



ANNUAL REPORT 2025



**THE CENTRAL BANK
OF REPUBLIC
OF UZBEKISTAN**

ANNUAL REPORT 2025

Tashkent 2026

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CHAIRMAN'S FOREWORD

Dear reader!

The year 2025 was a pivotal period for the economy of Uzbekistan, marked not only by the preservation of macroeconomic stability but also by the advancement of structural reforms to a new stage. Despite global economic uncertainties, reforms in monetary policy and the financial system were directed at securing a robust foundation for economic growth.

With respect to the Central Bank's primary objective — the ensuring of price stability — inflation was maintained within the bounds of projected indicators throughout 2025. Positive results were recorded in curbing the monetary factors of inflation and anchoring inflation expectations, achieved through the maintenance of tight monetary conditions and the effective deployment of policy instruments.

The volume and composition of international reserves continue to be maintained above internationally established norms, with a view to the full discharge of the country's external obligations and the mitigation of risks in the foreign exchange market. The positive dynamics in the balance of payments and the international investment position have served as a significant factor in the improvement of the country's sovereign credit rating. Adherence to the principle of a freely floating exchange rate and the primacy of market mechanisms in the foreign exchange market continue to be upheld.

In the reform and stabilization of the financial sector, primary attention was directed at two priority areas: first, the alignment of banking system stability indicators with international standards, including the requirements of Basel III; and second, the enhancement of efficiency in the sector and the broadening of financial inclusion through the introduction of modern and innovative solutions.

Measures were taken to support the stability and uninterrupted operation of the payment system, directed at the development of payment infrastructure, the introduction of new digital solutions, and the elevation of cybersecurity standards.

Looking ahead, the strategic priorities of the Central Bank's activities in the years ahead shall continue to encompass the achievement of a medium-term inflation target of five percent, the ensuring of financial stability and the uninterrupted functioning of payment systems, as well as the development of the financial sector, monetary and foreign exchange markets, and the promotion of financial inclusion. The principle of transparency shall remain of paramount importance in all activities of the Central Bank.



Timur Ishmetov

Chairman of the Central Bank

KEY INDICATORS

Annual Inflation 7.3% -2.5 p.p.	Core Inflation 5.7% -1.6 p.p.	Household inflation expectations 11.5% -2.9 p.p.	Business inflation expectations 11.1% -1.8 p.p.	Inflation target 5%
		UZONIA (annual average) 13.1%	Interest rate on deposits in national currency (annual average) 19.3% -0.2 p.p.	
Policy rate 14%	Money market operations UZS 783 trillion +1.5 times		Interest rate on loans in national currency (annual average) 23.0% -0.2 p.p.	

Bank assets UZS 925 trillion +20%	Loans disbursed UZS 390 trillion +36%	Loans to MSMEs UZS 131 trillion +42%	
Outstanding loans to the economy UZS 653 trillion +15%		Outstanding deposits in national currency UZS 330 trillion +43%	
Capital adequacy ratio 18.3% <i>minimum requirement 13%</i>	Non-performing loans 3% 4% in 2024	Deposit dollarization 21% -4 p. p.	Loan dollarization 38% -3.5 p. p.

International reserves USD 66.3 billion +61%	Uzbekistan's net international investment position USD 19.1 billion doubled, increasing by USD 9.6 billion	UZS/USD Exchange Rate Appreciation 6.9%
Current Account Balance (% of GDP) -3.9% -4.7% in 2024	Foreign currency supply in the foreign exchange market USD 53 billion +36%	

2025 IN FIGURES

Banks	Non-bank credit institutions	Payment organizations
36	233 +40	47 +3

Bank service offices (mini-banks)	Foreign exchange offices	ATMs and infokiosks	Credit bureaus
1,729 +9	7,047 +835	40,090 +10,181	3

Bank cards	QR-codes	Electron wallets	Transactions via Mobile Applications
68 million +6.3 million	139 thousand +1.3 times	25 million +20%	UZS 646 trillion +1.6 times

Regular users of the Central Bank's information channels	International technical assistance projects	In 2019–2025 total 144 students were awarded the Central Bank scholarship
2 million +15%	18	
Completed research studies	Total employee training hours	56 were employed
20	11,556	

Cash in circulation	Card cash-out ratio	Bank branches operating 24/7	POS Terminals
UZS 68.5 trillion	18.7% 21.8% in 2024	5,615 +1,168	431 thousand +4,537

Executive Summary

The Central Bank of Uzbekistan prepared its Annual Report for 2025 in accordance with Articles 8 and 15 of the Law of the Republic of Uzbekistan No. LRU-582 dated November 11, 2019, "On the Central Bank of the Republic of Uzbekistan". The Annual Report provides a comprehensive analytical overview of macroeconomic conditions and the Central Bank's strategic and operational activities.

During the reporting year, the economy of Uzbekistan demonstrated resilient growth despite persisting uncertainties in the global economy. As a result of ongoing structural reforms, a favorable external economic environment, and increased investment activity, GDP grew by 7.7 percent by the end of 2025.

Price stability and monetary policy

Monetary policy was implemented within the framework of an inflation-targeting regime aimed at achieving the medium-term inflation target of 5 percent.

Throughout 2025, the disinflation trend continued, accompanied by a gradual stabilization of price dynamics across the economy. By the end of the year, inflation stood at 7.3 percent, representing a decline of 2.5 percentage points compared to 2024. Meanwhile, core inflation slowed to 5.7 percent.

To mitigate prevailing inflationary risks, the Central Bank increased its policy rate to 14 percent in March 2025 and maintained it at this level throughout the year.

Furthermore, to strengthen the monetary policy transmission mechanism, open market operations were expanded, 7-day Central Bank bonds were introduced, and repo operations were intensified.

Foreign exchange market and international reserves

Against the backdrop of increased foreign currency supply in the foreign exchange market, the exchange rate of the Uzbek soum appreciated by 6.9 percent against the U.S. dollar.

Market-based mechanisms of exchange rate formation continued to develop, increasing the resilience of the foreign exchange market to external and internal shocks.

In particular, an increase in the number of market makers and growth in foreign exchange market transactions contributed to greater two-way exchange rate movements.

Additionally, the current account deficit of the balance of payments narrowed to 3.9 percent of GDP (*compared to 4.7 percent in 2024*).

Supported by the appreciation of gold assets, international reserves reached USD 66.3 billion, representing an increase of 61 percent.

Financial stability

The loan portfolio of banks reached UZS 653 trillion (+15%), while the capital adequacy ratio stood at 18.3 percent, remaining significantly above the established regulatory requirements. The share of non-performing loans (*NPLs*) decreased to 3 percent, and the deposit dollarization rate declined to 21 percent.

The non-bank financial institution sector also recorded strong growth, with the volume of loans disbursed reaching UZS 31.8 trillion, representing a twofold increase.

During the reporting year, the Central Bank further strengthened its prudential and macroprudential regulatory framework.

The implementation of Basel III standards continued, alongside the introduction of measures aimed at limiting household debt burdens and the further development of risk-based banking supervision.

In addition, efforts continued to develop the legislative framework for Islamic finance and to regulate credit-based installment services.

Development of payment systems and financial technology

During the reporting year, the volume of transactions processed through the interbank payment system increased by 1.6 times, reaching UZS 11,375 trillion. Meanwhile, the volume of transactions conducted via mobile banking applications reached UZS 646 trillion.

As part of efforts to expand the cashless payments infrastructure, further measures were undertaken to develop QR payments, e-wallets, and remote banking services.

Additionally, measures aimed at strengthening cybersecurity and preventing financial fraud were further expanded during the reporting year.

Financial inclusion and support for entrepreneurship

Within the framework of entrepreneurship support programs, loans totaling UZS 131.2 trillion were disbursed. In addition, employment opportunities were created for 3.46 million citizens.

The Central Bank also implemented measures aimed at protecting the rights of financial services consumers. In particular, mechanisms for handling public complaints were improved, the transparency of banking products was enhanced, and disclosure requirements for financial institutions were strengthened.

Development of institutional capacity

A Research Council was established within the Central Bank, and the “Research Hub” concept was developed.

A total of 18 technical assistance projects were secured from international financial institutions and foreign central banks.

Throughout the year, 20 research projects were carried out.

To enhance staff qualifications and strengthen professional competencies, employees completed a total of 11.5 thousand training hours during the year.

I. MACROECONOMIC CONDITIONS

External economic environment

In 2025, global economic conditions were characterized by a high degree of uncertainty (Figure 1.1). Increasing complexity in trade relations, rising import tariffs, and geopolitical tensions exerted downward pressure on global economic growth and investment activity.

At the same time, conditions gradually stabilized during the second half of the year. The easing of tensions between certain countries, increased investment in technology and artificial intelligence, and fiscal stimulus measures supported global economic growth.

Global financial conditions continued to ease throughout 2025. In particular, central banks in advanced economies began to cautiously reduce interest rates amid declining inflation (Figure 1.2).

However, inflation remained above target levels in many countries.

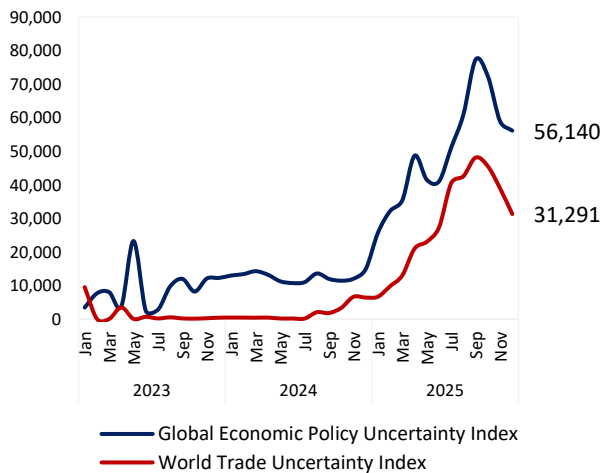
Elevated uncertainty strengthened investor demand for traditional safe assets. Consequently, prices for gold, silver, and other metals increased significantly (Figure 1.3).

These factors created a favorable external environment for Uzbekistan’s economy. High global commodity prices and expanded access to external financing supported growth in exports, foreign direct investment, and capital inflows.

Economic growth rates among Uzbekistan’s major trading partners varied. While growth slowed slightly in Russia and China, economic activity accelerated in Kazakhstan and Türkiye. A declining inflation trend was observed in most partner countries.

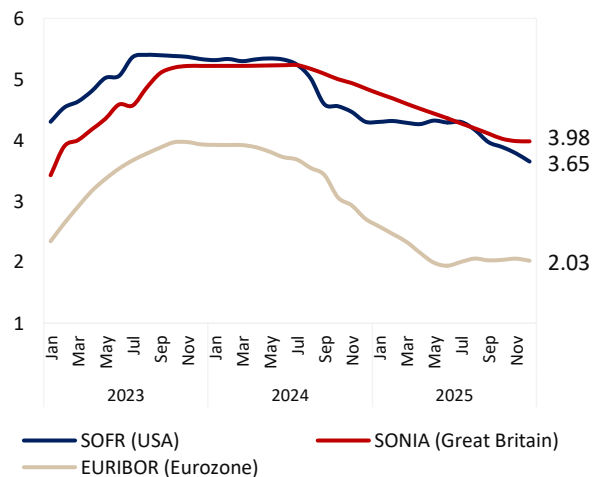
Furthermore, against the backdrop of the relative depreciation of the U.S. dollar, the currencies of several countries appreciated (Figure 1.4). This, in turn, contributed to an increase in the volume of remittance inflows.

Figure 1.1. Uncertainty indices, points



Source: worlduncertaintyindex.com

Figure 1.2. Policy rates of developed countries, %



Source: central banks

Domestic economic environment

In 2025, economic activity in Uzbekistan remained strong, with real GDP growth reaching 7.7 percent by the end of the year (Figure 1.5).

The acceleration of economic activity during the reporting period was supported by continued financial stimulus, growth in household incomes (9.2% in real terms), and a favorable external economic environment.

On the supply side, economic growth was primarily driven by the expansion of the services and construction sectors.

In 2025, growth in the services sector reached 14.7 percent. The highest growth rates were recorded in financial services (24.6%), information and communication services (22.7%), and accommodation and food services (10.4%).

The expansion of financial services was driven by the rapid development of financial technologies, online banking, and digital payment instruments, as well as by the introduction of new financial products and rising demand from households and businesses.

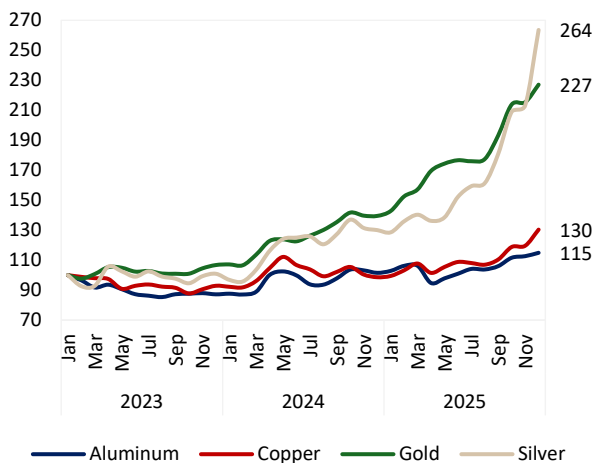
Growth in information and communication services was supported by the expansion of the IT sector and its deeper integration into other sectors of the economy, including finance, trade, and logistics.

Growth in the food services sector was primarily driven by rising real household incomes and a notable shift in consumer preferences toward service-oriented consumption.

In 2025, the volume of construction activity expanded by 14.2 percent.

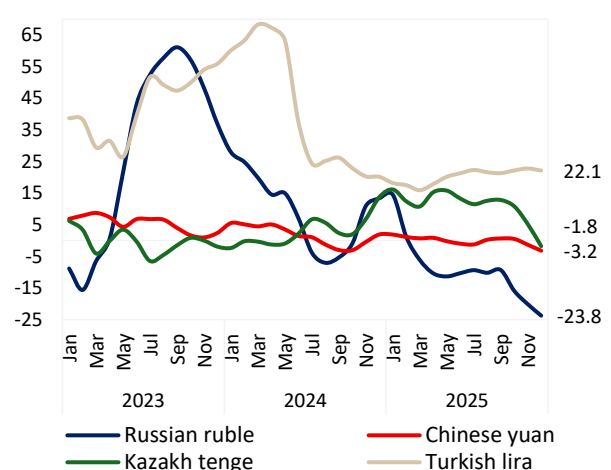
Growth was supported by the implementation of large-scale infrastructure projects in both the public and private sectors, the expansion of private investment, and intensified residential housing development, alongside the construction of industrial, manufacturing, and logistics facilities.

Figure 1.3. Global metal price dynamics, % (January 2023 = 100)



Source: World Bank

Figure 1.4. Exchange rate dynamics of major trading partners, % (annual change)



Source: central banks

Furthermore, the significant increase in the number of real estate transactions recorded during the year (15.1%) indicates that economic activity in the construction sector remained at a high level.

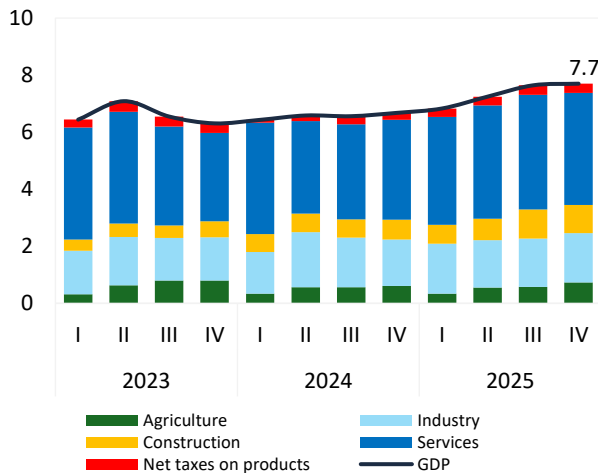
On the demand side, economic activity was supported by resilient domestic consumption, strong investment activity, and favorable external conditions for exports.

Despite some moderation, investment growth remained elevated. Investment inflows were primarily supported by foreign direct investment, as well as borrowing through credit and debt instruments amid gradually easing global financial conditions.

Domestic investment was primarily driven by public sector capital expenditures and household spending on residential construction.

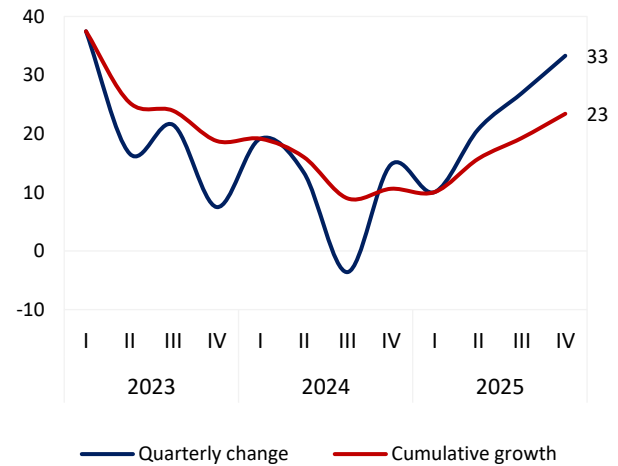
The acceleration of economic activity was also reflected in labor market developments, which were characterized by rising demand for labor and an increase in the number of vacancies. Nominal wages continued to grow at a strong pace, while lower inflation contributed to growth in real wages.

Figure 1.5. GDP growth decomposition by production approach, p.p.



Source: National Statistics Committee

Figure 1.6. State budget expenditure dynamics, %



Source: Ministry of Economy and Finance

II. ENSURING PRICE STABILITY AND MONETARY POLICY

Objectives and principles of monetary policy

The Central Bank formulates and implements monetary policy in accordance with Article 151 of the Constitution of the Republic of Uzbekistan.

Pursuant to the Law of the Republic of Uzbekistan “On the Central Bank of the Republic of Uzbekistan”, monetary policy is formulated and implemented with the primary objective of ensuring price stability.

Since 2020, the Central Bank has maintained a permanent inflation target of 5 percent.

Under the inflation-targeting regime, the following principles are observed:

1. An inflation target is established, and all monetary policy measures are directed toward achieving it.

The medium-term inflation target is set at 5 percent and publicly communicated. Within the Central Bank’s mandate, achieving the inflation target takes precedence over all other objectives.

2. The Central Bank’s policy rate serves as the primary monetary policy instrument. The policy rate influences interest rate dynamics across the economy and, consequently, domestic demand. The inflation target is achieved by maintaining equilibrium in domestic demand.

3. The operational framework of monetary policy is independently developed and continuously refined by the Central Bank. The Central Bank independently determines the monetary policy instruments and approaches necessary to achieve the inflation target. These may include interest rate management, open market operations, adjustments to reserve requirement ratios, and other measures required by economic conditions. Monetary policy decisions are based on comprehensive macroeconomic analysis and forecasting.

4. The Central Bank implements exchange rate policy under a free-floating exchange rate regime.

The exchange rate of the Uzbek soum is determined by supply and demand conditions in the domestic foreign exchange market. Consistent with the principle of neutrality, the Central Bank conducts foreign exchange interventions primarily in line with the volume of its gold purchases. No exchange rate target is set for the Uzbek soum.

5. Monetary policy is implemented in accordance with the principles of openness and transparency.

The timely and clear communication of policy decisions to the public plays an important role in shaping inflation expectations and strengthening confidence in the Central Bank’s policy.

Price stability: inflation and expectations

In 2025, inflation declined from 9.8 percent to 7.3 percent.

In May 2025, headline inflation declined significantly as the base effects of the 2024 energy price liberalization faded. However, secondary effects from subsequent price increases continued to constrain further disinflation. Excluding the initial impact of energy price adjustments, inflation stabilized at around 6.1 percent.

Rising energy prices contributed to higher producer inflation in the first half of the year, but inflation slowed significantly in the second half, with the Producer Price Index (PPI) reaching 10.0 percent by year-end. Meanwhile, the GDP deflator declined more gradually to 11.9 percent (Figure 2.1).

In 2025, the food category exerted upward pressure on headline inflation, with inflation rising from 2.6 percent in January to 5.5 percent in December.

In 2025, inflation in the non-food category declined steadily, reaching 5.1 percent in December. This trend was largely driven by a significant reduction in inflation in the pharmaceutical products category (Figure 2.2).

The appreciation of the national currency throughout the year contributed to slower growth in imported consumer goods prices, exerting downward pressure on non-food inflation. However, fuel prices remained elevated, with annual inflation for motor fuels reaching 18.2 percent in December.

Services inflation also declined significantly, from 27.0 percent in January to 13.9 percent in December, mainly reflecting the fading effects of the 2024 energy tariff adjustments. In particular, inflation in utility services fell from 66.6 percent to 26.0 percent over the year. Nevertheless, services inflation remained above headline inflation, indicating persistent demand-side pressures.

Figure 2.1. Inflation indicators, % (YoY)

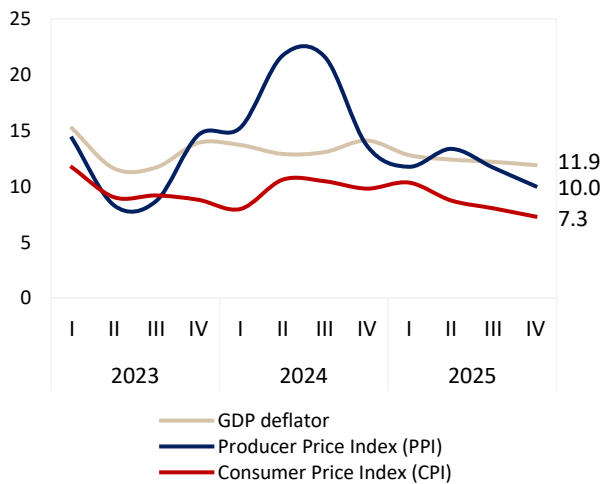
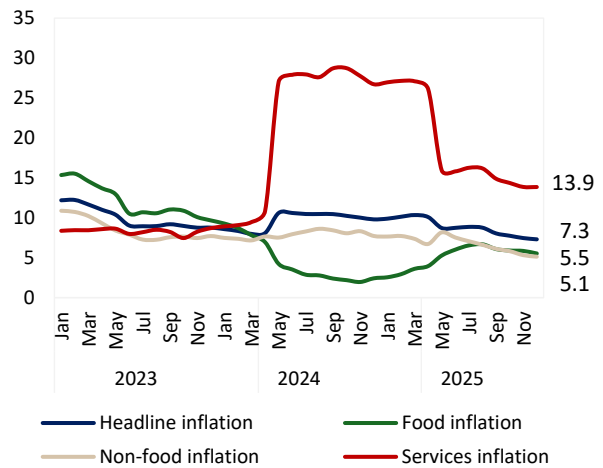


Figure 2.2. Inflation in the main CPI components, % (YoY)



Source: National Statistics Committee

Core inflation

Core inflation declined from 7.3 percent to 5.7 percent in 2025, indicating greater stability in price formation across the economy.

In the first half of the year, core inflation remained elevated due to growth in its key components, particularly core food and services inflation. In the second half of the year, all components shifted to a downward trend, contributing to the decline in core inflation by year-end.

The slower decline in core services inflation compared to other categories was mainly driven by secondary effects of changes in energy supply conditions on production and logistics costs, as well as persistently high inflation in the food service sector (Figure 2.3).

Inflationary expectations

Throughout 2025, inflation expectations among households and businesses declined in line with the overall slowdown in inflation. Household expectations for the next 12 months decreased from 14.4 percent at the beginning of the year to 11.5 percent by year-end, while business expectations declined from 12.9 percent to 11.1 percent.

