry out the work carefully, thoroughly considering the consequences, deeply aware of the responsibility not only to ourselves, but also to the family and children. Otherwise, all our efforts will come to naught. I am sure that our generous and courageous people, having gained a lot of knowledge and experience during this time, will worthily overcome this stage", said Shavkat Mirziyoyev.

The Republican Special Commission has been instructed to strengthen disinfection and sanitary control in enterprises and markets, in shopping malls and organizations that resume business, to expand awareness-raising among the population through the media, as well as in labor collectives. The importance of regular testing among employees of all institutions providing services and whose activity involves direct contact with the population was emphasized.

The service sector is one of the main sources of employment both in cities and in rural areas. Its share in the gross domestic product of Uzbekistan is 35 percent. According to the International Labour Organization, an increase in the service industry by 1 percent will reduce the number of poor by 1.5 percent.

At the meeting, it was noted that the possibilities of the service sector in Uzbekistan are not fully used. It is indicated that local services such as repair of household appliances,

dry cleaning, computer design, accounting, advertising, paid medical care are not sufficiently developed.

This indicates the huge potential in the service sector. According to estimates, at least 160 thousand jobs can be created in this sector of the economy.

21 young freelance programmers are working in the city of Tashkent, Bukhara, Navoi and the capital regions. These specialists export services for \$50 thousand per year and are in the top 3 percent of the Top Talent rating.

The Head of the state noted the importance of supporting such talented youth, creating conditions for training the population in providing modern services.

The Deputy Prime Minister was instructed to develop, together with the khokims, a program for developing the services sector in each district and city. At the same time, the task was set to streamline this sphere, to bring its methodology and statistics in line with international standards.

Development of the sphere is impossible without financial support. For this reason, the President of Uzbekistan signed a resolution providing for the allocation from the Fund for Reconstruction and Development of more than \$100 million or more than 1 trillion UZS of credit resources for projects in the service sector. These funds will be allocated both through state and private banks with a rate of no more than 15 percent.

It was emphasized that regional leaders should effectively seize this opportunity and develop specific projects that will allow creating more jobs in the service sector as soon as possible.

President Shavkat Mirziyoyev paid special attention to the issues of training and employment of graduates.

This year, more than 451 thousand graduated from schools, 188 thousand boys and girls graduated from colleges. Even taking into account the increase in admission quotas this year, 103 thousand will be able to enter higher education institutions, and 90 thousand of them will go to technical colleges. Therefore, it is necessary to take care of the employment of the rest of the youth. In addition, this year 71 thousand students are graduating from higher education institutions.

"Which of the khokims is thinking about this problem, who personally met with the graduates? Where will our young boys and girls apply for employment tomorrow? Is there a reserve of jobs for them in the region?" the Head of the state raised a question.

About 2 thousand students complete pedagogical directions in Surkhandarya region. Currently, there is a shortage of teachers in rural schools of Sariosiyo, Oltinsoy and Uzun districts. It was emphasized that the khokim of the region and the leaders of the sectors should meet with these graduates and help them in employment. Deputy Prime Ministers were instructed to stimulate young professionals who decided to work in remote areas, to introduce a system of providing them with primary material assistance and housing.

The Ministry of Employment and Labor Relations has been instructed to create "Ishga Markhamat" monocenters in Karakalpakstan and in all areas, to open training centers by professions and in business fundamentals for young people, as well as training courses in makhallas.

As is known, on June 8, the President of Uzbekistan signed a resolution "On measures to simplify state regulation of entrepreneurial activity and self-employment". According to the document, the types of activities that self-employed persons can engage in are increased from 24 to 67, requirements for obtaining permits and taxes are minimized. It was noted that this is a huge reserve for ensuring employment.

The Central Bank was instructed to allocate 300 billion UZS of credit resources for self-employed persons within the framework of family entrepreneurship programs, and the Ministry of Finance – to introduce a system of subsidies for unemployed citizens starting a business to cover their costs associated with renting buildings for 3 months.

Issues of developing domestic tourism were also discussed at the meeting.

Calculations showed the possibility of providing employment for more than 200 thousand people in this sphere. It is planned to create many jobs in related industries, such as catering, transportation, retail.

It was noted that in each region there are many opportunities for this, including tourist attractions. For example, 1,500 people can be provided with work in Yangikurgan district of Namangan region through the restoration of 16 sanatoriums, about 8 thousand can be employed in Bostanlyk district of Tashkent region by creating tourist camps using lightweight structures. Moreover, tourism opportunities in the ancient cities of the country are not fully used. Many compatriots have not had a chance to visit them.

The State Committee for Tourism Development was instructed, together with ministries, agencies and khokimiyats, to open new routes for domestic tourism, increase the number of tourism centers of light construction, develop medical and health tourism. Khokims and sector leaders were instructed to ensure strict observance of quarantine rules at all tourist sites, in hotels and restaurants.

Deputy Prime Ministers, officials in charge of the sphere and khokims provided information on the issues discussed at the videoconference.

Taking advantage of the presence of relevant leaders at the meeting, issues of harvesting grain were discussed.

It was noted that due to heavy rainfall in spring and the supply of a sufficient amount of material and technical resources and mineral fertilizers, it was possible to get a rich grain crop despite the pandemic conditions.

It was noted that there are all the possibilities to complete the harvest season earlier than usual, for which it is necessary to organize the work correctly. Instructions were given for consistent plowing of fields and planting repeated crops.

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