The composition of factors shaping inflation expectations also changed significantly. In particular, elevated exchange rate expectations that prevailed in the first half of the year eased in the second half following the appreciation of the soum. At the same time, concerns regarding energy tariff increases persisted, with secondary effects also reflected in expectations related to transport and logistics costs (Figure 2.4).

Figure 2.3. Headline and core inflation, % (YoY)

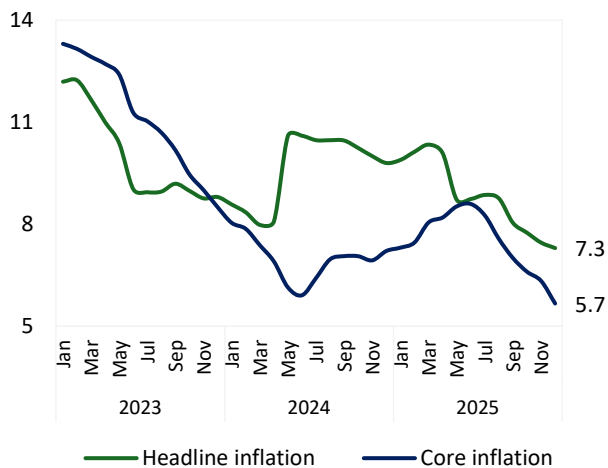
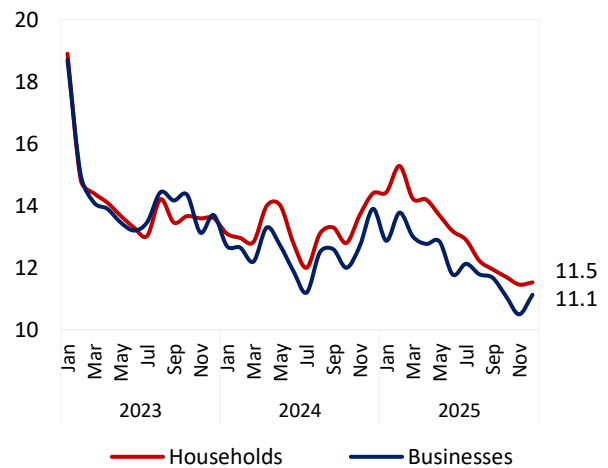


Figure 2.4. 12-month inflation expectations, %



Source: National Statistics Committee; Central Bank staff calculations

Monetary conditions, instruments, and operational framework

In 2025, monetary policy remained focused on achieving the medium-term inflation target by mitigating demand-side inflationary pressures and maintaining real interest rates at optimal levels.

In March 2025, the policy rate was increased by 0.5 percentage points to 14 percent and maintained at this level throughout the year (Figure 2.5).

The increase in the policy rate in March, together with the transition of inflation to a downward trend from April onward, resulted in real money market interest rates remaining within the range of 2.4–6.6 percent. This supported relatively tight monetary conditions in the economy (Figure 2.6).

In 2025, the weighted average annual interest rate in the money market stood at 13.3 percent and remained within the

interest rate corridor throughout the year.

Average interest rates on household term deposits in national currency reached 21.8 percent during January–June 2025 and declined to 20.6 percent by December.

As a result of ensuring relatively tight monetary conditions in the economy and maintaining money market interest rates at a positive real level, the interest rate on household deposits in December 2025 stood at a real level of 9.1 percent relative to their inflationary expectations (Figure 2.7).

These positive real interest rates contributed to a significant increase in deposits denominated in national currency. During 2025, term and savings deposits in national currency held by households and legal entities increased by 48 percent and 70 percent, respectively.

Figure 2.5. Dynamics of the Central Bank’s policy rate, %

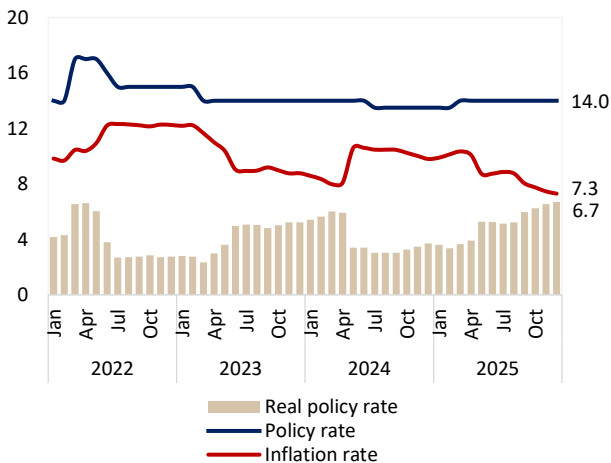
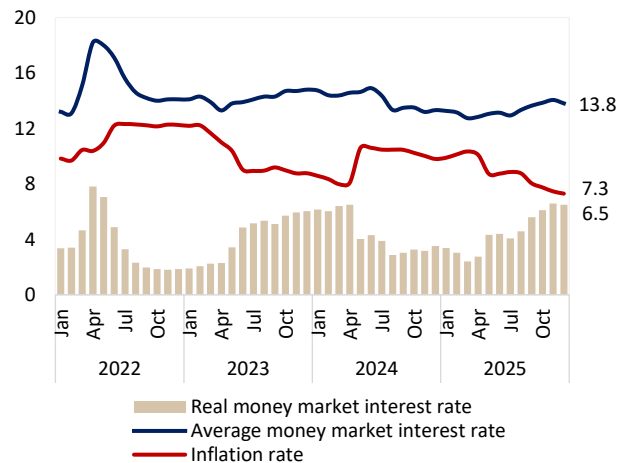


Figure 2.6. Interbank money market interest rates, %



Source: Central Bank

The average interest rate on loans in national currency for individuals stood at 23.6 percent at year-end, representing a decrease of 0.9 percentage points compared to 2024. Meanwhile, the average interest rate on corporate loans remained relatively stable throughout the year, averaging 23 percent in December (Figure 2.8).

In 2025, against the backdrop of a steadily growing systemic liquidity surplus in the banking system, demand for the Central Bank's liquidity absorption operations increased. In particular, the daily average balance of liquidity absorption operations stood at UZS 16.2 trillion in January 2025, rising to UZS 39.3 trillion by December of the same year.

In 2025, demand from commercial banks for the Central Bank's liquidity provision operations (*repo auctions, overnight repos, and overnight foreign currency credit*) remained comparatively subdued, with these operations averaging UZS 330 billion on a daily basis.

Based on the overall liquidity position of the banking system, supplementary issuances of Central Bank bonds were conducted in instances where excess liquidity was observed in the money market.

To mitigate the potential pressure of increasing banking system liquidity on money market interest rates and inflation levels, the Central Bank began circulating 7-day bonds in August 2025. Between August and December, the daily average balance of these instruments reached UZS 21.7 trillion (Figure 2.9).

Figure 2.7. Interest rates on household term deposits in national currency, %

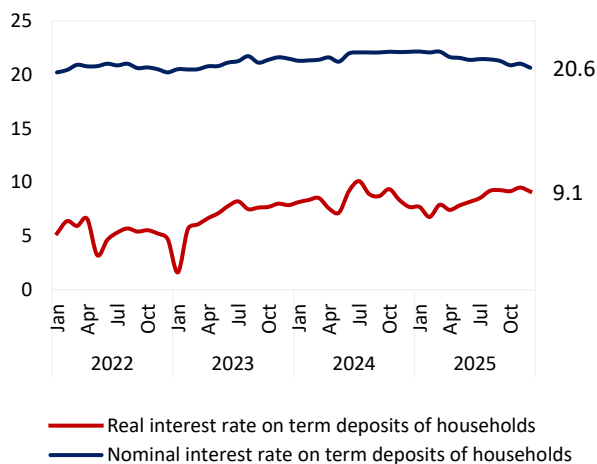
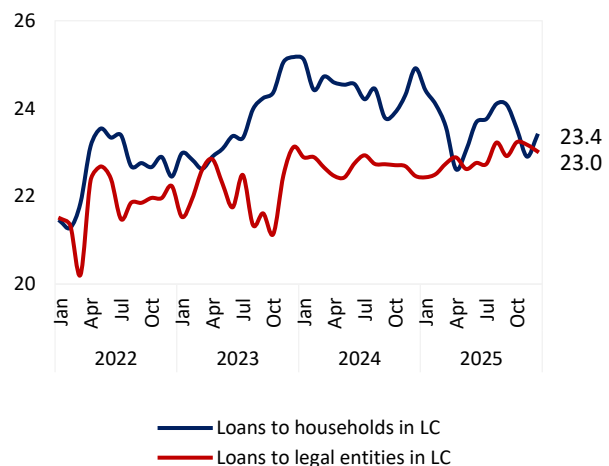


Figure 2.8. Interest rates on loans in national currency, %



Source: Central Bank

Against the backdrop of an expanding government securities market, the role and significance of repo operations in liquidity reallocation continue to grow.

Consequently, the volume of government securities in circulation increased significantly throughout the year, reaching UZS 86 trillion by year-end.

In 2025, the weighted average interest rate of the money market was 13.3 percent; specifically, interest rates on deposit operations stood at 13.4 percent, while the rate for repo operations was 13.3 percent (Figure 2.11).

The UZONIA benchmark interest rate remained within the interest rate corridor throughout 2025, averaging 13.1 percent, in close proximity to the policy rate (Figure 2.12).

In 2025, interest rates for operations with maturities exceeding one day exhibited varying dynamics but converged within the Central Bank's interest rate corridor by year-end. Specifically, average interest rates for operations with a 2–7 day maturity stood at 13.9 percent (compared to 15.1% in 2024), while rates for 8–30 day operations averaged 15.2 percent (compared to 16.4% in 2024).

During 2025, commercial banks demonstrated a preference for managing liquidity primarily through overnight operations, with 1-day deposit operations accounting for 86.8 percent of total money market transactions.

Figure 2.9. Central Bank monetary operations, UZS trillion

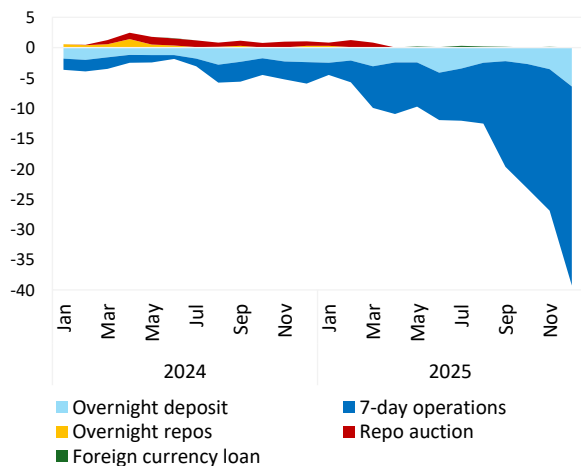
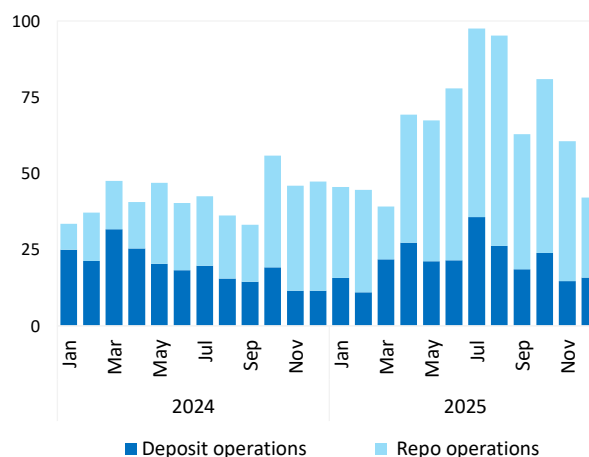


Figure 2.10. Interbank and repo operations, UZS trillion



Source: Central Bank

Key priorities for the coming years

The key directions of monetary policy for 2026–2028 are oriented toward ensuring price stability and bringing inflation down to its target level. Under the baseline scenario, inflation is projected to decline to 7 percent in 2026 and to 5 percent in 2027, stabilizing around that level in 2028. In order to achieve these objectives, the Central Bank will maintain comparatively tight monetary conditions.

At the same time, monetary policy will also be directed at ensuring macroeconomic stability and sustainable economic growth. With a view to enhancing the effectiveness of monetary policy, measures will be pursued to improve money market mechanisms, develop analytical and forecasting capacity, and strengthen the Central Bank's communication policy.

Figure 2.11. Interbank and repo rates, %

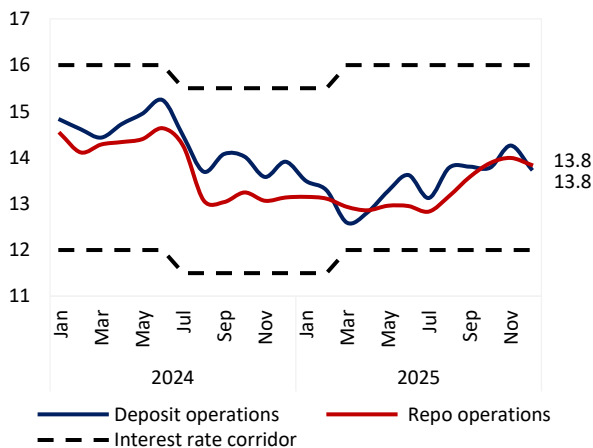
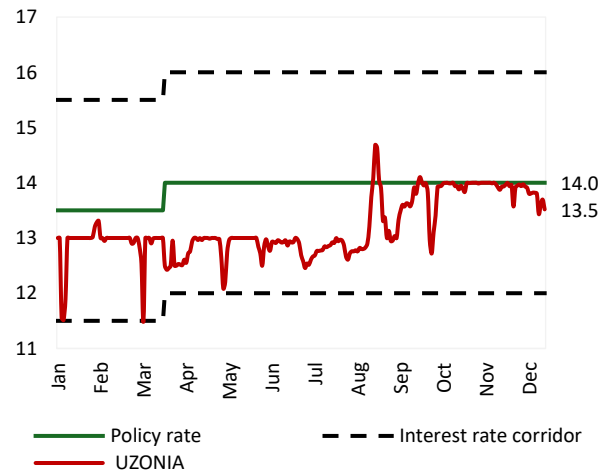


Figure 2.12. UZONIA benchmark interest rate (2025), %



Source: Central Bank

III. FOREIGN EXCHANGE MARKET AND INTERNATIONAL RESERVES

Foreign exchange market and currency operations

In 2025, growth in operational activity relating to foreign currency transactions was observed in the domestic foreign exchange market.

Demand for foreign currency by legal entities increased by 24 percent (*reaching USD 48.2 billion*) compared to 2024, while the volume of foreign currency supply rose by 36 percent (*reaching USD 24.4 billion*).

During the reporting year, the export revenues of business entities increased by 11 percent, totaling USD 18.6 billion. Of these revenues, USD 9.8 billion, or 54 percent, was sold on the domestic foreign exchange market (+19%).

Additionally, in 2025, USD 9.7 billion in foreign currency funds — derived from foreign loans — was sold on the domestic market by banks (*a 1.7-fold increase*).

The majority of the purchased foreign currency was allocated as follows: 50 percent for the import of industrial equipment, goods, and raw materials; 28 percent for the repayment of foreign currency loans; 17 percent for the import of consumer goods and pharmaceuticals; 2 percent for the repatriation of foreign investors' profits; and the remaining 3 percent for other purposes (Figure 3.1).

Throughout the reporting year, the dynamics of the national currency's exchange rate were shaped by supply and demand factors within the domestic market, general macroeconomic trends, and external economic conditions.

During 2025, the exchange rate of the soum against the U.S. dollar fluctuated within the range of UZS 11,881 – UZS 13,004, resulting in a 6.9 percent appreciation (Figure 3.2).

Figure 3.1. FX Market supply, USD billion

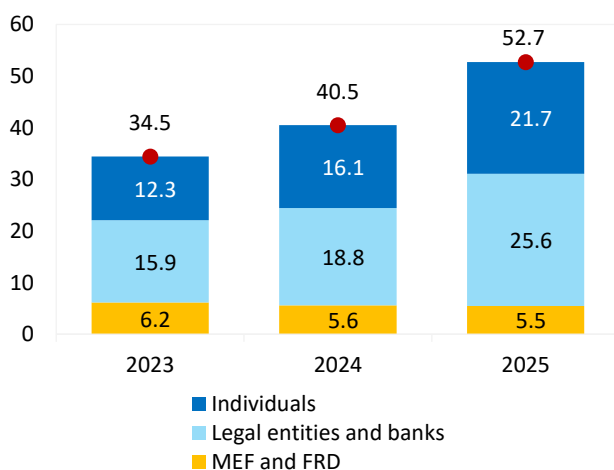
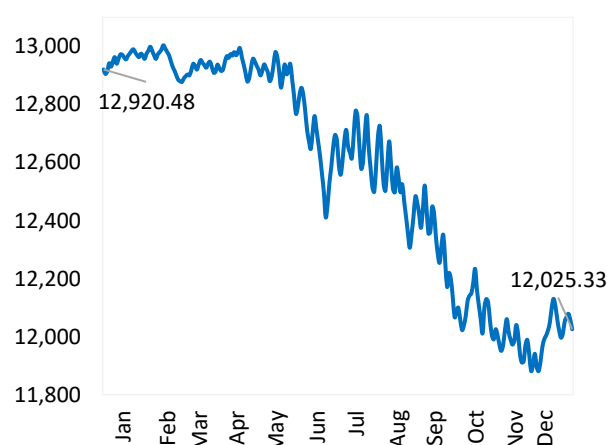


Figure 3.2. Exchange rate dynamics in 2025, USD/UZS



Source: Central Bank

Overall, the significant increase in foreign currency inflows through export channels, foreign loans, and remittances, coupled with the upward dynamics of foreign investment and the relative stabilization of imports, served as the primary factors contributing to the appreciation of the exchange rate in the domestic market.

Since the introduction of the matching trading system in 2021, average bilateral volatility averaged 0.1 percent through 2024, increasing to 0.28 percent in 2025.

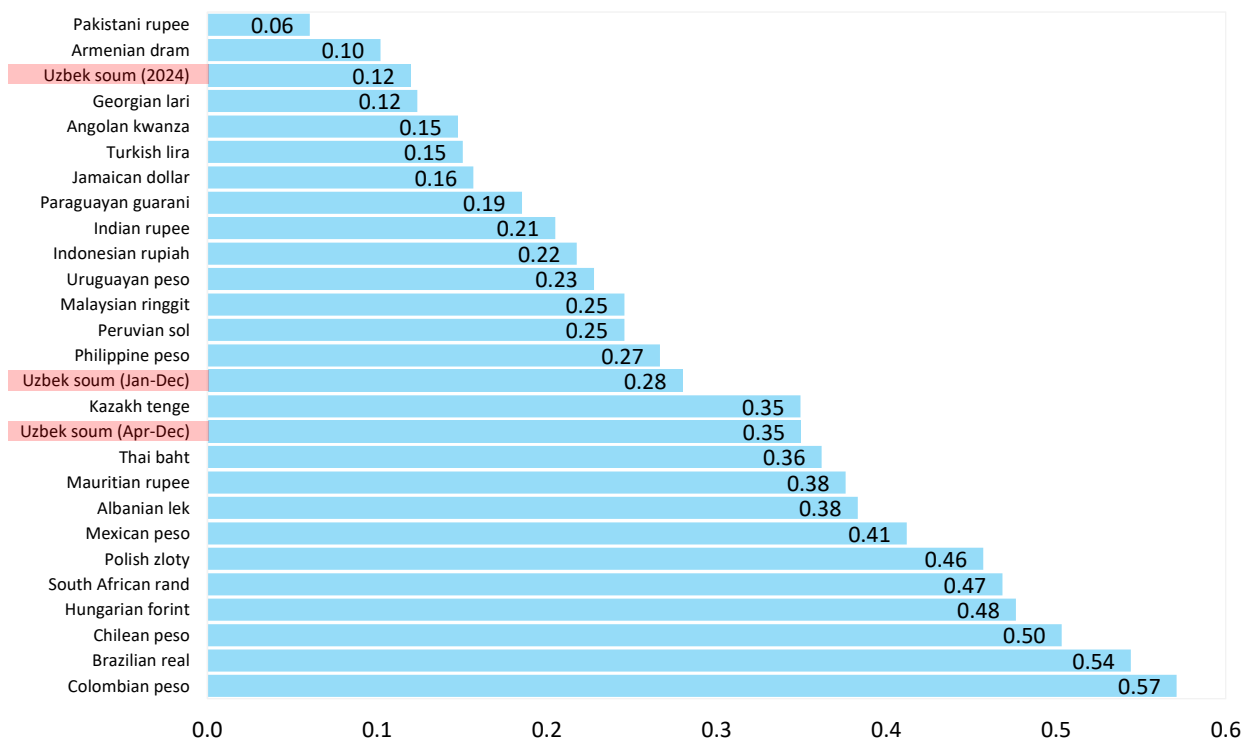
Notably, during the period of April–December 2025, volatility rose to 0.35 percent, approaching the levels observed in the currencies of nations with high degrees of exchange rate flexibility (Figures 3.3 and 3.4).

While the average exchange rate in 2025 was UZS 12,575, the maximum value recorded during the year was UZS 13,004 (5.5% above the average), and the minimum value was UZS 11,881 (3.4% below the average).

According to the IMF “Revised System for the Classification of Exchange Rate Arrangements”, an exchange rate is evaluated as a “stabilized arrangement” rather than “floating” if it remains within a ± 2 percent range around a central value for six months or longer.

Based on the data presented above, the dynamics of the Soum in 2025 can be characterized as reflecting the behavior of a freely floating exchange rate.

Figure 3.3. Volatility of the soum and emerging market currencies against the U.S. Dollar, %



Source: central banks

A primary driver of the increased bilateral volatility of the exchange rate was the growth in the number of market makers within the domestic foreign exchange market, alongside a substantial rise in the volume of transactions executed by them.

Specifically, by the end of 2025, the number of market makers¹ increased from two to five.

As a result of the exchange rate's appreciation, several positive macroeconomic trends were observed, stemming from increased public and institutional confidence in the national currency.

Specifically, during the reporting year:

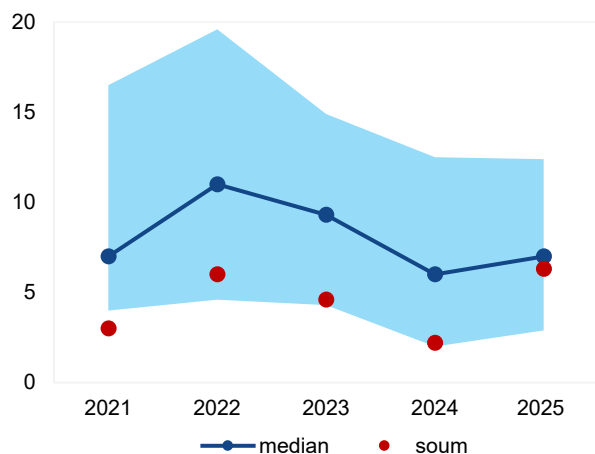
- driven by increased use of the national currency for settlements and savings, UZS deposits rose by 43 percent, reaching UZS 330 trillion;

- inflation expectations of households and businesses declined to 11.5 percent and 11.1 percent, respectively (*from 14.4% and 14.0% at the beginning of the year*), while the influence of the exchange rate on the formation of these expectations decreased by half;

- the downward trend in the dollarization ratio of loans and deposits accelerated (*decreasing from 41% to 38% for loans and from 25% to 21% for deposits*);

- costs for servicing public and corporate external debt decreased by an average of 6–7 percent.

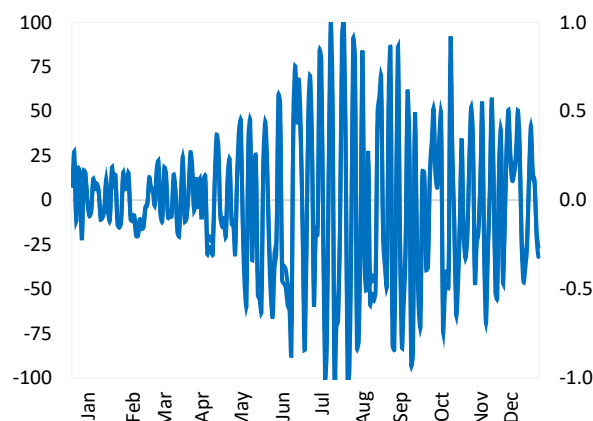
Figure 3.4. Exchange rate volatility, %



*The annual average volatility of the soum, calculated based on daily exchange rate fluctuations, has approached the average annual volatility indicators of 25 developing countries implementing flexible exchange rate policies² implementing flexible exchange rate policies.

Source: Central Bank

Figure 3.5. Uzbek soum exchange rate volatility, UZS, %



¹ **Market maker** – a participant (bank) that provides market liquidity by consistently offering buy and sell orders for a specific currency pair

² Armenia, Brazil, Chile, Colombia, Georgia, Hungary, India, Indonesia, Kazakhstan, Malaysia, Mexico, Paraguay, Peru, Poland, Thailand, Türkiye, Uruguay, and others

Foreign exchange market communication

In 2025, efforts to enhance communication within the foreign exchange market were conducted in cooperation with the IMF and international experts. Based on the recommendations of the IMF technical mission, a “Foreign Exchange Market Expert Group” — comprising representatives from the Central Bank, commercial banks, and independent experts — was established to discuss market trends.

Additionally, in November 2025, a forum titled “The Importance of a Floating Exchange Rate in an Inflation Targeting Regime” was held with the participation of local and foreign experts and media representatives.

Balance of payments and international investment position

In 2025, despite global geopolitical factors, foreign trade fragmentation, and high levels of economic uncertainty, a positive dynamics in Uzbekistan’s Balance of payments (*BoP*) and International investment position (*IIP*) was maintained.

Higher growth rates in exports relative to imports were driven by the price appreciation of primary commodity exports³, as well as the expansion of service exports in the travel, transport, and information technology sectors.

In 2025, the Current Account formed with a negative balance of USD 5.8 billion, remaining nearly at the 2024 level (*USD 5.7 billion*). As a percentage of GDP, this deficit contracted by 0.8 percentage points to 3.9 percent (Figure 3.6).

Export of goods and services

In 2025, export volume increased by 23 percent, totaling USD 32.3 billion. This comprised USD 23 billion in goods (+17%) and USD 9.3 billion in services (+42%).

In the export of goods (*excluding gold*), textile products, fruit and vegetables, chemicals, and base metals held the primary shares, accounting for 68 percent of total goods exports. Gold exports rose by 31 percent, reaching USD 9.8 billion.

Travel services dominated service exports, accounting for a 50 percent share. Due to the arrival of 11.7 million tourists in 2025, travel-related service exports increased by 46 percent, reaching approximately USD 4.7 billion.

³ During January–September 2025, the average price of gold increased by 44 percent, silver by 41 percent, and copper by 9 percent compared to the same period of the previous year.

Imports of goods and services

Internal demand for machinery, equipment, vehicles, energy resources, chemicals, and food products remained high, fueled by increased economic activity and investment projects in both the public and private sectors. Consequently, total import volume in 2025 increased by 20 percent year-on-year, totaling USD 52.2 billion.

Within this, imports of goods grew by 16 percent to USD 38.5 billion. Machinery and equipment, chemicals, base metals, energy resources, and vehicles constituted 70 percent of total goods imports. Service imports rose by 30 percent to USD 13.6 billion.

Driven by these factors, the trade deficit formed around USD 19.9 billion. This deficit was partially offset by the positive balances recorded in primary and secondary income.

Primary and secondary income

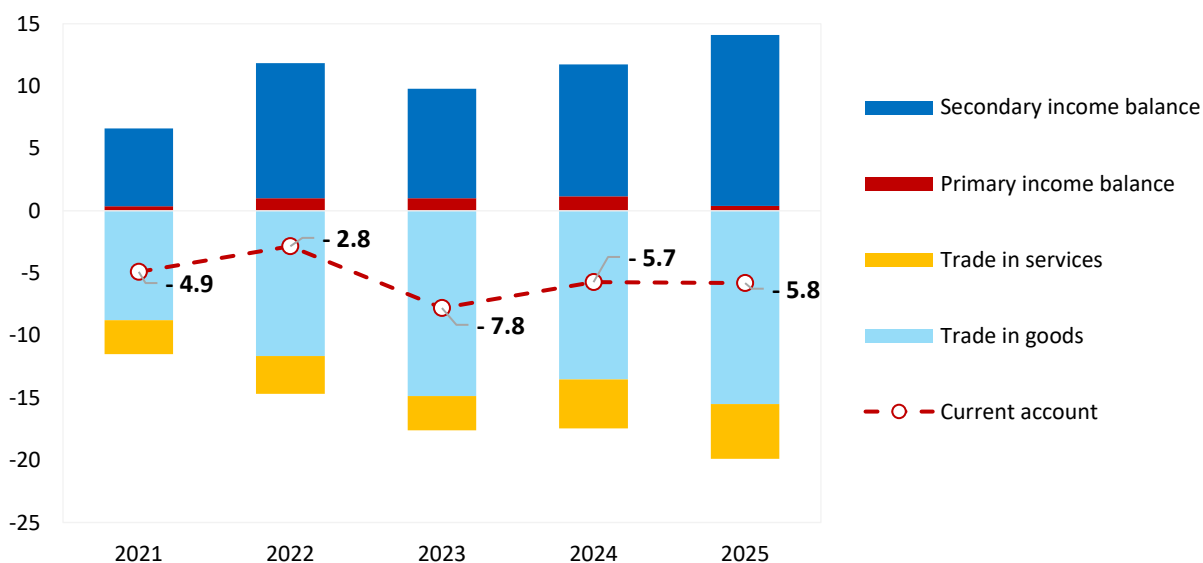
In 2025, cross-border remittances remained a key factor in narrowing the current account deficit. The balances for primary and secondary income in 2025 formed with positive surpluses of USD 371 million and USD 13.7 billion, respectively.

In 2025, primary income receipts for residents increased by 13 percent, reaching USD 6.4 billion, while primary income for non-residents amounted to USD 6.1 billion (+34%)

The growth in primary income expenditures was primarily driven by income and interest payments accrued on non-resident investments and external debt.

Although the easing of global financial conditions starting in the second half of 2024 slowed the growth of debt servicing costs, interest payments on external liabilities increased due to the mobilization of new debt funds.

Figure 3.6. Current account dynamics, USD billion



Source: Central Bank

Within the scope of secondary income, personal transfers from non-residents to households totaled USD 15 billion, while outward payments for such transfers amounted to USD 690 million.

The current account deficit was primarily financed through foreign investment and external debt. In 2025, the net inflow of Foreign direct investment (FDI) grew by 48 percent year-on-year, totaling USD 4.4 billion.

During this period, the net inflow of portfolio investment increased by 40 percent, reaching USD 4.4 billion, primarily due to operations involving international bonds. Within the category of other investment, the volume of loans and borrowings mobilized from abroad rose by 21 percent to USD 9.1 billion.

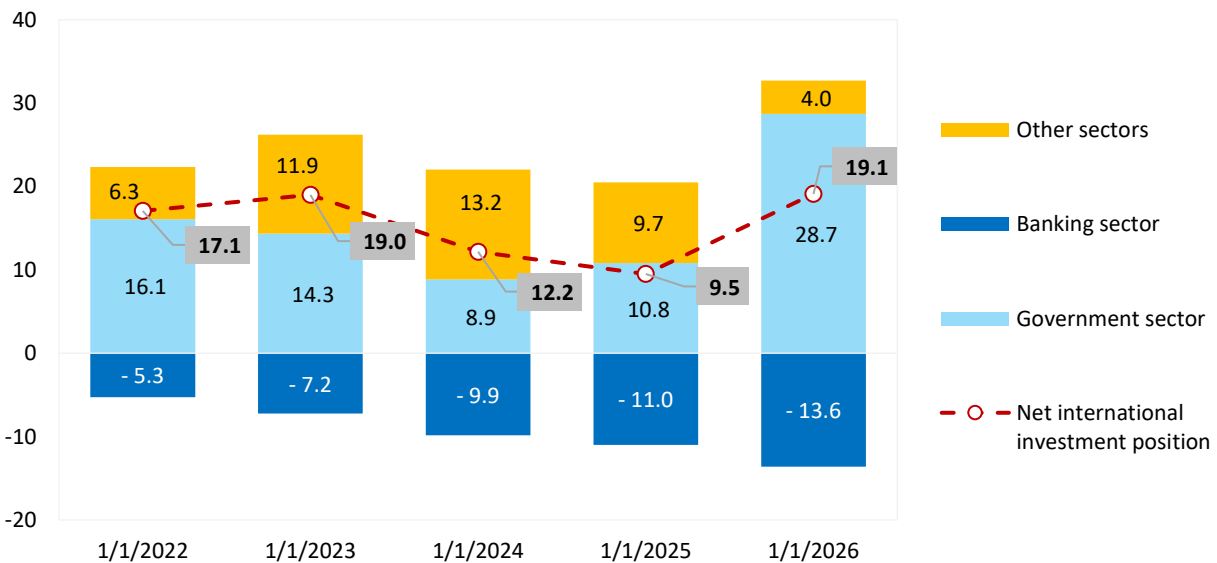
International investment position

Compared to the beginning of 2025, the Net International Investment Position of the Republic of Uzbekistan strengthened twofold, or by USD 9.6 billion, standing at USD 19.1 billion as of January 1, 2026.

Concurrently, due to the increase in net inflows of foreign direct, portfolio, and other investments, the volume of external liabilities rose by USD 22.4 billion, reaching USD 109.3 billion (Figure 3.7).

In terms of economic sectors, the general government and “other sectors” emerged as “net creditors”, while the banking sector functioned as a “net debtor”.

Figure 3.7. International investment position, USD billion



Source: Central Bank

External debt

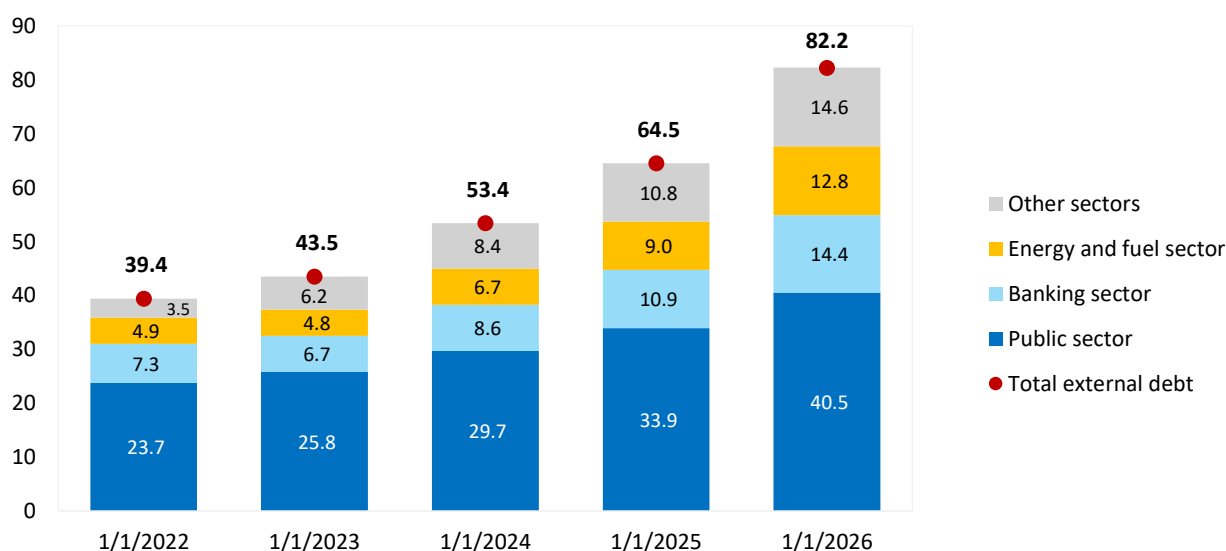
As of the end of the year 2025, the total volume of external debt⁴ increased by 27 percent compared to the beginning of the year, reaching USD 82.2 billion.

Within this, public external debt grew by 19 percent to USD 40.5 billion, accounting for non-operational changes, while corporate external debt rose by 36 percent, reaching USD 41.7 billion (Figure 3.8).

Total external debt liabilities increased by USD 17.7 billion in 2025; USD 6.6 billion of this growth was attributed to the public sector, while USD 11.1 billion pertained to corporate debt. Within the corporate external debt structure, an increase was observed in the liabilities of the banking sector, the fuel and energy sector, and enterprises in other sectors.

Specifically, the outstanding balance of liabilities within corporate external debt stood at USD 14.4 billion (+32%) for the banking sector, USD 12.8 billion (+43%) for the fuel and energy sector, and USD 14.6 billion (+35%) for other sectors.

Figure 3.8. **Composition of total external debt, USD billion**



Source: Central Bank

⁴ Includes public and publicly guaranteed debt, as well as corporate (private) external debt, including interest accrued but not yet paid.

International reserves management

In 2025, the Central Bank managed international reserves in strict adherence to the principles of safety, liquidity, and profitability amid significant shifts in global trade policy, uncertainties surrounding the outlook for the global economy, monetary policy easing, and ongoing geopolitical tensions.

Cooperation with the World Bank under the Reserve Advisory and Management Program (*RAMP*) contributed to improving reserve management practices, including investment policy, strategy, and risk management in line with international standards.

With the World Bank's technical assistance, the Central Bank introduced advanced software solutions, diversified reserve assets, and enhanced portfolio management capabilities. Staff capacity was further strengthened through training and professional certification programs, including the Chartered Financial Analyst (*CFA*) and Financial Risk Manager (*FRM*) qualifications.

Furthermore, within the framework of the Program, a portion of the Central Bank's funds was transferred to the fiduciary management of the World Bank, thereby continuing the practice of investing in a broad range of high-liquidity assets and ensuring their effective stewardship by qualified professionals.

In addition, a joint study on securities portfolio management was conducted in collaboration with the Bank of Korea and Sungkyunkwan University under the Knowledge Partnership Program (*KPP*).

Dynamics of international reserves

By the end of 2025, gross international reserves reached USD 66.3 billion, comprising USD 55.1 billion in gold, USD 9.7 billion in foreign currency assets, and USD 1.5 billion in securities (Figure 3.9).

In 2025, amid intensifying protectionist policies in global trade and uncertainties regarding economic growth prospects, leading central banks implemented monetary easing measures. Specifically, the U.S. Federal Reserve reduced interest rates by 0.75 percentage points. Under these conditions, the attractiveness of gold as a safe-haven and investment asset increased.

Consequently, the price of gold rose by 68 percent during 2025, reaching USD 4,389.5 per troy ounce by year-end.

Although the physical volume of gold within the reserves remained largely unchanged (*+0.3 million troy ounces*), the valuation of gold reserves increased by USD 23.1 billion, with the price effect accounting for USD 22.3 billion of this growth. As a result, gold's share within the total international reserves rose from 78 percent in 2024 to 83 percent by the end of 2025.

During the reporting year, the Central Bank purchased 109 tons of monetary gold from domestic producers and executed 100 tons of gold exports. The foreign exchange proceeds from these exports were utilized for the implementation of monetary policy and the settlement of international operations.

By year-end, foreign currency assets increased by USD 2.0 billion, with 87 percent denominated in U.S. dollars and 13 percent in Chinese yuan. The allocation of a portion of currency assets in yuan is attributed to its significance as an international reserve currency and its role as the currency of a leading foreign trade partner.

To diversify risks in the management of international reserves, foreign currency assets during the reporting year were placed in term deposits across 16 countries with high sovereign credit ratings and 35 banks with international investment ratings.

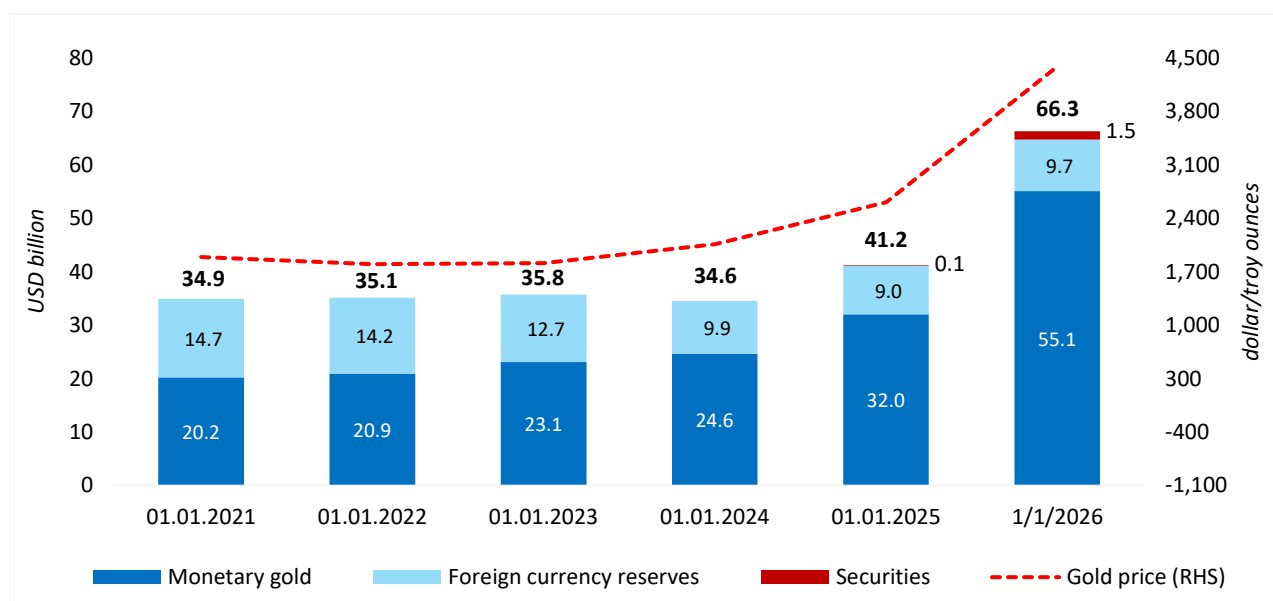
Specifically, by the end of the year, the Central Bank's term deposits were distributed among banks in the Asia-Pacific (55%), Europe (38%), and North American (7%) regions.

Furthermore, 25 percent of the currency funds placed in deposits pertain to countries with a "AAA" sovereign credit rating, 27 percent to "AA" rated countries, and 48 percent to "A" rated countries. Additionally, 5 percent of currency funds were placed with foreign partner banks holding a "AAA" investment rating, 17 percent with "AA" rated banks, and 78 percent with "A" rated banks.

In 2025, the Central Bank's total number of active partner banks stood at 47. Of these, 33 are ranked among the world's 100 largest banks by Tier 1 capital, while the remainder are included in the list of the world's 200 largest banks.

Risks associated with foreign currency assets were subject to systematic monitoring across all partner-bank counterparties.

Figure 3.9. Dynamics and composition of the international reserves of the Republic of Uzbekistan



Source: Central Bank

Management of the securities portfolio within international reserves

By the end of 2025, the valuation of the Central Bank's securities portfolio reached USD 1.5 billion. This portfolio is managed based on passive strategies, utilizing held-to-maturity (*HTM*) methods and the selection of securities aligned with specific benchmark risk indicators (*indexing*).

The annual yield of the Central Bank's securities portfolio was 4.6 percent. Throughout 2025, no significant deviation was observed between the portfolio yield and the benchmark yield; standard deviation of the excess return (*Tracking Error*) standard deviation of the excess return remained at zero percent.

International reserve adequacy metrics

Maintaining international reserves within regulatory requirements strengthens the nation's financial stability and institutional credibility, thereby enhancing Uzbekistan's international credit ratings and investment attractiveness. This, in turn, facilitates the mobilization of resources from external financial markets on favorable terms, reduces the costs associated with servicing external debt, and expands the capacity to overcome crisis periods relatively quickly and with minimal losses.

The policy of balanced international reserve management in our country is reflected in the fact that key indicators — such as the short-term debt coverage (*minimum requirement of 100%*), the import coverage ratio (*minimum of three months of imports*), the ratio to Broad Money (*20%*), and the ARA EM Reserve

Adequacy for emerging markets (*100–150%*) — consistently exceed the minimum thresholds established by international best practices⁵.

In particular, the ratio of international reserves to broad money stood at 211 percent as of 1 January 2025, representing a level 11 times in excess of the 20 percent minimum requirement.

The import coverage ratio increased from 13 months to 14 months in 2024, standing at 4.7 times above the recommended threshold. The short-term external debt coverage ratio reached 442 percent (*4.4 times above the minimum requirement*) while the IMF's Assessing Reserve Adequacy for Emerging Markets (*ARA EM*) metric stood at 3.4 times above the minimum requirement (Figure 3.10).

Furthermore, the ratio of Uzbekistan's international reserves to GDP remained at 45 percent, which continues to be maintained at a level exceeding the corresponding indicators of the country's principal trading partner nations (Figure 3.11).

These indicators, alongside other key macroeconomic metrics, serve to reduce the probability of a crisis in the event of internal and external shocks, and constitute a significant source of information for investors in the process of investment decision-making.

⁵Assessing Reserve Adequacy for Emerging Markets (*ARA EM*) — a metric calculated based on IMF methodology, incorporating indicators such as the country's exchange rate policy, export and import volumes, money supply, and external debt.

Key priorities for the coming years

In 2026, with a view to further developing the domestic foreign exchange market, a revised strategy governing the Central Bank's foreign exchange interventions will be formulated. In addition, measures will be undertaken to develop the foreign exchange market, strengthen communication policy in this domain, refine the mechanisms of foreign exchange operations, and enhance the role of market forces in the determination of the exchange rate.

Furthermore, efforts to improve the international reserves management framework will be continued. In this regard, particular emphasis will be placed on the diversification of reserve assets and the enhancement of their liquidity and yield, while ensuring that international reserves are maintained at a level sufficient to meet external obligations.

Figure 3.10. Reserve adequacy (ARA EM metric), %

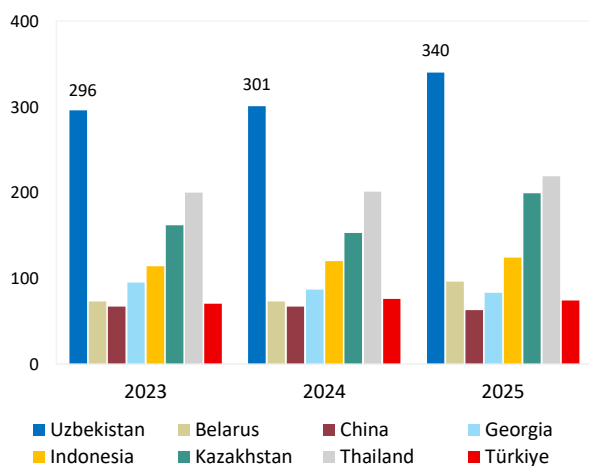
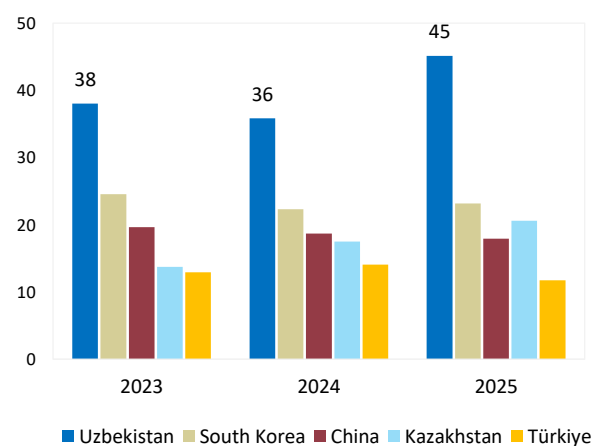


Figure 3.11. International reserves-to-GDP ratio, %



Source: Central Bank

IV. FINANCIAL STABILITY, REGULATION AND SUPERVISION

In 2025, the Central Bank focused specifically on implementing a comprehensive suite of measures aimed at ensuring financial stability within the banking system and mitigating macroeconomic and financial risks associated with external factors.

The operations of banks were systematically subjected to stress testing based on various macroeconomic and financial scenarios. Consequently, appropriate measures were taken to reduce potential future risks to their capital and liquidity positions.

Based on the stress test results, relevant supervisory and coordination activities were provided to ensure the timely and high-quality implementation of necessary measures aimed at maintaining the financial resilience of commercial banks.

During the reporting year, a Financial Sector Assessment Program (FSAP) was conducted with the assistance of the World Bank and the International Monetary Fund, with the aim of strengthening the banking supervision framework, identifying existing deficiencies, and enhancing supervisory effectiveness. As part of this assessment, the banking supervision system was evaluated for compliance with Basel standards.

Based on the conclusions and recommendations provided by the assessment experts, a “Roadmap” aimed at further improving the system of bank regulation and supervision for the period 2025–2028 was adopted by a resolution of the Board of the Central Bank.

Furthermore, institutional analytical data, encompassing significant developments in bank operations, key decisions made by bank boards, and measures or sanctions imposed by the regulator, were compiled on a quarterly basis.

The execution of banks' business plan indicators for 2025 was also monitored quarterly.

Key banking sector indicators

Assets

In the reporting year, total bank assets increased by UZS 155 trillion (+20%), reaching UZS 925 trillion as of January 1, 2026.

Within the asset structure, while the share of net loans decreased from 66.9 percent in 2024 to 63.5 percent, the share of funds held in other banks rose from 8.5 percent to 8.6 percent. Additionally, the share of investments and purchased securities observed a significant increase from 7.7 percent to 11.1 percent.

In 2025, banks disbursed UZS 390 trillion in loans to households and businesses, up 36 percent from 2024.

Loans disbursed in national currency increased by 43 percent year-on-year to UZS 276 trillion, while disbursements in foreign currency rose by 20 percent to UZS 114 trillion.

Of total loan disbursements, 60 percent were extended to businesses and 40 percent to households.

Specifically, UZS 96 trillion of the credit provided to business entities was directed toward revolving credit facilities for the replenishment of working capital.

Loan repayments amounted to UZS 305 trillion in 2025, an increase of 38 percent compared to 2024, resulting in a repayment-to-disbursement ratio of 78 percent. (Figure 4.1).

Outstanding loans to the economy increased by 15 percent (UZS 87 trillion) in 2025, reaching UZS 653 trillion as of January 1, 2026 (Figure 4.2).

The national currency component of these portfolios rose from 59 percent in 2024 to 62 percent, while the weight of foreign currency loans declined from 41 percent to 38 percent.

In 2025, the business loan portfolio increased by 8 percent to UZS 384 trillion, while the household loan portfolio grew by 24 percent to UZS 220 trillion.

The composition of loans extended to households was dominated by mortgage loans, which accounted for 36 percent (UZS 79.4 trillion), followed by microloans at 22 percent (UZS 48.9 trillion), business development loans at 18 percent (UZS 40.5 trillion), auto loans at 18 percent (UZS 39.7 trillion), and other loans at 5 percent (UZS 11.9 trillion).

During the reporting year, the total volume of loan portfolios in state-owned banks increased by 10 percent to UZS 404 trillion, while in private banks, it grew by 20 percent, reaching UZS 200 trillion.

Consequently, the market share of state-owned banks within the total banking system portfolio declined from 69 percent in 2024 to 67 percent, while the share of private banks increased from 31 percent to 33 percent.

This trend is attributed to the expanding use of digital solutions in private banking, an increased focus on retail lending within business models, and structural changes aimed at improving the efficiency of lending processes.

Figure 4.1. Loan disbursements and repayments

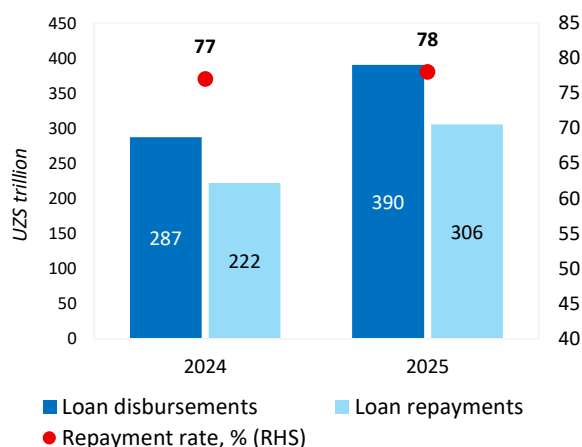
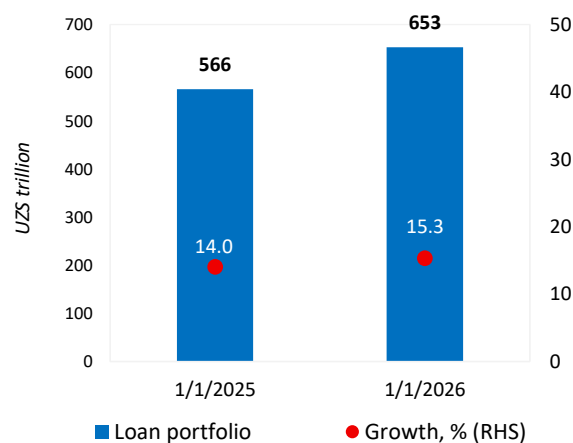


Figure 4.2. Outstanding loans to the economy



Liabilities

In 2025, total bank liabilities reached UZS 789.4 trillion, an increase of 21 percent (*UZS 135 trillion*) compared to 2024. Notably, 80 percent of this growth was driven by deposits, while 10 percent came from credit lines, 6 percent from issued securities, and 4 percent from funds held by other banks and financial institutions.

Within total liabilities, the share of deposits increased from 47 percent to 53 percent, while the share of issued securities rose from 4 percent to 5 percent.

Conversely, the share of mobilized credit lines decreased from 36 percent to 31 percent.

In terms of currency composition, the share of national currency deposits grew from 75 percent to 79 percent, while foreign currency deposits fell from 25 percent to 21 percent.

This shift is explained by the increasing attractiveness of soum-denominated deposits resulting from the appreciation of the soum and the maintenance of positive real interest rates.

While external credit resources in banks grew by 5.8 percent (*increased by 8.6 trillion, reaching USD 13 billion*), internal resources — specifically the outstanding balance of deposits— expanded by 35 percent (*UZS 108.6 trillion*) in 2025.

Financial stability indicators

In 2025, the banking sector's total capital increased by 18 percent to UZS 135 trillion, while share capital grew by 13 percent to UZS 94 trillion.

Regulatory capital rose by 21 percent to UZS 151 trillion, and risk-weighted assets increased by 14 percent to 823 trillion UZS. The capital adequacy ratio stood at 18.3 percent (*minimum requirement 13%*), strengthening by 1 percentage point over the previous year (Figure 4.3).

During the reporting year, the volume of high-quality liquid assets increased by UZS 56 trillion, or 42 percent, reaching UZS 189 trillion. Within this, national currency assets increased by UZS 47 trillion and foreign currency assets grew by UZS 9 trillion, bringing their respective totals to UZS 121 trillion and 68 trillion.

As a result, the share of high-quality liquid assets in total assets, (*the liquidity buffer*), rose by 3.8 percentage points in 2025, reaching 21.1 percent as of January 1, 2026 (*minimum requirement 10%*).

Against the backdrop of this increase in the volume of high-quality liquid assets (*the liquidity coverage ratio (LCR), an indicator of short-term liquidity*) improved across the banking system. This indicator rose by 14 percentage points during the reporting year to reach 208 percent as of January 1 of the current year (*minimum requirement 100%*).

In turn, this signifies that even in the event of unforeseen stress scenarios, the banking system maintains the capacity to fulfill its obligations to clients over the subsequent 30-day period more than twice over.

The net stable funding ratio (*NSFR, an indicator of long-term liquidity*) increased by approximately 5 percentage points to settle at 120 percent (*minimum requirement 100%*).

In 2025, the gross income of banks totaled UZS 201 trillion, while gross expenditures amounted to UZS 185 trillion, resulting in a net profit of UZS 15.5 trillion for the banking system.

Within the total income of banks, 64 percent is attributed to interest income, while 36 percent consists of non-interest income. Of the interest income, 70 percent was generated from loans and customer liabilities, 6 percent from income on securities, and 3 percent from funds placed with other banks.

During the reporting year, as a result of a significant increase in non-interest income (+33%), the profitability indicators of the banking system improved. Specifically, the ROA increased by 0.8 percentage points compared to 2024, reaching 2.2 percent, and the return on equity (ROE) rose by 5.8 percentage points to 12.4 percent (Figure 4.4).

In turn, the increase in banks' interest expenses was reflected in the cost-to-income ratio (CIR). In 2025, this indicator rose by 0.8 percentage points compared to 2024, reaching 36.3 percent (with an acceptable threshold of 50%).

Non-performing loans

In 2025, the share of problem loans within the total loan portfolio of the banking system decreased by 1 percentage point, standing at 3 percent.

As of January 1, 2026, the loan portfolio of commercial banks consisted of 85 percent standard loans, 12 percent substandard loans, and 3 percent non-performing loans (including 1.1 percent unsatisfactory, 1.0 percent doubtful, and 0.9 percent loss loans). In 2025, banks' provisions for potential asset losses (excluding provisions for standard assets) declined by UZS 1.5 trillion, or 8 percent, to UZS 17 trillion. Meanwhile, the NPL coverage ratio (the extent to which problem loans are covered by reserves) increased from 87 percent in the corresponding period of the previous year to 94 percent as of January 1, 2026.

Of the total non-performing loans loans, 67 percent (UZS 12.1 trillion) were attributed to loans granted to business entities, and 33 percent (UZS 6 trillion) pertained to individuals.

Figure 4.3. Capital adequacy ratio

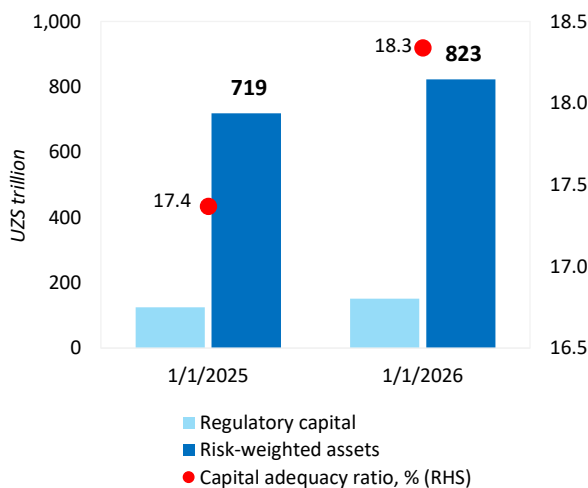
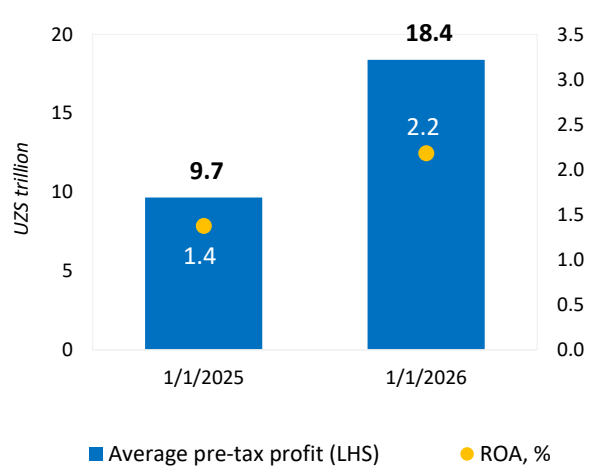


Figure 4.4. Banking sector ROA



Source: Central Bank

Within the structure of non-performing loans of individuals, microloans accounted for UZS 2 trillion (33%), business development loans for UZS 1.6 trillion (26%), auto loans for UZS 1.2 trillion (19%), mortgage loans for UZS 966 billion (16%), and other consumer loans for UZS 319 billion (5%).

Key non-bank financial sector indicators

Assets

The assets of microfinance organizations (MFOs) and pawnshops increased 1.5-fold compared to the same period last year, totaling UZS 12.5 trillion as of January 1, 2026.

Specifically, the assets of microfinance organizations grew by UZS 3.9 trillion (+50%), reaching UZS 11.8 trillion, while the assets of pawnshops increased by UZS 246 billion (+49%), reaching UZS 743 billion.

As of January 1, 2026, the majority of the assets of MFOs and pawnshops, specifically 91 percent (UZS 11.4 trillion), consisted of loan portfolios, the volume of which increased 1.4-fold year-on-year.

The share of loans extended by microfinance organizations and pawnshops in the total loan portfolio of all credit institutions reached 1.9 percent.

In 2025, MFOs and pawnshops disbursed a total of UZS 31.8 trillion in loans (a two-fold increase). Within this total, 91 percent (UZS 28.9 trillion) was attributed to microfinance organizations, and 9 percent (UZS 2.9 trillion) to pawnshops.

The vast majority of the services provided by MFOs and pawnshops were directed toward individuals, accounting for a 97 percent share (UZS 30.8 trillion), while the share of legal entities stood at 3 percent (UZS 1.1 trillion).

Furthermore, the outstanding balance of micro-loans allocated to business entities increased 1.8-fold to UZS 694 billion, and the volume of factoring services rose 2.4-fold to UZS 222 billion. Conversely, the volume of leasing services decreased by 37 percent, totaling UZS 6 billion.

Islamic finance

In 2025, seven microfinance organizations provided islamic financing services totaling UZS 21.1 billion. Within the total structure of these services, Murabaha accounted for 63 percent (UZS 13.2 billion), Musharaka for 13 percent (UZS 3 billion), Islamic Ijarah for 7 percent (UZS 1.4 billion), and Mudaraba for 17 percent (UZS 3.5 billion).

Factoring services

In 2025, credit organizations provided a total of UZS 9.5 trillion in factoring services (a five-fold increase). Commercial banks accounted for 93 percent (UZS 8.8 trillion) of this volume, while MFOs contributed 7 percent (UZS 699 billion).

Within the structure of these services, digital factoring accounted for a 46 percent share, with volumes reaching UZS 4.4 trillion.

The utilization of factoring to finance business working capital requirements increased significantly. Specifically, the peak monthly volume of factoring services rose from UZS 630 billion in December 2024 to UZS 1.2 trillion in December 2025.

By economic sector, the majority of factoring services were directed toward industry (*UZS 4.5 trillion or 48%*) and the trade and services sector (*UZS 4.1 trillion or 44%*). Additionally, accounts receivable financing in the construction and agriculture sectors amounted to UZS 391 billion (*4%*) and UZS 409 billion (*4%*), respectively.

International factoring operations

In 2025, commercial banks provided international factoring services with right of recourse totaling the equivalent of UZS 642 billion (*7% of the total*).

By economic sector, international factoring services were primarily concentrated in trade and services (*65%*) and industry (*32%*). In the agricultural sector, accounts receivable (*3%*) were financed.

Geographically, the bulk of international factoring operations were conducted with partners in Tajikistan (*39%*), Russia (*34%*), Kazakhstan (*10%*), and Kyrgyzstan (*10%*).

Liabilities

At the end of 2025, the total liabilities of MFOs and pawnshops increased 1.5-fold year-on-year, totaling UZS 8.5 trillion.

Specifically, the liabilities of microfinance organizations amounted to UZS 8.3 trillion (*+55%*), while those of pawnshops reached UZS 146 billion (*+21%*).

As of January 1, 2026, the total capital of MFOs and pawnshops grew 1.4-fold year-on-year to UZS 4.1 trillion. Within this, the total capital of MFOs rose 1.4-fold to UZS 3.5 trillion, and pawnshop capital increased 1.6-fold to UZS 597 billion.

Furthermore, the charter capital of microfinance organizations with foreign capital participation reached UZS 310 billion (*a 1.5-fold increase*), and for pawnshops, it reached UZS 97 billion (*a 5.4-fold increase*).

Figure 4.5. Loans issued by microfinance organizations and pawnshops, UZS trillion

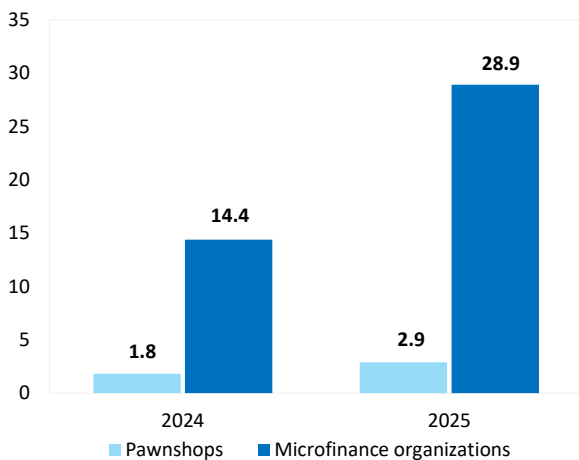
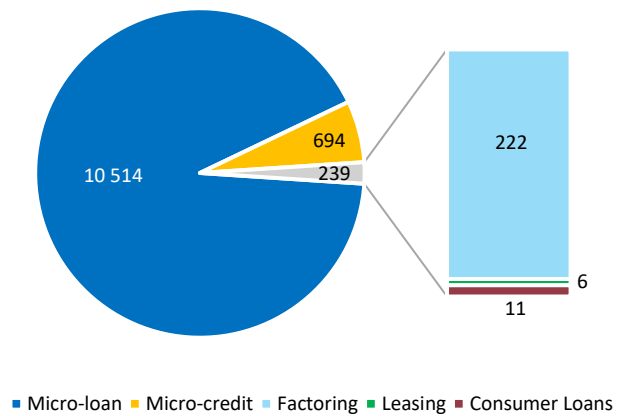


Figure 4.6. Outstanding loans by type, as of January 1, 2026



Source: Central Bank

Financial stability indicators

At the end of 2025, the total income of MFOs and pawnshops amounted to UZS 5.1 trillion, while total expenditures reached UZS 3.9 trillion, resulting in a total net profit of UZS 1.2 trillion.

In microfinance organizations, the ROA decreased by 2.3 percentage points compared to the beginning of 2024, standing at 38.2 percent as of the analysis date. Similarly, the ROE decreased by 0.9 percentage points during this period, reaching 18.5 percent by the end of 2025.

In contrast, while the ROA for pawnshops at the end of 2025 decreased by 0.2 percentage points year-on-year to 55.4 percent, their ROE increased by 0.3 percentage points compared to the same period in 2024, reaching 52.3 percent as of the reporting date.

Non-performing loans

As of January 1, 2026, the outstanding stock of non-performing loans (NPLs) in microfinance organizations amounted to UZS 263 billion, representing 2.4 percent of the total loan portfolio and remaining broadly unchanged from a year earlier.

The NPL coverage ratio increased by 8 percentage points compared to the beginning of 2025, reaching 65 percent as of January 1, 2026.

Prudential measures

During the reporting year, a comprehensive set of measures was implemented to ensure the financial stability of banks and to enhance their resilience against potential risks within the banking system.

Specifically, efforts were directed toward evaluating the risk profiles of banks based on risk-based supervision principles, improving credit portfolio quality, establishing liquidity and capital buffers, and conducting regular financial analyses of large exposures.

In accordance with the risk-based supervision manual developed based on World Bank recommendations, the risk profiles of all 35 banks were evaluated for the first time. This assessment specifically focused on their resilience to credit, liquidity, operational, and market risks.

In 2023, the risk profiles of 4 banks were evaluated, followed by 14 banks in 2024.

Based on the assessment results, the banking system as a whole received a rating of 3, state-owned banks received a rating of 3, and other banks received a rating of 2. In particular, 2 banks were rated 1, 15 banks were rated 2, 15 banks were rated 3, and the operations of 3 banks were rated 4.

Additionally, based on the evaluation findings, relevant directives were issued to the management and boards of the banks regarding the elimination of identified risks.

In June 2025, as part of risk-based supervision, a stress test was conducted to assess the concentration of credit risks in the banking system and their impact on banks' financial stability under both baseline and adverse (*high-risk*) scenarios.

Based on the stress test results, existing vulnerabilities within the banks were identified, as well as their impact on stability indicators and the limitation of lending capacities.

In this regard, on the basis of stress test results, commercial banks developed relevant action plans aimed at remedying existing vulnerabilities in their risk management practices, most notably in the area of credit risk management, and the implementation of these measures was placed under supervisory oversight.

Furthermore, in 2025, a working group on non-performing assets in Banks was established with the purpose of examining the systemic factors contributing to the deterioration of loans within the banking sector, and of developing and implementing effective solutions for their resolution.

The working group is currently carrying out the following functions:

- analyzing the NPL (*90+ days*) loan portfolio (*across loan portfolio growth dynamics, concentration, banks, regions, sectors, and major borrowers*);
- identifying the causes of problems by segment and developing proposals for their elimination;
- applying specialized monitoring mechanisms for state-owned banks;
- overseeing the implementation of measures developed by banks to eliminate problematic loans;
- preparing analytical reports.

Additionally, throughout the reporting year, the Central Bank continues to conduct quarterly monitoring of commercial banks' performance against their established business plan indicators for 2025.

Macroprudential measures

Throughout 2025, the Central Bank of Uzbekistan implemented a series of macroprudential measures to ensure the stability of the financial system. Notably, a new regulation on bank capital adequacy aligned requirements with Basel III standards and introduced operational capital buffers. Furthermore, macroprudential policy instruments directed at borrowers were refined and their scope was expanded.

Based on recommendations from international financial institutions and global best practices, the framework for establishing a countercyclical capital buffer (*CCyB*) for banks was developed to prevent periodic systemic risks. This document established the general concept for determining and adjusting the *CCyB* level in accordance with Basel III standards, serving as the basis for introducing a 1.5 percent countercyclical capital buffer for commercial banks starting January 1, 2026.

Additionally, the methodology for identifying systemically important banks (*SIBs*) was refined and its coverage expanded. To mitigate structural systemic risks, a 1 percent capital buffer was established for systemically important banks effective January 1, 2026. Furthermore, to ensure the stable operation and solvency of banks, a capital conservation buffer (*CCB*) of 2.5 percent was introduced starting in 2026.

To reduce credit risk in both banking and non-bank credit organizations and to prevent an excessive increase in the household debt burden, the debt service-to-income (*DSTI*) ratio limit was reduced to 50 percent for all loan types effective January 1, 2025.

At the same time, certain exceptions to the debt burden requirements were established to maintain credit activity and support public entrepreneurship.

Specifically:

- for borrowers registered as self-employed for no more than six months, banks may exclude the DSTI requirement for income-generating loans for up to 15 percent of their retail loan portfolio;
- commercial banks may allocate up to 15 percent of their retail loan portfolio to borrowers with a DSTI ratio of up to 100 percent;
- DSTI requirements do not apply to loans provided to individual entrepreneurs, educational loans, or loans issued under family entrepreneurship development programs;
- microfinance organizations and pawnshops may bypass DSTI requirements for individual loans where the principal balance is up to 50 times the base calculating amount (*BCA*) (*up to 75 times BCA for self-employed borrowers*), taking existing credit contracts into account.

To increase the collateralization level of loan portfolios and prevent potential losses arising from fluctuations in the asset market, limits on the loan-to-value (*LTV*) ratio were established for mortgage and auto loans provided to individuals. Specifically, as of July 24, 2025, the *LTV* for auto loans was set at 75 percent. For mortgage loans, this indicator was set at 85 percent for loans refinanced through the funds of the Ministry of Economy and Finance, and 80 percent for all other mortgage loans.

At the same time, banks were permitted to allocate up to 15 percent of their respective auto and mortgage portfolios to loans with an *LTV* exceeding these regulatory requirements. However, it was stipulated that this exception would not apply to mortgage loans in cases where the borrower's average monthly income cannot be verified.

To ensure loan portfolio diversification and mitigate concentration risk, concentration limits were introduced for selected loan products. Specifically, effective July 24, 2025, microloans, overdrafts, and credit cards may each account for no more than 25 percent of a bank's total loan portfolio. Banks that do not currently comply with these limits are required to gradually align their portfolios with the established thresholds by January 1, 2029, in accordance with schedules agreed with the Central Bank.

To reduce debt burden risks associated with consumer credit and micro-loans, requirements for the Debt-to-Income (*DTI*) ratio were established.

Starting from March 1, 2026, this indicator is set to not exceed 8 times the average monthly income for borrowers whose income can be determined, including self-employed individuals.

Banks were granted the flexibility to waive *DTI* requirements for up to 15 percent of their retail loan portfolio when providing income-generating loans to borrowers registered as self-employed for the first time (*within the last six months*). Furthermore, it was determined that these requirements would not apply to loans granted to individual entrepreneurs or for educational purposes.

As part of the refinement of macroprudential policy frameworks, additional analytical models were developed to identify systemic risks. Furthermore, macro stress-testing tools used to evaluate the resilience of the banking system were further enhanced.

The practice of widely disseminating information regarding the state of financial stability and potential risks through press releases, podcasts, and social media platforms has also been institutionalized.

Regulation and supervision

In 2025, significant reforms were implemented to improve legislative acts governing the regulation and supervision of bank activities based on generally recognized international standards, to introduce a financial security system, and to strengthen the stability of the banking system.

In 2025, requirements for bank capital adequacy and liquidity ratios were aligned with Basel III standards.

Within this framework, the scope of capital elements that can be included in the bank's regulatory capital was expanded, while the compliance criteria for these elements were tightened. Furthermore, the calculation procedures for risks (*credit, market, and operational*) accounted for in the capital adequacy ratio were refined.

At the same time, the methodologies for calculating the LCR and NSFR were revised, and the composition of high-quality liquid assets was expanded, enabling a more accurate assessment of banks' short- and long-term liquidity buffers.

To support bank financing of small businesses, the maximum loan amount eligible for a preferential 75 percent risk weight in credit risk calculations was increased from UZS 300 million to UZS 15 billion per borrower. Furthermore, a 50 percent risk weight was assigned to guarantees issued by guarantee organizations on loans of up to UZS 15 billion extended to entrepreneurs.

To mitigate concentration risks associated with related parties of the bank, requirements regarding the maximum exposure to a single related party and to all related parties were tightened.

Notably, regulatory and legal frameworks governing the activities of a new category of financial institution — microfinance banks — were adopted. In particular, prudential requirements for microfinance banks, including standards on corporate governance, risk management, and internal and external audit, were established in accordance with the principle of proportional regulation and supervision.

In 2024–2025, in cooperation with the IMF and the World Bank, the banking and financial system of Uzbekistan underwent a comprehensive evaluation for the first time as part of the FSAP.

Assessments were carried out in nine different areas. Specifically, Uzbekistan's system for regulating and supervising bank activities received a “positive” rating for 20 out of the 29 Basel Core Principles for Effective Banking Supervision.

As a result of the assessment, the IMF and the World Bank published the Financial System Stability Assessment (FSSA), the Financial Sector Assessment (FSA), and the Assessment of Compliance with the Basel Core Principles for Effective Banking Supervision (BCP).

These reports provided a series of recommendations aimed at further improving the banking and financial system.

Based on the assessment findings and recommendations, a 2025–2028 Roadmap for strengthening banking regulation and supervision was approved.

Improving the deposit guarantee system

The Law of the Republic of Uzbekistan “On Guarantees for the Protection of Deposits in Banks”, developed by the Central Bank, was adopted on February 18, 2025.

The law, aligned with international standards, guarantees deposits of both individuals and businesses. Deposits held by a single depositor in one bank are insured up to UZS 200 million, regardless of currency or amount.

Furthermore, to strengthen the confidence of the public and business entities in the banking system, the law mandates a phased reduction of the period to initiate compensation payments to 7 working days in the event of a bank's liquidation.

To facilitate these compensation payments, the Agency of Guarantee Citizens' Deposits in Banks was established on the basis of the Fund for Guaranteeing Citizens' Deposits in Banks.

The Agency adopted the Paybox Plus model, introducing a risk-based contribution system and regular stress testing.

The Agency introduced an HR Business Partner (*HRBP*)-based human resources management system and established a three-tier internal control framework covering internal audit, compliance, and risk management.

It also strengthened international cooperation through active engagement with IADI and the signing of memoranda with deposit insurance organizations from 12 countries.

In 2025, a total of UZS 1.6 trillion in calendar contributions was collected, bringing the total volume of the Fund of Guarantee Citizens' Deposits in Banks to UZS 6.8 trillion, representing an annual growth rate of 49.4 percent. Of this growth, 57 percent was attributable to calendar contributions and 43 percent to investment income.

The predominant share of the Fund's assets was allocated to government securities (77.9%) and bank deposits (20%). Investment activities generated income of UZS 960 billion.

As part of its digital transformation, the Agency launched the development of a Management Information System with KOICA grant funding of USD 350,000.

In parallel, a Roadmap based on World Bank recommendations is being implemented to strengthen institutional capacity and align operations with international standards.

Overall, the reforms implemented in 2025 served to consolidate the institutional foundations of the deposit guarantee system and to enhance its financial stability and operational effectiveness.

Expanding financial opportunities to support entrepreneurship

Several new institutions have been established to expand access to financial services for business entities and to introduce effective business financing mechanisms.

Notably, the Microfinance Bank institution was introduced as a connecting link in the chain of “microfinance organization — microfinance bank — commercial bank”. Microfinance banks operate within specified limits, such as providing loans not exceeding UZS 5 billion and mobilizing deposits from individuals within the guaranteed limits.

Additionally, the legal framework for establishing factoring organizations — which provide alternative financing to bank loans — was created. Factoring organizations engage in financing activities in exchange for the assignment of a monetary claim to another person.

Furthermore, the institution of guarantee organizations was introduced. These organizations provide guarantees on a professional basis to secure the fulfillment of financial obligations of legal entities and individuals to credit institutions.

Bank resolution

In 2025, alongside improvements in bank regulation, prudential supervision, and macroprudential policy, efforts continued to strengthen mechanisms aimed at limiting the impact of bank insolvency on financial stability.

In particular, Law No. LRU-1070 “On the Resolution and Liquidation of Banks”, developed in line with international best practices and Financial Stability Board (FSB) standards, was adopted.

The law establishes the objectives and principles of bank resolution, resolution tools and financing mechanisms, the powers of the Central Bank, the role of the Financial Stability Council, and procedures for the voluntary and compulsory liquidation of banks.

Legal framework for Islamic banking in Uzbekistan

To establish a legal basis for Islamic financial services provided by banks, the Central Bank, in collaboration with local and international experts, developed a draft law titled “On Amendments and Additions to Certain Legislative Acts of the Republic of Uzbekistan Aimed at Introducing Islamic Banking Activity”.

This Law provides for the establishment of licensing procedures for Islamic banking activities, the formation of Sharia supervisory boards at the Central Bank and commercial banks, the introduction of Islamic finance standards, the definition of Islamic finance operations to be conducted by banks, the taxation of Islamic financial services, and other provisions directed at the regulation of Islamic banking activities.

Regulation of the BNPL Market

During 2025, phased measures were undertaken to regulate the Buy Now, Pay Later (BNPL) market in Uzbekistan. Priority was given to developing a licensing framework and regulatory requirements based on international experience.

The Central Bank, with the support of KPMG, conducted consultations with market participants, banks, microfinance institutions, credit bureaus, and other stakeholders to discuss appropriate oversight mechanisms.

Based on these discussions, a gradual “light-touch” regulatory approach was selected. Drawing on international experience, particularly that of Singapore, a Code of Ethics was developed in cooperation with the Uzbekistan FinTech Association and market participants as a self-regulatory framework for the sector.

As a first step toward formal regulation and supervision, a draft Presidential Decree on regulating BNPL market participants is currently being prepared.

Oversight of payment system operators and organizations

In the reporting year, special attention was paid to the fulfillment of the requirements of regulatory legal acts regarding the licensing and regulation of payment system operators and payment organizations. Specifically:

- efforts were made to ensure that payment system operators and payment organizations are established and operate as joint-stock companies and to bring their minimum charter capital to the required amounts;
- it was noted that license applicants must provide a description of their anti-fraud system to prevent and manage risks that may arise during the provision of payment services;
- to implement the tasks set in the Decrees of the President of the Republic of Uzbekistan, the Central Bank developed a draft law on amendments and additions to the Law “On Payments and Payment Systems”, which was coordinated with interested ministries and departments and submitted to the Legislative Chamber of the Oliy Majlis in the prescribed manner.

Supervision of microfinance organizations

In line with the Asian Development Bank’s (ADB) “Inclusive Finance Sector Development Program”, and through technical assistance from international experts, the “Risk-Based Supervision Manual for Microfinance Banks” was developed.

This manual outlines the general aspects of RBS and the evaluation processes for risk profile components. Specifically, it details the stages and procedures for assessing the risk profile and business model of microfinance banks, capital adequacy (*covering credit, market, interest rate, and operational risks*), corporate governance structures and liquidity risk management systems.

Furthermore, prudential reporting forms for microfinance banks were enhanced. The newly developed reporting structure includes “Financial Reports for the Supervision of Microfinance Banks” (23 tables) and “Breakdown of Balance Sheet Accounts for Supervisory Financial Reports” (14 tables).

Additionally, 12 new financial and supervisory reporting forms were developed specifically for the activities of microfinance organizations.

Additional Regulatory Procedures

To support specialized financial operations, provisions were introduced for opening escrow accounts. In addition, remote bank account opening was enabled for IT-Park resident companies with non-resident founders and their foreign specialists. These changes were incorporated into the Instruction on the Procedure for Opening, Maintaining and Closing Bank Accounts.

In accordance with this Instruction, a structured protocol has been introduced for opening deposit and bullion accounts in both national and foreign currencies. For individuals under the age of 14, accounts are to be opened through their legal representatives, whereas individuals between the ages of 14 and 18 are now authorized to open and manage accounts independently.

The regulatory framework for maintaining accounting records and organizing financial operations for factoring and guarantee-granting organizations has been defined and incorporated into the “Instruction on the Procedure for Accounting in Non-Bank Credit Organizations”.

Additionally, an extraordinary payment priority has been established for economic entities, permitting them to settle utility obligations (*electricity and gas*) even in instances where a debt balance exists on their primary bank accounts.

To support self-employed individuals, corporate (*business*) cards have been introduced. Furthermore, new specialized accounts designated for escrow operations have been formally added to the “Chart of Accounts for Accounting in Commercial Banks”.

In an effort to mitigate cybercrime, a system for registering bank cards issued to natural persons within the National Information Database of Bank Depositors has been implemented. This development establishes a fundamental mechanism for individuals to access and monitor consolidated data regarding their personal accounts and cards in the future.

Supervision

In 2025, the Central Bank applied enforcement measures against financial institutions that violated regulatory requirements, including fines, operational restrictions, and warning measures.

Specifically, pursuant to the resolutions of the Banking Supervision Committee of the Central Bank, fines totaling UZS 46 billion were levied against 34 banks, 15 microfinance organizations, and 8 pawnshops.

The distribution of these penalties is categorized as follows:

- UZS 12.9 billion (28%) for violations of prudential ratios and mandatory requirements (26 banks and 13 non-bank credit organizations);

- UZS 20.2 billion (43.5%) for breaches of anti-money laundering and counter-terrorist financing (AML/CFT) requirements (23 banks and 8 non-bank credit organizations);

- UZS 9.6 billion (21%) for non-compliance with banking legislation (33 banks and 1 non-bank credit organization);

- for the identified violations, two payment organizations were subject to restrictions on carrying out certain types of payment services and/or operations. In particular, starting from November 13, 2025, these restrictions — imposed for a period of six months — include the processing of electronic payments, the transmission of information necessary for payment execution to banks, the acceptance of funds related to such payments, as well as the acceptance and execution of money transfers through money transfer systems;

- UZS 3.3 billion (7.2%) for violations related to foreign exchange regulation, cybersecurity, reporting requirements, and consumer protection (12 banks).

Due to non-compliance with the requirements of the Central Bank’s regulatory legal acts, breaches of prudential limits on foreign exchange positions, and violations of requirements established by the Central Bank Board, warning measures were imposed on 30 banks, 1 microfinance organization, 21 payment organizations, and 3 payment system operators.

Key priorities for the coming years

In the coming years, efforts to strengthen the stability of the banking system and the resilience of the financial sector will continue. Particular emphasis will be placed on further enhancing risk-based banking supervision and strengthening mechanisms for the early identification and monitoring of risks in financial institutions. In addition, measures will be taken to further implement international standards, including the Basel III framework, with a view to safeguarding financial stability and strengthening the banking system.

In turn, in 2026, the Banking System Reform Strategy of the Republic of Uzbekistan for 2026–2030 will be adopted.

Furthermore, efforts will be intensified to reduce the state's presence in the financial sector, foster competition in the banking system, and strengthen the regular assessment of systemic risks to financial stability. Measures will also be undertaken to implement the recommendations of the Financial Sector Assessment Program (FSAP).

V. PAYMENT SYSTEMS AND FINANCIAL TECHNOLOGIES

In 2025, the Central Bank continued its efforts to ensure the reliable operation of payment systems, enhance payment infrastructure, and expand the use of cashless payments.

Central Bank payment system

Interbank payment system

In 2025, the value of transactions processed through the Central Bank's Interbank payment system increased by 60 percent compared to 2024, reaching UZS 11,375 trillion.

Average daily transaction volume rose from UZS 29.2 trillion in 2024 to UZS 45.3 trillion.

The growth in transaction volume within the Interbank payment system was driven by the financing of the economy, increased investment activity, and the expansion of money market operations.

In 2025, the number of participants in this payment system stood at 38.

Within the additional operating hour (17:00–18:00), commercial banks conducted money market and monetary policy operations with the participation of the Central Bank, supporting liquidity management.

Furthermore, the number of banks operating under a single inter-branch settlement code reached 21.

During the reporting year, the stable operation of the payment system was ensured, and the electronic payments of participants were executed in a timely manner according to the established procedure.

Clearing-settlement system

During the reporting year, the operational continuity of the Central Bank's Clearing-settlement system, which specializes in the real-time processing of retail payments for both natural and legal persons, was ensured.

In 2025, the total value of payments processed through the Clearing-settlement system reached UZS 126.5 trillion (+26%), while the number of transactions exceeded 143.5 million (+17%).

Simultaneously, significant emphasis is being placed on expanding the directory of organizations accepting payments for goods and services through this system, as well as on introducing convenient and streamlined payment services for clients.

The number of agencies and organizations (*service providers*) accepting payments via the Central Bank's Clearing-settlement system increased by 6 during the reporting year, exceeding a total of 50.

In particular, the system was integrated with the Muslim Board of Uzbekistan (payments for Hajj and Umrah services), the National Agency for Social Protection (social benefit payments), the Center for Digitalization of the Agro-Industrial Complex (payments for agro-industrial services), and the Customs Committee (payments for electronic border-crossing queue services), as well as several other organizations.

To enhance convenience for individuals in the payment services market, a specialized mechanism⁶ remains in place whereby intermediary fees are charged to fund recipients (beneficiaries) rather than to payers.

Throughout 2025, for a total of more than 106.5 million payments, approximately UZS 261.7 billion (+43%) was paid to banks and other payment service providers in the form of intermediary commissions. Consequently, the public realized substantial cost savings in this amount regarding expenses related to utility bills, state duties, administrative fines, public service fees, and other retail payments.

Instant payments system

During the reporting year, the operational stability of the Central bank’s Instant payments system was ensured, providing legal entities and individual entrepreneurs with the capacity to execute payment operations online on a “24/7” basis.

In 2025, the number of transactions processed through the system increased by 30% compared to the previous year, reaching 61 million, while the total volume of payments grew by 51%, amounting to UZS 1,390 trillion.

As a result of the expanded utilization of the system, 95% of payment documents issued by economic entities were processed remotely.

It is noteworthy that 33 percent of the total transactions were conducted during evening and nighttime hours.

Figure 5.1. Interbank payment system transactions

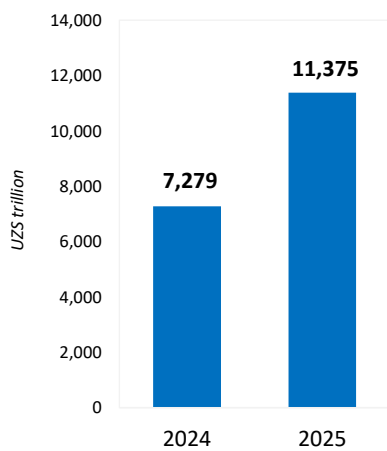


Figure 5.2. Clearing-settlement system transactions

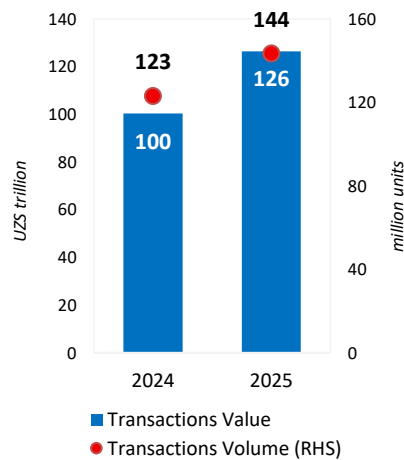
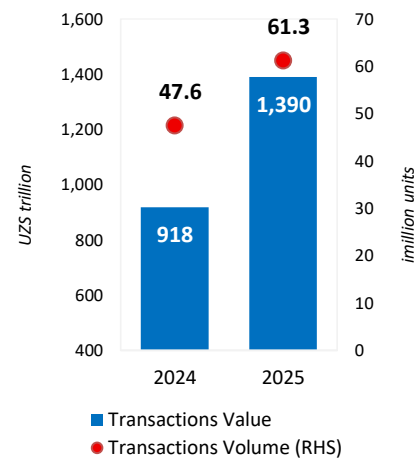


Figure 5.3. Instant payment system transactions



Source: Central Bank

⁶ Resolution of the President of the Republic of Uzbekistan No. RP-88 dated March 9, 2023 “On the creation of additional conveniences for the population in making payments”

The integration of the Treasury (*enabling the processing of expenditures, wages, pensions, and social benefits independently of banking business days*) and organizations serviced within the Central Bank system has significantly expanded the scale of operations conducted via the Instant payments system.

Specifically, in 2025, budget organizations within the Treasury system and enterprises within the Central Bank system executed payments totaling UZS 191.7 trillion (+68%).

Financial technologies and the activities of payment organizations

In 2025, particular emphasis was placed on expanding the bank card-based retail payment infrastructure and ensuring its operational efficiency to further the development of non-cash settlements.

The expansion of remote banking services has been accompanied by a consistent increase in the demand for bank cards. Specifically, in 2025, the number of bank cards in circulation reached 68.2 million units (+10%). Notably, the number of co-badged bank cards⁷ increased 1.4-fold, totaling 6.5 million units.

The value of payments processed through 430,000 payment terminals grew 1.4-fold, reaching UZS 460.3 trillion.

To enhance convenience for payment service users, the number of automated teller machines (ATMs) and self-service information kiosks installed within banking infrastructures and at tourism sites increased by 34 percent during the reporting year, exceeding 40,000 units as of January 1, 2026.

In turn, strategic priority was given to the deployment of self-service devices (*including ATMs, info-kiosks, and automated deposit machines*) within tourist hubs, major infrastructure centers, and other critical social infrastructure facilities.

The inter-system integration of the “HUMO” and “Uzcard” payment networks provides bank card users with alternative access to the existing infrastructure. During the reporting year, the volume of transactions conducted via ATMs totaled UZS 344 trillion, with the number of transactions reaching 291.8 million.

Mobile payments

In 2025, the value of online transactions conducted by natural persons via mobile banking applications increased 1.6-fold, totaling UZS 645.6 trillion (Figure 5.4).

Within this total, the value of online deposit operations amounted to UZS 99.3 trillion; online currency conversion operations reached UZS 55.8 trillion; online micro-loans totaled UZS 38.6 trillion; and loan repayments accounted for UZS 46.7 trillion.

The capacity for the public to perform basic banking services (*deposits, currency conversion, acquiring micro-loans, ordering bank cards, and remote identification*) via online modes has been expanded. Simultaneously, for business entities, the scope of services for accepting payments through QR codes, NFC, and other contactless payment technologies (*independent of traditional settlement terminals*) has been broadened.

⁷ A bank card that enables transactions through a single card within the infrastructure of both domestic and international payment systems.

Specifically, in 2025, the number of QR codes provided to business entities through the “QR-online” information system reached nearly 139,000 units, with the value of transactions processed increasing approximately 1.4-fold compared to 2024 (Figure 5.5).

Furthermore, as part of the expansion of contactless payment technologies, the “HUMO PAY” service — which enables payments for trade and paid services without the direct use of a physical bank card — is now offered through the mobile applications of 20 commercial banks.

As of January 1, 2026, the number of entities utilizing Tap-to-Phone⁸ services, introduced within the framework of developing contactless payment solutions, reached approximately 4.1 thousand.

In 2025, the value of transactions conducted based on NFC technology increased 1.4-fold compared to 2024, totaling UZS 61.1 trillion.

In 2025, the value of transactions conducted through payment organizations amounted to UZS 412.4 trillion, representing a 24 percent increase compared to the previous year. Transactions carried out by individuals were primarily related to utility services (*UZS 24.7 trillion*), public services (*UZS 16.7 trillion*), budgetary and tax payments (*UZS 11.8 trillion*), mobile communication services (*UZS 11.2 trillion*), and loan repayments (*UZS 10.4 trillion*).

Electronic money

The implementation of electronic money systems within the payment services market has significantly contributed to the development of non-cash settlements, thereby expanding access to financial services for users.

As of January 1, 2026, the number of electronic money systems stood at 12, with the total number of electronic wallets reaching 24.8 million (+20%).

Figure 5.4. Mobile application transactions, UZS trillion

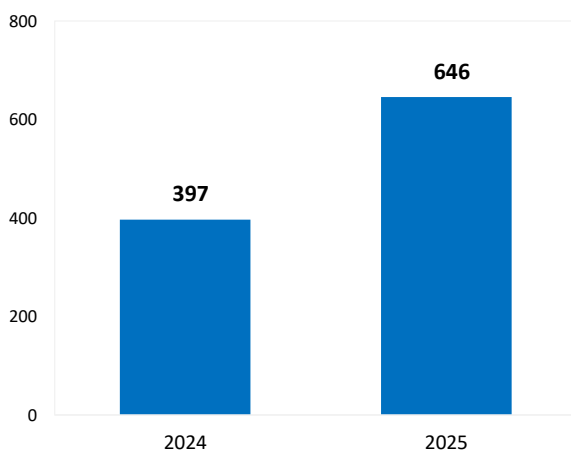
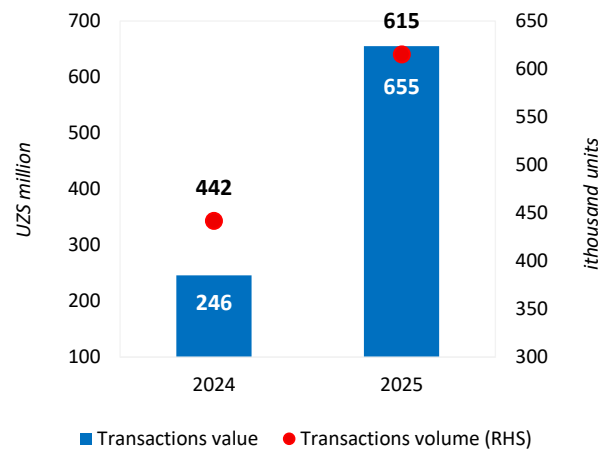


Figure 5.5. QR-Online transactions



Source: Central Bank

⁸ A technology that enables a mobile device to function as a payment terminal for accepting payments.

In 2025, the number of transactions conducted through electronic money systems increased 1.6-fold compared to 2024, reaching 24.6 million, while the total transaction volume amounted to UZS 1.2 trillion.

A sectoral analysis of transactions performed by electronic wallet holders reveals that 89 percent of the volume was directed toward settlements with business entities for goods and services, while 11 percent consisted of person-to-person (*P2P*) transfers between natural persons.

Payments made using electronic money were primarily allocated as follows: 28 percent for utility services, 19 percent for mobile operator services, 18 percent for government and tax payments, 8 percent for point-of-sale purchases, and 6 percent for loan repayments, with the remainder attributed to other types of services.

To enhance public convenience, a mechanism allowing for cash-back services (*withdrawing cash simultaneously with a purchase via bank cards*) has been authorized under the “Regulatory Sandbox” framework. This service is provided by the payment agents of “Paynet” JSC, utilizing its nationwide virtual terminal network. In 2025, cash withdrawal services totaling UZS 1.2 trillion (*across 1.8 million transactions*) were facilitated through the agent network of “Paynet” JSC.

This mechanism enables the public to meet their demand for cash through the “Paynet” JSC agent network—in addition to bank branches and ATMs—leveraging the daily cash receipts of these agents.

Key priorities for the coming years

In the coming years, measures aimed at developing payment systems and ensuring their secure and uninterrupted operation will be continued. In this regard, particular emphasis will be placed on the modernization of payment infrastructure and the development of financial technologies, increasing the share of non-cash settlements, ensuring cybersecurity, and exploring the feasibility of introducing a Central Bank Digital Currency (*CBDC*).

VI. RESEARCH, ANALYSIS AND DATA MANAGEMENT

Research and analysis at the Central Bank

Research Hub

During the reporting year, the “Research Hub” concept was developed with the objective of creating an open intellectual environment based on collaboration, dialogue, and knowledge exchange. This initiative serves to support scientific and applied research in the fields of economics, finance, public policy, and sustainable development.

Through the activities of this Hub, the Central Bank aims to investigate problems of practical significance, formulate proposed solutions, and support the processes of public policy development and decision-making with evidence-based scientific approaches and research findings.

The primary formats of the Hub include joint research initiatives with academic circles, research grants and fellowship programs, the “CBU Challenge” for youth, and scientific conferences.

In 2025, the Central Bank signed Memorandum of Understanding with Westminster International University in Tashkent and the Tashkent State University of Economics.

In December 2025, the “CBU Challenge” was launched — a republic-wide competition aimed at developing skills in macroeconomic analysis, forecasting, and the understanding of monetary policy among higher education students.

A total of 133 teams, consisting of 4–5 members each (*comprising 3rd and 4th-year undergraduate and graduate students*), registered for the competition from 33 higher education institutions across the Republic.

Furthermore, during the reporting year, a Research Council was established under the Central Bank, consisting of experts and professors engaged in scientific activities at foreign and local financial institutions and universities.

In addition, the practice of publishing the Central Bank’s biennial research program was institutionalized. This collection encompasses topics covering the Central Bank’s core mandates, strategic objectives, and priority research areas. It also includes themes related to the overarching economic policy priorities of the country, global economic, financial, and technological trends, as well as current challenges and emerging phenomena in the socio-economic sphere.

A dedicated “Research” section has been launched on the Central Bank’s official website, providing continuous updates regarding the Research Council, the Research Program, joint studies, and other dimensions of the Research Hub.

Conducted research projects

In 2025, a total of 20 research projects were conducted. Of these, nine were published on the official website of the Central Bank and disseminated to relevant ministries and agencies based on the specific research themes.

The scope of the completed research encompassed inflation and pricing, financial markets, external economic activity and the global economy, specific sectors of the economy, and the informal sector. The conclusions derived from these studies are actively utilized in decision-making processes regarding monetary, foreign exchange, and banking supervision policies.

In particular, within the area of prices and inflationary factors, the determinants of price formation were examined in the markets for pharmaceutical products, bread, milk, meat, and potatoes. The analysis assessed the impact of raw material prices, logistics and infrastructure costs, the competitive environment, and government regulatory measures, and formulated corresponding policy recommendations.

In addition, the impact of loan maturities on inflation dynamics was analyzed, identifying the potential inflationary pressures associated with short-term lending.

In the area of financial stability:

- in the study titled “Macprudential Measures for Mitigating Credit Risks: International Experience and Applicability in Uzbekistan”, macroprudential instruments used across countries to limit credit risks were analyzed, and their applicability in Uzbekistan, as well as their implications for financial stability, were assessed;

- the study “Analysis of the BNPL Market in Uzbekistan: Are These Services Truly Interest-Free?” examined the current state and operating mechanisms of the BNPL market and reviewed international approaches to its regulation.

In the area of real sector:

- the efficiency of financial resource allocation across various economic sectors and its overall impact on economic growth was assessed;

- In the study titled “Analysis of the Housing Market in Uzbekistan: Expectations and Risks”, the dynamics of the housing market, price growth, and the role of mortgage lending were examined. In addition, potential macroeconomic risks in the market were analyzed.

In the area of the informal economy and labor market:

- the scale of the informal (*shadow*) economy was estimated using an alternative methodology based on the electricity consumption data of business entities;

- in cooperation with the United Nations Development Programme and the Center for Economic Research and Reforms, a joint study titled “Informal Employment in Uzbekistan” was conducted. The research analyzed the scale of informal employment and its key determinants, and the findings were discussed with relevant stakeholders.

In addition, to obtain high-frequency alternative data complementing official statistics, surveys were conducted among real sector enterprises. Based on these surveys, “Economic Activity Index” and “Economic Expectations Index” were regularly compiled.

Data management and analytics

Monetary and financial statistics

During the reporting year, significant measures were undertaken to refine the compilation of monetary and financial statistics in accordance with the latest international standards, while simultaneously enhancing the quality and granularity of published statistical data.

Within the IMF technical mission on “Sectoral Classification of Public Financial Corporations,” conducted online, the sectoral classification of 378 financial institutions included in monetary and financial statistics was revised. The recommendations were fully incorporated into the financial statistics methodology.

Furthermore, in cooperation with the Ministry of Digital Technologies, a centralized platform was established for the submission of quarterly reports by non-bank financial institutions to support the compilation of the Other Financial Corporations Survey. The platform is integrated with the One ID system and includes automated validation and anomaly detection procedures.

In addition, the Central Bank’s Statistical Bulletin was enhanced with new datasets to better support informed economic decision-making.

According to the results of a survey conducted among business entities, approximately 93 percent of them monitor the economic indicators and analytical reviews published by the Central Bank. Entrepreneurs identified the inflation rate (27.9%), credit interest rates (15.1%), and the foreign exchange rate (13.6%) as the most critical macroeconomic indicators for making business decisions.

To improve transparency and provide households and businesses with more comprehensive information on interest rates and their dynamics, the methodology for calculating deposit and lending rates was revised.

Specifically, alongside nominal interest rates on loans and deposits, the practice of calculating real interest rates on a monthly basis and publishing them on the Central Bank’s website and social media platforms has been established.

Moreover, the new “Other Financial Corporations Survey” (*Non-bank Financial Corporations Survey*) is being published periodically to systematically highlight the steadily growing financial assets, capital base, and volume of credit investments directed toward the economy by non-bank financial organizations, as well as their strengthening role within the financial system.

External sector statistics

During the reporting year, an IMF technical assistance mission, conducted jointly with the National Statistical Committee, supported the improvement of external sector statistics. As part of the mission, recommendations were developed to enhance the collection, processing, and dissemination of foreign trade and international investment data.

In addition, under the Bank of Korea’s Knowledge Partnership Program (KPP), the Central Bank, together with Hongik and Dongguk Universities, carried out a joint research project titled “Dynamics of the Balance of Payments in Uzbekistan: A Comprehensive Analysis of Key Determinants, Systemic Risk Assessment, and Preventive Measures.”

As part of the research, developments in Uzbekistan’s external sector over the past decade were comprehensively analyzed. The study assessed the underlying causes of current account imbalances and developed policy recommendations, drawing on South Korea’s experience, to mitigate balance of payments risks.

Data management

Within the framework of implementing the SupTech (*Supervisory Technology*) program at the Central Bank, a project is underway to introduce the ADR analytical information system, which ensures the centralized management of data.

As part of the project's execution, the “Technical Specifications for the Implementation of the Central Bank's ADR Analytical Information System”, developed in cooperation with an international consulting firm, was refined.

Based on the recommendations of World Bank experts, international best practices, and the findings of market analysis, an enhanced version of the technical specification project was approved, and favorable conclusions were obtained from the relevant authorities.

At the same time, within the framework of transitioning supervised entities of the Central Bank to a new format for collecting statistical, financial, and prudential reporting data, a number of measures were implemented to strengthen the data management system and improve data quality.

Drawing upon international experience and expert recommendations, the position of Chief Data Officer (*CDO*) was introduced in each bank, with clearly defined core responsibilities and qualification requirements assigned to this role.

In addition, in order to enhance the analytical capacity of the Central Bank in the areas of statistical, financial, and supervisory analysis, the “Qlik Sense” business intelligence (*BI*) analytical platform was integrated into operational practice.

State register of credit information and the activities of credit bureaus

The credit information exchange system encompasses the Central Bank’s State Register of Credit Information, the Credit Bureau “Credit-Information Analytical Center” (*CIAC*), and the “CRIF Credit-Information Services” credit bureau.

The State Register of Credit Information consolidates data on loan applications (*including leasing, factoring, and bank guarantees*) received by commercial banks, as well as concluded agreements and the operations executed therein.

As of January 1, 2026, the number of active agreements with outstanding debt increased by 22.8% compared to the beginning of 2025, reaching 9.2 million, while the number of debtors grew by 11.6%, exceeding 5.5 million individuals.

As of the beginning of 2026, the composition of debtors comprised 94.2 percent individuals and 5.8 percent legal entities and sole proprietors. Among the individual debtors, 54.5 percent were male and 45.5 percent were female (Figure 6.1).

When classifying active agreements with outstanding debt by loan type, the number of credit cards increased 1.4-fold compared to the previous year, while micro-loans grew by 30.3 percent, student loans by 14.2 percent, micro-credits by 11.2 percent, and mortgages by 8.9 percent (Figure 6.2).

In 2025, the Credit Register’s database was expanded with additional data on letters of credit and factoring operations. Furthermore, an automated reporting mechanism was implemented for non-bank credit organizations (*microfinance organizations and pawnshops*) covering credit portfolios, disbursed and redeemed loans, and debt burden indicators.

To ensure data integrity, a comprehensive inventory of credit information was conducted, and identified discrepancies were rectified in cooperation with commercial banks. Additionally, to minimize errors in data submitted by non-bank credit organizations, logical control mechanisms were developed and integrated into the software.

As of January 1, 2026, the CIAC credit bureau database contained information on 16.7 million credit information subjects (*both individuals and legal entities*), of which 16.1 million are individuals.

In 2025, the number of users who entered into credit information exchange agreements (*commercial banks, microfinance, pawnshops, leasing, insurance, and retail organizations*) increased by 72, reaching 845, while the number of credit information providers increased by 71, reaching 848.

The CIAC credit bureau provides 65 types of credit reports and services to bank and non-bank organizations. Of these, 15 are internal bureau services, while 50 are external services based on data from ministries and agencies, primarily facilitated through the “Digital Government” platform.

Figure 6.1. Number of individuals with credit debt, thousand units

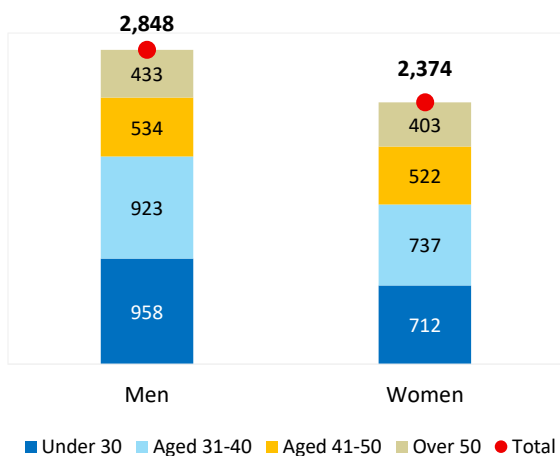
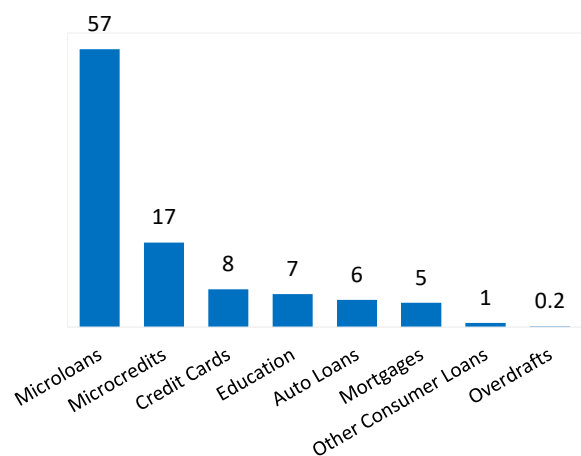


Figure 6.2. Structure of active household loan agreements by type, %



Source: Central Bank

In 2025, bank and non-bank financial institutions retrieved 177.6 million credit reports from the CIAC credit bureau. Commercial banks accounted for 79.2 percent of requests, non-bank credit institutions for 19.5 percent, and individuals and legal entities for the remaining 1.3 percent.

To enhance the accessibility of credit reports and expand convenience for users, the following measures were implemented by the CIAC credit bureau in 2025:

- the mechanism of credit history formulation was refined. Under the new regulations, the retention period for credit information was established as 5 years from the date the obligations under the credit agreement are fulfilled;
- “Credit Freeze” Service was implemented and citizens were provided the ability to voluntarily restrict or revoke the processing of loans in their name. this service is offered free of charge via the website, mobile application, the my.gov.uz portal, and Public Service Centers⁹;
- a new “Credit Monitoring” was introduced based on existing functional frameworks;
- a practice of “Account-Based Credit Report” was introduced to provide reports encompassing data on a debtor's active loans, outstanding balances, and account details;
- a QR-code system was implemented to verify the authenticity of credit reports;
- the CIAC credit bureau launched its official Telegram bot for streamlined access.

Pledge Register

The Pledge Register system plays a critical role in the development of the financial services market and in securing the property rights of creditors.

During the reporting year, several measures were undertaken to improve the registry's operations, expand the scope of services, and enhance user accessibility. Specifically:

- platforms for assets pledged under the Central Bank's liquidity operations were integrated, and a mechanism for the automated entry of records into the Pledge Register was implemented;
- the registry system was integrated with electronic factoring platforms, enabling the entry and retrieval of data regarding invoices financed through factoring;
- the Supreme Court and the Bureau of Mandatory Enforcement were granted access to Pledge Registry services through their internal software systems;
- the capability for users to search records and save results via the website without prior registration was established.

In turn, a significant increase in the utilization of Pledge Registry services was observed during the reporting year. In 2025, 746.6 thousand entries were made in the Pledge Register, representing a 1.5-fold increase compared to 2024. Furthermore, banks and credit organizations utilized the “Notary” automated system in over 675 thousand instances to impose or lift restrictions on collateral property.

⁹ For the implementation of this service, the CIAC received high recognition during the “ICTWeek Uzbekistan – 2025” as the “Organization that Implemented the Most Beneficial Public Service of 2025 in Uzbekistan”.

As of January 1, 2026, the number of active entries in the registry totaled 1.7 million. Throughout the year, more than 2 thousand modifications were recorded, over 326 thousand extracts were provided to users, and approximately 450 thousand entries were removed from the registry. Additionally, 146 new users registered within the registry system during 2025, bringing the total number of users to 2 060.

Concurrently, efforts continued to refine collateral relations and align the system with international standards. Notably, within the framework of the Working Group¹⁰ on Improving Collateral Legislation established under the Foreign Investors Council, discussions were held with the participation of local and foreign experts regarding the enhancement of legislation governing collateral relations.

It is noteworthy that according to the World Bank's "Business Ready" (*B-Ready*) report, the performance of the Pledge Register was highly rated at the conclusion of 2025.

Key priorities for the coming years

In 2026, the Strategy for the Development of Research Activities of the Central Bank for the Period 2026–2030 will be adopted. Independent members will be appointed to the Research Council. Concurrently, efforts within the Research Hub will be intensified, and domestic as well as international academic collaboration will be expanded.

In the field of data management, the scope and quality of data will be enhanced, ensuring the provision of essential data to market participants and investors.

¹⁰ Resolution of the President of the Republic of Uzbekistan No. RP-226 dated July 18, 2025, "On measures to ensure the implementation of agreements reached within the framework of the next meeting of the Foreign Investors Council"

VII. COMMUNICATION POLICY AND INTERNATIONAL COOPERATION

Communication policy

Development of the Central Bank's Communication Ecosystem

In 2025, the Central Bank continued to modernize its communication model and enhance the transparency and accessibility of information.

Key initiatives included:

- the launch of new content formats, including short videos, Reels, and the “Bankcast” video podcast, aimed at explaining economic developments in a simple and accessible manner;
- the introduction of a new approach to analytical publications, with greater emphasis on visual presentation and audience-oriented content;
- strengthened engagement with the media through regular briefings, the establishment of a pool of sectoral journalists, and continuous dialogue;
- the development of a new communication strategy, including protocols for responding to sensitive information events;
- the introduction of a unified visual identity for publications and the expanded use of infographics and explanatory video content.

These measures strengthened the effectiveness of the Central Bank's digital communication channels and supported the development of an integrated communication system based on transparency, responsiveness, and accessibility.

Unified Multilingual Publication Package

During the reporting year, the Central Bank introduced a standardized approach to communicating analytical materials. Research papers, reports, and reviews began to be distributed through an integrated content bundle designed for different target audiences, improving the accessibility and consistency of economic information.

The content bundle includes:

- Executive Summary – key findings and conclusions for expert and business audiences (*Uzbek and English*);
- Press Release – key figures, brief explanations, and the Central Bank's official position (*Uzbek and English*);
- Website Publication – full reports and supporting materials;
- Telegram Posts – concise summaries with links to the full publication (*Uzbek*);
- Social Media Content – infographics, visual cards, and short videos (*Uzbek*);
- LinkedIn and X (Twitter) – communication with international investors, media, and analytical communities (*English*).

The introduction of this multi-format communication framework enhanced the accessibility and visibility of analytical materials and strengthened the Central Bank's position as a reliable source of economic information.

User engagement

Throughout 2025, the Central Bank remained one of the most widely covered institutions in the economic sphere, with an average of 400–600 publications per month.

Consumption of information materials continued to grow during the year. Page views reached 8.8 million (+29.7%), user sessions increased to 5.4 million (+31.7%), and the number of regular users reached 2 million (+15.1%).

Traffic sources became increasingly diversified, with the largest shares coming from search engines (3.7 million visits) and direct traffic¹¹ (1.2 million visits), while referrals from external links accounted for 115.1 thousand visits.

Monetary policy communication

Effective communication helps align the inflation expectations of households, businesses, and financial market participants with the inflation target, thereby supporting price stability. The Central Bank's communication policy is aimed at enhancing transparency, strengthening confidence in monetary policy, and improving its transmission mechanism.

In line with the practices of inflation-targeting central banks, monetary policy communication is primarily forward-looking and focused on managing inflation expectations. Accordingly, the Central Bank continues to expand the disclosure of macroeconomic forecasts and policy responses in its official publications.

To this end, policy decisions, macroeconomic assessments, and future policy guidance are communicated through press releases, analytical publications, infographics, press briefings, and media engagement. Key publications issued in 2025 included the Monetary Policy Review, the Main Directions of Monetary Policy for 2026 and the 2027–2028 Period, inflation expectations surveys, and analytical materials on the labor market, real estate market, consumer sentiment, business activity, and money market liquidity.

In addition, a methodological guide entitled “Core Inflation and Its Estimation Methods” was prepared based on international best practices.

Following policy rate decisions, three press briefings were held for media representatives and bloggers, while Central Bank experts regularly provided interviews on monetary policy, inflation, and related economic developments.

Furthermore, the Monetary Policy section of the Central Bank's website continued to be enhanced, and eight educational seminars on monetary policy issues were conducted for university faculty members and students specializing in economics, banking, and finance.

These efforts contributed to greater transparency and helped economic agents better understand and incorporate monetary policy decisions into their decision-making.

¹¹ Traffic represents the flow of users accessing information materials and identifies the sources through which they reached this information.

International cooperation

During the reporting year, international relations and cooperative efforts were sustained to enhance the country's economic prestige and refine the Central Bank's priority areas through engagement with foreign partners.

In the reporting year, approximately 785 meetings at various levels were conducted with international financial institutions, foreign central banks, and other international organizations—representing a twofold increase compared to 2024.

Throughout 2025, the Central Bank actively maintained its collaboration with international financial institutions, foreign central banks, and credit rating agencies.

Cooperation with International financial institutions and rating agencies

In 2025, 18 technical assistance missions and 4 consultative visits (*with the participation of the ADB and EBRD*) were carried out, covering key areas such as monetary policy, banking supervision, payment systems, foreign exchange reserve management, financial stability and macroprudential policy, financial literacy and inclusion, cybersecurity, and internal audit.

Within the framework of the IMF and the World Bank's FSAP, discussions were held regarding macroprudential policy, interest rates, payment systems, stress testing, crisis management, and capital market issues. These discussions resulted in the preparation of several analytical reports on financial stability, financial sector development, and banking supervision.

Under the IMF's Article IV consultation missions, two visits were conducted to discuss the macroeconomic situation, monetary policy, financial sector stability, and forecasts for the 2025–2026 period. Furthermore, within the scope of the IMF and World Bank Spring and Annual Meetings, agreements were reached to strengthen banking supervision, refine resolution mechanisms, and secure new technical assistance programs.

In collaboration with the Asian Development Bank (*ADB*), 13 tasks assigned to the Central Bank under the second stage of the Inclusive Financial Sector Development Program were fully implemented.

Additionally, a regular dialogue was maintained with the Fitch, Moody's, and S&P Global rating agencies, with six consultative meetings held throughout the year.

Cooperation with foreign Central Banks and International Integration Organizations

In 2025, the Central Bank sustained its efforts in expert-level knowledge exchange with foreign central banks across several key domains, including monetary policy, financial stability, cybersecurity, payment systems, financial monitoring, consumer protection, and information technology.

Specifically, the professional competencies and technical skills of Central Bank specialists were enhanced through collaboration with the central banks of Russia, Türkiye, Kazakhstan, Italy, Korea, Ireland, and Poland. Eight distinct experience-sharing events were conducted involving representatives from the central banks of Korea, Russia, Armenia, Kazakhstan, Azerbaijan, and Hungary.

Within the framework of regional cooperation, Tashkent hosted a meeting of the working group on payment systems, which included representatives from the central banks of Kazakhstan, Azerbaijan, Kyrgyzstan, Uzbekistan, and Tajikistan. This meeting served to delineate core areas for future collaborative engagement.

Furthermore, the Central Bank participated in the inaugural meeting of the Council of Central Banks of the Member States of the Organization of Turkic States, during which two sub-working groups were established in the areas of monetary policy and payment systems.

Furthermore, during the inaugural visit of Martin Schlegel, Chairman of the Governing Board of the Swiss National Bank, bilateral cooperation priorities were discussed, specifically focusing on Central Bank Digital Currency, Emergency Liquidity Assistance, and real estate market valuation methodologies.

Within the framework of accession to the World Trade Organization, working dialogues were conducted on matters concerning banking legislation, and official responses to the relevant inquiries were submitted.

Other international relations

In 2025, four international instruments were signed in the fields of banking supervision and fintech with the National Financial Regulatory Administration (*NFRA*) of China, the International Finance Corporation (*IFC*), GFTN, and INCEIF.

Within the framework of membership in international organizations, the Central Bank continued its collaboration with the Alliance for Financial Inclusion (*AFI*), the

International Financial Consumer Protection Organisation, the Basel Consultative Group, the Anti-Phishing Working Group, the Islamic Financial Services Board, the International Operational Risk Working Group, the Bilateral Assistance and Capacity Building for Central Banks (*BCC*) programme, and the Network for Greening the Financial System, and also participated in the Plenary Meetings of these organizations at management and expert levels.

Additionally, the representative office of “CitiBank AS” (*Türkiye*) was accredited in Uzbekistan, and the accreditation periods for the representative offices of “J.P. Morgan Chase Bank”, “Landesbank Baden-Württemberg”, and “Shinhan Bank” were extended.

VIII. FINANCIAL INCLUSION AND CONSUMER PROTECTION

Financial inclusion and financial literacy

During the reporting year, a comprehensive suite of measures was implemented to advance financial inclusion and elevate the levels of financial literacy.

Specifically, efforts within the domain of financial inclusion focused on:

- evaluating the current landscape and defining strategic development trajectories;
- engaging the unbanked segments of the population and integrating them into the formal financial system;
- supporting women's entrepreneurship through targeted financial initiatives;
- streamlining the operations and regulatory framework for banking agents;
- strengthening partnerships with global entities to adopt best practices in inclusive finance.

Regarding financial literacy, the strategic focus was directed toward:

- continuing the implementation of traditional, systemic long-term projects;
- introducing new, specialized educational programs tailored to specific financial topics;
- enhancing collaboration with relevant government bodies and organizations to ensure a unified approach to financial education.

Research, surveys and market analysis

During the reporting year, the Asian Development Bank (*ADB*), in collaboration with the Central Bank, conducted a comprehensive assessment of financial inclusion, financial literacy, and payment systems. In addition, key findings on financial inclusion were published by WB Fintech, while research on small and medium-sized enterprises was conducted by the IFC SME Finance Forum and WB SME Enterprise. Studies on gender issues and women's entrepreneurship were carried out by McKinsey and UNDP, supplemented by analytical assessments from the World Bank.

Research by McKinsey, the World Bank, and UNDP identified several systemic barriers to women's entrepreneurship. Key challenges include insufficient knowledge and skills (28–33%), limited access to mentorship and business networks (30%), household responsibilities (48–60%), and inadequate access to finance (38–41%). Low confidence in business management was also identified as an important constraint.

The Central Bank also analyzed trends in the use of banking services. As of December 2025, 82.4 percent of the adult population had bank accounts, of whom 72 percent were active users.

Analysis of the deposit market showed that the share of adults holding bank deposits increased by 2 percentage points during the year, reaching 14.7 percent. At the same time, 57.2 percent of deposits were held by individuals aged 16–40, while women accounted for 43.2 percent of total deposits.

The bank card market continued to diversify, with the number of cards in circulation reaching 66 million and 21.6 million adults holding at least one bank card. Credit cards accounted for 3 percent of all cards, while installment payment cards were offered by four commercial banks.

The findings highlight the need to further strengthen financial inclusion, increase active use of banking services, promote formal savings, and expand the availability of high-quality statistical data and market analysis on small and medium-sized enterprises.

Strategies and roadmaps

During the reporting year, several strategic documents aimed at strengthening financial inclusion and financial literacy were approved in cooperation with partner organizations. These included the National Financial Inclusion Strategy for 2025–2030, the Financial Services Strategy for Supporting Women's Entrepreneurship, the Central Bank's Medium-Term Strategic Initiatives Map, and roadmaps to improve access to financial services for persons with disabilities and enhance financial education.

Developed with the support of the Asian Development Bank, the National Financial Inclusion Strategy is built around four priority areas: expanding access to financial services, promoting product diversification, supporting micro, small and medium-sized enterprises (*MSMEs*), and strengthening the financial capabilities of consumers¹².

In the area of financial literacy, 18 projects were implemented across the Republic of Karakalpakstan and all regions of the country. These included 384 educational events involving 61.5 thousand participants. In addition, dedicated media projects delivered financial education content to 3.7 million people.

Projects implemented by the Central Bank

During the reporting year, the Central Bank organized outreach training sessions for households and entrepreneurs across various regions.

Specifically, training on banking services was conducted for residents in 71 districts categorized as Tier 3, 4, and 5, while specialized sessions on factoring were held for entrepreneurs in 14 regional centers. Additionally, the regional branches of the Central Bank organized regular monthly mobile trainings in 162 districts, reaching a total of 18.4 thousand citizens and entrepreneurs.

Within the framework of the “Financially Literate Space” initiative, interactive educational materials on various financial topics were developed and distributed to two republic-level libraries and 112 neighborhood (*mahalla*) libraries in Tashkent. This project created systematic, monthly learning opportunities for 6,408 children and young people.

¹² Decree of the President of the Republic of Uzbekistan No. DP-16 dated January 30, 2025, “On the State Program for the implementation of the ‘Uzbekistan-2030’ Strategy during the year of ‘Environmental Protection and the Green Economy’”

Collaborative projects with partner organizations

During the reporting year, several joint initiatives were implemented within the framework of advancing financial education.

Notably, the “Financial Literacy Club” project, launched in 2024 in collaboration with the Ministry of Preschool and School Education and commercial banks, attracted three additional banks (*bringing the total to 19 participating banks*).

In the 2025–2026 academic year, extracurricular sessions were organized for students in grades 5–11 across 133 schools, engaging 8 481 students. Within this project, a competition was held among teachers to evaluate and incentivize their contributions.

Events conducted within the scope of “Global Money Week” reached 30.6 thousand citizens, including 18 thousand schoolchildren. The results of this campaign were recognized in the OECD/INFE 2025 Global Publication.

Furthermore, under the “Financial Opportunity” project, conducted in collaboration with the National Agency for Social Protection and “Paynet” JSC, 140 citizens with disabilities were selected. Currently, approximately 100 of these individuals are receiving assistance to commence activities as “Paynet” payment agents.

Systematization of assistant-agent activities

The assistant-agent initiative, introduced in 2025, established a systematic mechanism for expanding access to banking services, promoting financial literacy, and delivering banking services at the mahalla level¹³.

A total of 9,009 assistant-agents commenced operations nationwide, around 70 percent of whom are women. To support their activities, a working group comprising trainers from the Central Bank and commercial banks was established, delivering 878 training sessions across 208 districts and cities. Their activities are centrally monitored through the mahalla.bank-kredit.uz platform.

As part of efforts to reach 1.9 million citizens without bank cards, assistant-agents facilitated the issuance of bank cards to 1.3 million individuals (67.8%) and provided training on digital payments and mobile banking services.

To encourage participation, the “Best Assistant-Agent of the Year – 2025” competition was held with 4,467 participants, resulting in nearly 5,000 outreach events in local communities. Winners were selected across 14 regions based on 44 outstanding business initiatives.

Support for Women’s Entrepreneurship

In 2025, the Strategy for the Provision of Financial Services to Support Women's Entrepreneurship and its roadmap were approved¹⁴. The strategy includes 3 priority areas and 29 measures.

¹³ Resolution of the President of the Republic of Uzbekistan No. RP-12 dated January 17, 2025, “On measures to ensure employment and poverty reduction in 2025”

¹⁴ Resolution of the President of the Republic of Uzbekistan No. RP-103 dated March 14, 2025, “On measures to further improve the family and women system”

Under the We-Fi Code initiative, a National Coalition comprising 19 organizations — including banks, microfinance institutions, business associations, and fintech organizations— was established to support women entrepreneurs.

To improve access to financial services, 8,070 specially trained female employees operate within the banking system, while 186 women were appointed as deputy heads of regional units. Financial literacy and entrepreneurship training was provided to 26.5 thousand women entrepreneurs, and microfinance organizations delivered advisory services to 400 female clients.

In addition, four preferential credit products for women entrepreneurs were introduced, and a prototype dashboard was developed to consolidate data on lending, deposits, and asset quality indicators related to women's entrepreneurship.

Business Development Bank (BRB): “Ayol Tadbirkor” (Female Entrepreneur) credit product, offered at a rate 2% lower than the prevailing credit interest rate;

Xalq Bank: “Dilbar” credit product, specifically designed for the acquisition of fixed assets, featuring a 3-month grace period and rates starting from 21%;

Agrobank and Asakabank: Credit facilities for female entrepreneurs in amounts up to UZS 100 million, offered at a rate 2% lower than the prevailing credit interest rate (funds are allocated within the framework of the “Mahalla Project” program).

Oasis Credit: Unsecured (collateral-free) loans up to UZS 70 million for female entrepreneurs.

Strategic cooperation in new directions

In cooperation with the National Agency for Social Protection, a joint action plan to promote financial inclusion for persons with disabilities was adopted. The plan includes measures to create a barrier-free banking environment, develop inclusive banking service standards, and implement financial literacy initiatives during 2026–2028. As part of these efforts, a four-module financial literacy programme for vulnerable population groups was developed, comprising video lessons, tests, and case studies.

In addition, together with the Republican Scientific-Methodological Center for the Development of Education, a Roadmap was developed to adapt financial literacy materials for school students and improve teachers' financial education competencies.

International cooperation

Within the framework of international cooperation, efforts continued to promote financial inclusion and financial literacy, as well as to support vulnerable population groups through knowledge sharing and the implementation of joint projects.

Cooperation with the Alliance for Financial Inclusion (AFI) reached a new stage. Under the chairmanship of the Eastern Europe and Central Asia Policy Initiative (ECAPI), a work plan for 2024–2028 was developed covering financial inclusion, consumer protection, green finance, fintech, and digitalization. During ECAPI meetings and the Global Policy Forum in Samarkand, Uzbekistan's experience in supporting small businesses, financial education, and inclusion was presented to the international community.

The report “Expanding Financial Inclusion through Financial Innovation,” prepared with the participation of the Central Bank, analyzed digital payments and innovative financial solutions, including Uzbekistan’s regulatory sandbox as a case study. As a result of its active engagement within ECAPI, the Central Bank was elected Vice Chair of the AFI Board of Directors through 2027 and is expected to assume the Chairmanship for 2028–2029.

In cooperation with the International Organization for Migration (*IOM*), a regional working group on remittances and financial literacy was established, bringing together the central banks of Central Asia. Financial literacy materials were also developed for labor migrants.

Furthermore, discussions with the International Fund for Agricultural Development (*IFAD*) focused on channeling remittances into economic activity through specialized financial products, digital solutions, and financial literacy initiatives, with priority areas for 2026 identified.

A partnership was also launched with the Banque de France to adapt and translate financial literacy materials for the Finlit.uz platform. Following the signing of a licensing agreement, these materials are expected to be made freely available to the public.

Protection of financial consumers' rights

In 2025, the Financial Consumer Protection Service focused on studying international best practices and incorporating them into Uzbekistan’s financial sector. Particular attention was devoted to addressing systemic issues related to the activities of credit institutions and safeguarding the rights and legitimate interests of financial service consumers.

Specifically, drawing upon the experiences of regulators in advanced economies (*the United Kingdom, New Zealand, Malaysia, Ireland, and the United States*), the Central Bank approved the “Concept for the Protection of the Rights of Financial Service Consumers”.

This concept defines the priority directions for regulation and supervision within the financial services sector and envisages the achievement of nine key outcomes for the consumer.

Within the framework of implementing this Concept, the minimum requirements governing the relationships between commercial banks and consumers were refined.

More than 20 regulatory and legal amendments were introduced, aimed at increasing the transparency of financial services, restricting unfair practices, supporting clients facing financial hardship, ensuring the fair treatment of consumers as well as strengthening security measures and supporting vulnerable segments of the population.

Furthermore, the rise in instances of fraudulent credit registration without the knowledge of citizens necessitated the strengthening of legal mechanisms.

In coordination with relevant authorities and taking international experience into account, amendments were made to the Law “On the Exchange of Credit Information,” granting individuals the right to voluntarily prohibit the issuance of credit in their name. Currently, over 170,000 citizens are utilizing this preventive measure.

In collaboration with World Bank experts, the Financial Market Monitoring Manual was developed, aimed at the early identification and prevention of risks emerging for consumers in the financial services market. Implementing monitoring based on this manual enhances the responsiveness and efficiency of supervision, allowing for the targeted allocation of resources toward high-risk segments and the elimination of problems at an early stage.

Additionally, based on the experiences of Ireland, Armenia, and Argentina, a procedure was developed for conducting supervisory activities using the “mystery shopping” (*mystery customer*) methodology. This mechanism serves to evaluate compliance with service delivery requirements in credit organizations, identify local deficiencies, and assess the practical implementation of legislative norms.

To mitigate risks during the lending process, enhance the quality of credit portfolios, and ensure a responsible assessment of borrower solvency, the Core Principles of Responsible Lending were developed and approved. These principles envisage mechanisms to prevent future payment difficulties for debtors and provide support frameworks where necessary.

Furthermore, a new practice was introduced to publicly disclose information regarding unfair practices identified in the activities of credit organizations via the Central Bank’s official channels. This measure serves to inform consumers of market risks, increase transparency, and strengthen preventive enforcement mechanisms for credit organizations.

Additionally, within the framework of World Bank technical assistance, two missions involving foreign consultants were conducted in 2025. These missions facilitated the study of international expertise and the enhancement of practical skills in market monitoring and the optimization of supervisory processes for consumer protection.

In the sphere of financial consumer protection, the Central Bank participated in key meetings organized by AFI (*Namibia*) and FinCoNet (*Ireland*), engaging in the exchange of views on current challenges and solutions with regulators from member states.

In collaboration with the Asian Development Bank and under the “Inclusive Financial Sector Development Program,” measures across four key areas of consumer protection were implemented, and an agreement was reached for additional technical assistance in the third sub-phase of the program.

Efforts to promote the information portal for personal financial services (“*bankxizmatlari.uz*”) and ensure data accuracy resulted in significant growth: by the end of 2025, the monthly user base reached 17,000, with monthly visits totaling 23,000.

The platform currently provides information on 347 loan products, 198 deposit products, 281 bank card products, more than 9,000 ATMs, and real-time exchange rates (*USD, EUR, and RUB*) offered by banks.

As part of consumer protection oversight, 284 mystery shopping exercises were conducted in 2025 across regional bank branches in cooperation with the Central Bank's territorial departments to assess compliance with regulatory requirements for basic banking services.

Based on the results, enforcement measures were applied, corrective actions were required from banks, and proposals to address identified legislative gaps were developed. The findings also served as an input for risk-based supervisory planning.

In addition, thematic consumer protection inspections were conducted at five banks. As a result, UZS 29 billion in interest, commissions, and other charges that had been incorrectly applied were recalculated and refunded to customers, while fines totaling UZS 2.8 billion were imposed on the respective banks.

Remote reviews of compliance with collateral legislation were also carried out. Violations identified at 18 banks resulted in fines totaling UZS 1.8 billion.

During the reporting year, 1,961 complaints related to financial consumer rights were reviewed. As a result, the rights of 188 consumers were restored, and financial benefits totaling UZS 26 billion were secured through the recalculation of deposits, loan obligations, and improperly charged fees.

Handling of appeals from individuals and legal entities

In 2025, the processing of appeals from individuals and legal entities within the Central Bank system was conducted in strict accordance with the Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities".

Out of the 5,379 appeals received by the Central Bank, 5,209 (96.8%) were directly related to the activities of commercial banks. These appeals were forwarded to the head offices of the respective banks for review in accordance with established procedures, with the Central Bank maintaining rigorous monitoring to ensure timely responses to the applicants.

During the reporting year 5,066 appeals (94.2%) were resolved positively or provided with formal legal explanations, 91 appeals (1.7%) were redirected to relevant ministries and agencies based on jurisdiction, 218 appeals (4%) remain in the process of execution and 4 appeals (0.1%) were dismissed due to their anonymous nature.

Approximately 84.7% of the appeals received by the Central Bank pertained to issues involving credit, bank cards and fraud, payment systems, non-cash settlements, and the professional conduct of bank employees.

In the structure of appeals, the share of appeals related to issues of bank credits, credit operations, as well as the payment system and non-cash settlements remains high. At the same time, as a result of reforms in the banking system and the improvement of the quality of banking services, the share of these appeals decreased by 10 percentage points compared to the previous year.

As is also being observed in neighboring countries, instances related to fraud increased sharply, and the number of appeals regarding this issue grew. Specifically, appeals regarding cases of formalizing credits through bank cards in the names of citizens and the misappropriation of funds, as well as the withdrawal of money from cards without the knowledge of the owner, increased 8.6 times compared to the previous year.

During the reporting year, the Central Bank's management conducted outreach receptions in remote and densely populated regions to review and address public appeals on-site. Particular attention was given to the prompt and impartial resolution of issues and to ensuring public satisfaction with the outcomes.

In particular, during the 31 organized mobile receptions, meetings were held with a total of nearly 1 thousand entrepreneurs, depositors, and citizens. At the receptions, 513 appeals regarding preferential credits and other banking-related issues were accepted, and 348 of them were resolved positively (*credits in the amount of UZS 46.5 billion and USD 3.5 million were allocated*), appropriate explanations were provided for 154 of them, and 11 were sent to the relevant departments.

Along with the timely and high-quality consideration of appeals, the minimum requirements regarding mutual relations with consumers of banking services were progressively improved based on systemic problems identified through them.

In particular, relevant changes and additions were introduced into the decision of the Central Bank "On Approval of the Regulation on Minimum Requirements for the Activities of Commercial Banks in Implementing Mutual Relations with Consumers of Banking Services" based on the analysis of appeals.

The introduced changes were aimed at enhancing customer convenience, strengthening the accountability of bank employees, reducing excessive documentation requirements, simplifying complaint submission procedures, and improving the transparency and efficiency of service delivery. In addition, borrowers experiencing repayment difficulties were provided with opportunities to revise their loan terms, including extending maturities, reducing interest rates, and lowering penalty charges.

Accordingly, greater emphasis is being placed on strengthening the practice of resolving inquiries related to the activities of credit and payment institutions primarily at the level of the respective institutions, with only unresolved cases being forwarded to the Central Bank. This approach reduces the time required to review submissions from individuals and legal entities, improves the overall quality of case handling, and contributes to strengthening public and business confidence in the banking system.

Support for entrepreneurship

In the reporting year, the role of banks attained significant importance in supporting the business initiatives of entrepreneurial entities, financing investment projects, and increasing public employment.

In 2025, a total of UZS 131.2 trillion in credits was allocated for the financial support of micro, small, and medium-sized businesses (*an increase of 1.4 times*) (Figure 8.1).

In terms of sectoral breakdown, the primary portion of the allocated credits pertained to the sphere of trade and public catering — 32 percent (*UZS 42.9 trillion*). Additionally, funds were directed toward the industrial sector — 21 percent (*UZS 17.7 trillion*) and agriculture — 16 percent (*UZS 17.9 trillion*).

In 2025, UZS 77.8 trillion in credits was allocated by banks to finance more than 85 thousand entrepreneurial projects in the spheres of trade and services.

Within the framework of developing the tourism sector, UZS 4.9 trillion in credits was allocated to 7,073 entrepreneurial entities.

Furthermore, resources from foreign credit lines were extensively utilized in financing entrepreneurial projects. A total of USD 5.0 billion in credits was allocated for more than 39 thousand projects from foreign credit line accounts, of which USD 2.6 billion was accounted for by the financing of small and medium-sized business entities.

Entrepreneurship development programs

To support entrepreneurial activity among individuals and businesses, concessional loans were provided in 2025 under the “First Step to Business”, Family Entrepreneurship Development, “Continuous Support for Small Business”, and “Mahalla Project” programmes.

For the purpose of increasing entrepreneurial activity in mahallas and ensuring public employment, commercial banks introduced credit products such as “First Step to Business”, “First Step to Business-2”, “Business in the Mahalla”, “Homestead-Business”, and “Assistance to Business”. In the reporting year, UZS 4.6 trillion in credits was allocated to more than 200 thousand self-employed individuals.

In 2025, the implementation of these programs continued, with primary focus directed toward the employment of youth and women. Based on the recommendations of assistant khokims (*district governors*), more than UZS 4.4 trillion in preferential credits was allocated to over 260 thousand projects. Specifically, UZS 1.5 trillion (*more than 85 thousand projects*) was directed toward youth initiatives, and UZS 2.2 trillion (*more than 136 thousand projects*) toward projects for women.

The main portion of the credits allocated within the framework of the programs— UZS 4.4 trillion (99%) — pertained to self-employed natural persons, while UZS 50.2 billion (1%) pertained to legal entities and individual entrepreneurs.

Credit allocation processes have been fully digitalized and are being implemented through the Oilakredit.uz unified electronic platform.

Starting from 2025, the “Financial Inclusion” program is being implemented by Xalq Bank in cooperation with the Asian Development Bank. Within the framework of the program, the “Mahalla Project” (*Parkent experience*) credit product was introduced, whereby unsecured credits are being allocated under a simplified procedure for the expansion of business activities for citizens who previously participated in family entrepreneurship programs.

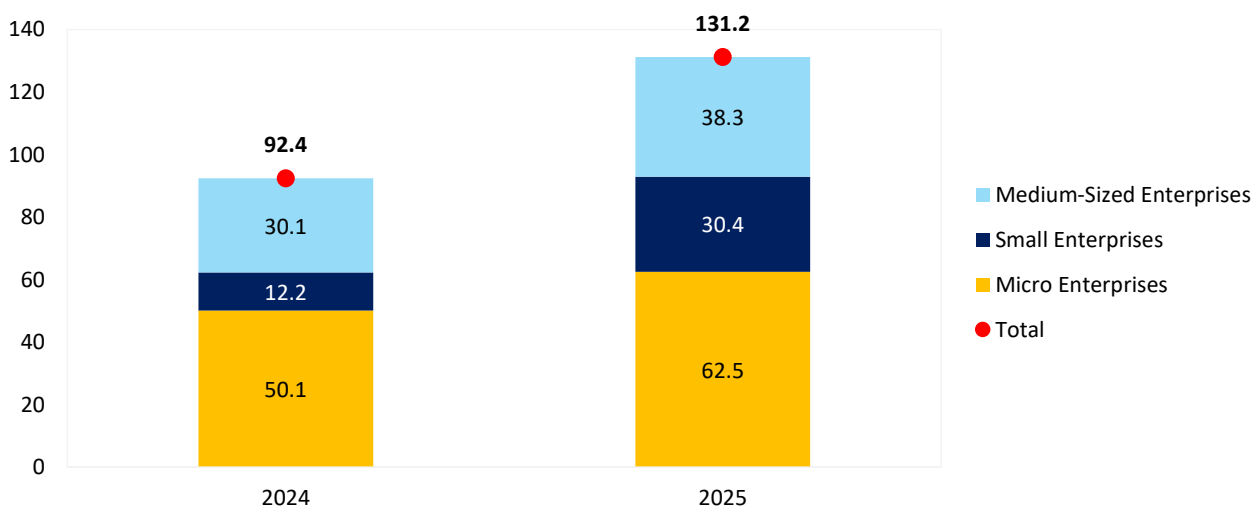
These credits are provided for a term of up to 3 years in amounts up to UZS 50 million, at an annual rate of 25 percent (*24% for females*). In the reporting year, this program was introduced in all commercial banks, and a total of UZS 14 trillion in credits was allocated to more than 210 thousand projects.

One of the primary mechanisms of financial support for entrepreneurship is the complex program “Continuous Support for Small Business”. Within this program, credits are allocated for a term of up to 7 years (*up to 18 months for working capital*), with a grace period of up to 36 months (*6 months for working capital*) in amounts up to UZS 300 million.

In this regard, the portion of the credit up to UZS 100 million is financed without collateral from the funds of the “Entrepreneurship Development Company,” while the portion exceeding UZS 100 million is financed from the commercial banks’ own funds.

In 2025, UZS 7.5 trillion in credits was allocated to more than 64 thousand entrepreneurial entities within the framework of this program.

Figure 8.1. Loans disbursed to MSMEs, UZS trillion



Source: Central Bank

During the reporting year, commercial banks continued to implement initiatives aimed at encouraging entrepreneurial activity and expanding employment opportunities for the population. Specifically, the experience of the “Saykhunabad” and “Uychi” districts, as well as work based on the “one contour — one product” principle, was expanded. Within the framework of the “Saykhunabad Experience”, UZS 7.7 trillion in credits was allocated for the implementation of 409.6 thousand micro-projects in mahallas, resulting in 840.4 thousand people being provided with gainful employment.

Within the framework of the “Uychi Experience,” meetings were held with over 25 thousand entrepreneurs, and more than 106.8 thousand issues and problems raised by them were resolved.

Additionally, on the basis of the “one contour — one product” principle, 1 075 model projects were implemented on a land area of 11.9 thousand hectares, for which UZS 169.3 billion in credits was allocated. By involving “leading” entrepreneurs in these projects, 30.4 thousand farms were established.

IX. CASH CIRCULATION

In the reporting year, the continuous and sufficient satisfaction of the demand for cash, based on the real needs of the economy, was designated as a priority task in the organization of cash circulation. Simultaneously, work was carried out to optimize the nominal range of banknotes, improve the quality of cash in circulation, and progressively reduce the share of old-sample banknotes.

Furthermore, special attention was paid to the organization of cash operations in banks, specifically to the introduction of new types of services and digitalization in cash handling processes.

In 2025, work steadily continued on organizing cash circulation, liberalizing the management of interregional and interbank cash movement, and introducing modern technologies into the infrastructure.

Cash turnover and currency in circulation

In the reporting year, cash turnover through banks amounted to UZS 1 250 trillion, representing a 1.2-fold increase compared to 2024. The volume of cash received by bank vaults grew by 22.8 percent, totaling UZS 615.1 trillion.

The growth in cash receipts was primarily ensured by an increase in receipts from the sale of goods by 13.8 percent, from paid services by 28 percent, from banking services (*deposits, credit payments, currency operations*) by 34.7 percent, and from taxes and other sources by 14.7 percent.

Within the structure of receipts, banking services accounted for a 37.6 percent share, the sale of goods 33.1 percent, taxes and other sources 17 percent, and paid services 12.3 percent.

The ratio of cash receipts at bank vaults to GDP remained at the level of 33.3 percent.

In 2025, amid increased economic activity and the resulting rise in demand for cash, the volume of cash issued by banks to households and businesses increased by 24.6 percent compared to 2024, reaching UZS 634.9 trillion. Demand for cash increased by UZS 125.3 trillion over the year.

For the purpose of liberalizing the interbank movement of cash, developing mutual relations between banks in providing cash, and reducing the participation of the Central Bank in this process, the “Electronic Cash Platform” was continuously improved.

In 2025, based on operational results, a series of digital solutions were introduced for the users of this information system. Specifically, the possibility for banks to order cash through a dedicated window after the expiration of the designated time was created; additionally, the processes of forming, signing, and sending orders for execution at the regional main departments of the Central Bank, commercial banks, and cash collection services were fully digitalized.

As of January 1, 2026, the number of users connected to the system amounted to 1,009, of which 955 were accounted for by banks, 38 by the Central Bank, and 16 by cash collection service institutions.

During 2025, in accordance with the supply of surplus cash formed in the system and the demand for cash, agreements totaling UZS 180.2 trillion were executed. Within the framework of these agreements, UZS 43.1 trillion was delivered between commercial banks, UZS 65.1 trillion was delivered from the Central Bank to commercial banks, and UZS 72 trillion in cash was transferred from commercial banks to the Central Bank.

The outsourcing of cash operations through Cash Collection Centers continued to expand. By the end of 2025, 20 centers operating in 9 regions were providing services to 106 Agrobank branches. Additional services, including the storage of cash and valuables, the provision of cash within established limits, and cash collection services for clients, were gradually introduced.

Furthermore, single-use numbered plastic seals with barcodes or QR codes were introduced for the transportation of cash and valuables. This reduced paperwork, minimized manual intervention, and accelerated cash operations.

Measures were also taken aimed at forming a competitive environment in this field by expanding the opportunities to utilize services provided by the “Republic Special Communication Center” SUE for the storage of bank cash and valuables on a contractual basis.

In 2025, the practice of conducting public surveys twice a year was established for the purpose of assessing the state of cash circulation in the regions of the republic and studying public opinion.

The results of the surveys allow for the identification of existing problems in cash circulation, the determination of factors hindering the development of non-cash settlements, and the formulation of targeted solutions.

Figure 9.1. Cash receipts: volume and composition, UZS trillion

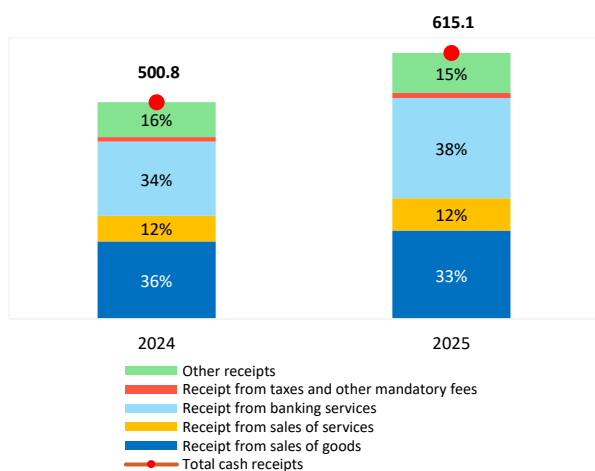
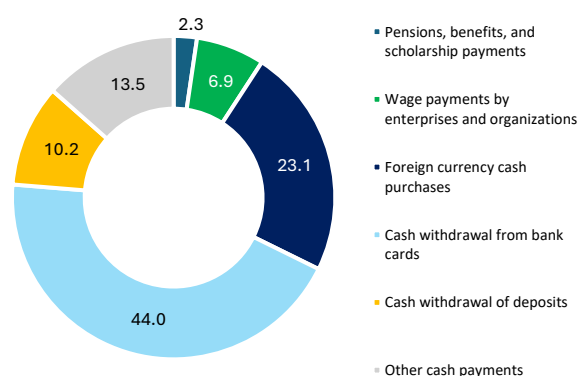


Figure 9.2. Cash disbursements by purpose, %



Source: Central Bank

Cash in circulation

In 2025, efforts continued on issuing additional cash into circulation based on the demand for cash, while simultaneously optimizing the composition of cash in circulation and forming reserves of banknotes and coins in banks.

The volume of cash in circulation increased by UZS 16.8 trillion or 25.6 percent compared to the status as of January 1, 2025.

As a result of optimizing the range of cash, while the volume of low-denomination banknotes (*1,000-soum and 10,000-soum*) decreased by UZS 534.9 billion, the volume of high-denomination banknotes (*2,000-soum – 200,000-soum*) increased by UZS 17.3 trillion. Due to the issuance of additional cash into circulation, the number of banknotes increased by 262 million units, totaling 2.4 billion units.

Within the structure of banknotes in circulation, the share of 200,000-soum banknotes increased from 23.4 percent to 28.5 percent, while the share of 100,000-soum banknotes decreased from 40.9 percent to 36.4 percent, which is primarily explained by the withdrawal of old-sample banknotes from circulation.

Additionally, the volume of coins in circulation increased 1.1-fold, and their share within the total structure of currency symbols amounted to 0.3 percent.

By the end of the year, the share of new-sample banknotes increased significantly: reaching 93 percent for 5,000-soum banknotes, 95 percent for 10,000-soum, 96 percent for 50,000-soum, and 97 percent for 100,000-soum banknotes.

As a result, as of January 1, 2026, the share of the new 2021–2022 sample banknotes (*including 2,000-soum, 20,000-soum, and 200,000-soum*) in the total number of banknotes in circulation rose from 76.3 percent to 90.4 percent, and the share by value reached from 85.5 percent to 97.5 percent.

In 2025, to further facilitate cash transactions for households and businesses, an optimal denomination structure for cash in circulation was introduced. Under this framework, target share ranges were established at 1–3 percent for small denominations, 15–25 percent for medium denominations, and 72–84 percent for large denominations.

As a result of the application of this advisory approach by banks, by the end of 2025, small denominations accounted for 1.1 percent, medium denominations for 15.8 percent, and large denominations for 83.1 percent within the cash structure, thus forming within the established target corridors.

Transactions conducted using bank cards

In recent years, the volume of cash withdrawals from bank cards has continued to grow alongside the increasing volume of non-cash funds credited to bank cards.

In 2025, funds credited to bank cards increased by 44.6 percent (UZS 461.5 trillion) compared to 2024, while cash withdrawals from bank cards rose by 23.7 percent (UZS 53.6 trillion) to UZS 279.5 trillion.

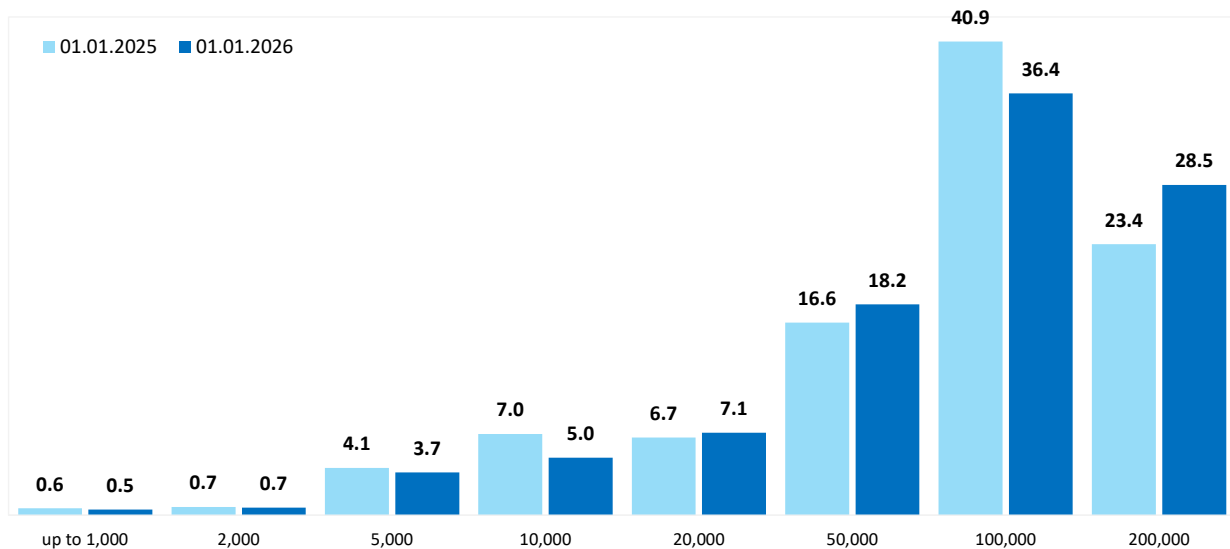
At the same time, driven by growing public confidence in payment infrastructure and the wider adoption of digital payment technologies, the share of cash withdrawals in the total volume of funds credited to bank cards declined from 21.8 percent to 18.7 percent.

In the reporting year, the total debit transactions carried out through bank cards amounted to 1,493.1 trillion UZS, of which 81.3% was cashless and 18.7% accounted for cash withdrawals (compared to 78.1% in 2024).

Within the structure of funds credited to bank cards, wages, pensions, social benefits, and stipends accounted for 22.5 percent, transfers from cash and savings accounts for 20 percent, and other household income for 13.8 percent.

As a result of the expansion of the payment infrastructure, the share of settlements using bank cards in total monetary receipts reached 42.8 percent (compared to 40.4% in 2024). In the receipts from trade and paid services, the share of payments via cards amounted to 47.6 percent.

Figure 9.3. Share of banknotes and coins in circulation by nominal denomination, %



Source: Central Bank

X. DEVELOPMENT OF HUMAN RESOURCES CAPACITY

Enhancing personnel management system

Ensuring price stability and maintaining the stability of the banking and payment systems, key objectives of the Central Bank, require a highly qualified workforce equipped with the necessary knowledge and competencies.

To this end, in 2025:

- a flexible working-hours system was introduced to enhance staff convenience and improve work processes;
- a financial incentives mechanism was established to support employees in pursuing studies at leading foreign universities, with the objective of increasing the share of staff possessing strong academic and practical expertise.

In 2025, recruitment for vacant positions at the Central Bank and its regional main directorates was conducted in accordance with the principles of openness, transparency, and competition. The selection stages were organized in a convenient remote format for candidates: testing was carried out through a Telegram bot, while foreign-language proficiency assessments were conducted via the Google Meet platform.

Interviews were held by expert panels composed of experienced specialists from the Central Bank, ensuring equal opportunities for all applicants. Recruitment procedures were broadcast in real time.

Information regarding vacancies was regularly announced on the Central Bank’s official website (*cbu.uz*) and on social networks. Furthermore, explanatory video materials regarding the selection processes were distributed through mass media and social networks, ensuring that candidates could find information quickly and easily and that the selection stages were clearly understood.

To expand the talent pool, cooperation was established with leading higher education institutions, and active participation was maintained in job fairs and “TalabaExpo–2025” exhibitions.

In 2025, 11,416 candidates registered through the Telegram bot (*@CBUuz_bot*) developed for recruitment. Open online interviews were held with 648 candidates who passed the preliminary selection stages, and 274 of the most qualified candidates (*142 to the Main Office of Central Bank and 88 to the territorial branch offices*) were hired throughout the year.

At the same time, within the framework of the “Special Scholarship” program, a competition was held among students studying at the republic’s prestigious higher education institutions, and 49 gifted students became recipients of the Central Bank scholarship. A system of practical experience, mentorship, and professional adaptation was established for them. As a result of the 2024 program, 18 scholarship recipients were hired in 2025.

Activities implemented in employee training and development

During 2025, the Personnel Training and Development Center implemented a series of measures aimed at enhancing the professional knowledge and developing the skills of Central Bank employees.

In the reporting year, 220 employees of the Main Office of Central Bank and regional main departments participated in a total of 164 training events organized in foreign countries.

These training events were organized by foreign central (*national*) banks, international financial institutions, and other organizations. Specifically, Central Bank employees participated in programs conducted by the Joint Vienna Institute (*JVI*) — 36; the Eurasian Economic Union (*EAEU*) — 24; foreign central and national banks — 23; the Deutsche Bundesbank (*Germany*) — 15; the International Monetary Fund's Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (*CCAMTAC*) — 10; the IMF — 9; the World Bank and the RAMP program — 8; the Swiss State Secretariat for Economic Affairs (*SECO*) and the Study Center Gerzensee (*Switzerland*) — 4 each; and 31 training events conducted by other foreign organizations.

The total training hours for employees in overseas training events amounted to 11,556 hours, with an average of 52.5 training hours per employee.

Additionally, 244 employees participated in 75 online training events organized by the central banks of Russia, England, Germany, France, Armenia, and Belarus, as well as by international financial organizations.

Furthermore, 21 joint training events were organized for employees of the Central Bank, commercial banks, and microfinance institutions in cooperation with international partners, including the World Bank, the International Monetary Fund, the EBRD, the BCC Programme Secretariat, the Bank of Russia, KPMG, and other organizations.

These events covered priority areas such as monetary policy, banking supervision, financial stability, management of international reserves, IT and cybersecurity, fintech, and financial literacy.

A total of 689 participants took part in these training events, including 391 (57%) Central Bank employees, 275 (40%) employees of commercial banks, microfinance and other credit institutions, 11 representatives of the Ministry of Economy and Finance and the Statistics Agency, and 12 representatives of research and higher education institutions.

Additionally, one employee of the Central Bank's head office completed the three-month "Women Leaders" training programme organized by the Agency for the Development of Public Service under the President of the Republic of Uzbekistan.

At the Center for Training in State Language Clerical Work and Professional Development, 15 employees from the Central Bank's regional offices in Karakalpakstan and Syrdarya completed advanced training in Uzbek language standards, Latin-based Uzbek orthography, and state-language clerical work.

Moreover, 179 Central Bank employees participated in training courses on the topics “Effective Use of Artificial Intelligence Tools in the Work Process” and “Improving the Work Process through ChatGPT”.

Furthermore, during 2025, 23 employees of the main office participated in short-term training courses organized by the Ministry of Ecology, the Ministry of Economy and Finance, the Center for Advanced Training of Lawyers under the Ministry of Justice, LB-WE (*Landesbank Baden-Württemberg*), the Republican Center for Professional Skills, the Russwift company, the Asian Development Bank (ADB), the U.S. Embassy, UNESCO, and the European Union (EU).

Within the framework of the approved program for scholarship recipients, visits were organized to the “Davlat Belgisi” LLC, the Service for the Storage and Work with Precious Metals under the Central Bank, and the “Uzbek Republican Currency Exchange” JSC.

As of January 1, 2026, 103 employees who have obtained a foreign Master’s degree are working at the Central Bank.

Of the 103 employees with foreign Master’s degrees, 44 were educated in Japan, 24 in the United Kingdom, 9 in Korea, 5 in Germany, and 21 in other foreign countries in fields such as public policy, economics, finance and banking, MBA, and international management. Additionally, one employee returned after completing a doctoral (*PhD*) program in Japan.

Currently, 25 employees are pursuing Master’s degrees and one employee is pursuing a doctoral (*PhD*) degree at universities in Japan, the United Kingdom, the USA, Switzerland, Australia, Germany, and Spain.

XI. FINANCIAL SECURITY, RISK MANAGEMENT, AND INTERNAL CONTROL

Information security and cybersecurity

In 2025, priority attention was directed toward ensuring information security and cybersecurity within the information systems of credit and payment organizations, payment system operators, and credit bureaus, as well as strengthening mechanisms to prevent offenses committed through digital technologies.

Due to the increasing threat of modern cyberattacks, cybersecurity requirements imposed on banks and credit bureaus were tightened. Additionally, specific requirements for information and cybersecurity were established for electronic factoring platforms.

Anti-fraud measures

For the purpose of preventing the simultaneous registration of online credits in multiple banks in the names of citizens, a mechanism was introduced for the real-time transmission of credit applications and credit information to credit bureaus.

As a result of the integration of the information systems of banks, payment system operators, and credit bureaus into the Central Bank's Unified Platform, the timeframe for analyzing fraud cases was reduced from 3 working days to 4 hours.

The following protection mechanisms were implemented in mobile applications:

- ensuring that the OTP code (*sent via SMS*) is valid only on the user's mobile device (*telecom anti-fraud*);

- analyzing user actions and connection parameters through session anti-fraud;

- providing alerts when malicious software is detected on the device through antivirus protection system;

- biometric identification applied during registration, password recovery, and login processes from other devices (*Face ID*).

Supervision and regulatory measures

A total of 37 reviews were conducted regarding the fulfillment of requirements for ensuring information security and cybersecurity within banking and payment systems. Punitive sanctions in the amount of UZS 115 million were applied to 3 banks that permitted deficiencies.

A new Regulation was developed outlining the requirements for credit and payment organizations regarding the prevention of fraud in the provision of remote financial services; this regulation also provides for the suspension of debt recovery from citizens who formalized online credits under the influence of fraudsters.

For the purpose of timely notification regarding vulnerabilities and cyberattacks arising in the hardware and software tools utilized by banks, and to implement rapid defense measures, more than 30 information systems belonging to 8 commercial banks were included in the "Registry of Critical Information Infrastructure Objects".

A modern platform was introduced to monitor the dissemination of bank card data on the internet and factors threatening the stability of information systems. Additionally, a specialized information system was launched for the electronic collection and analysis of data concerning cybersecurity incidents.

Capacity building and prevention measures

To promote cyber hygiene among the population, extensive awareness-raising and outreach activities were carried out as part of the “Cyber Culture Enhancement Month” campaign held in November 2025.

Quarterly seminars and training sessions involving international experts were organized for the personnel of the cybersecurity and anti-fraud units of banks and payment organizations.

In cooperation between the Central Bank and the Ministry of Internal Affairs, educational seminars were conducted in the regions on the topic of preventing digital offenses.

Furthermore, for the purpose of assessing the level of information and cybersecurity, a specialized Rating Information System of the Central Bank was developed.

Ensuring information security

The rapid pace of digital transformation processes across all sectors of the economy has significantly increased the demand for banking and payment services. In this context, the continuous, stable, and secure operation of the Central Bank’s information systems and payment infrastructure plays a decisive role in financial stability and public confidence.

Throughout 2025, comprehensive measures were implemented to strengthen information security and ensure the secure utilization of digital services.

The mechanism for managing user access rights within the Central Bank’s information systems, servers, and databases was reviewed, and authorizations were re-analyzed. Information resource management modules were integrated with security systems.

Corporate network and internet traffic were subject to continuous monitoring through modern:

- Firewall;
- Intrusion Detection and Prevention Systems (*IDPS*);
- Proxy servers.

Furthermore, information protection measures were implemented across a total of 134 connections established between the Central Bank's information systems, sub-system modules, and resources with external systems. This ensured that information exchange with payment systems, banks, and other financial institutions was conducted via secure channels.

Additionally, 457 organizations were connected to the Bank-Client system and provided with information security tools. Work continues on connecting banks and microfinance organizations to the new versions of the systems.

Within the Central Bank, work in the field of cryptographic information protection was implemented systematically. The creation, renewal, and revocation of Electronic Digital Signature (*EDS*) keys and certificates were ensured in the prescribed manner.

The Central Bank's payment systems and internal information systems were equipped with EDS, which enabled banks, organizations, and Central Bank employees to utilize digital services securely.

Information exchange was carried out through encrypted channels based on IPSec, VPN, and SSL/TLS technologies. All domains and subdomains were provided with valid SSL certificates.

During 2025, comprehensive monitoring and analysis of cyber-incidents within the Central Bank's information systems were performed. Protection was monitored on a 24/7 basis using modern security tools such as IDPS, WAF, antivirus, and SIEM.

As a result:

- attacks via network and web applications;
- malicious files and viruses;
- and unauthorized access attempts were detected early and eliminated.

Compliance with information security requirements was monitored, and procedures for protecting confidential and personal data were reviewed. A unified regulation for the storage and exchange of electronic data was introduced.

Anti-money laundering and counter-terrorist financing regulation and supervision

In 2025, the Central Bank continued its monitoring and oversight activities regarding compliance with requirements in the spheres of countering the legalization of income derived from criminal activities, the financing of terrorism, and the financing of the proliferation of weapons of mass destruction across banks, non-bank credit organizations, and payment organizations.

Sector-specific risks were assessed within banks, non-bank credit organizations, and payment organizations, with primary focus directed toward identifying high-risk products, services, delivery channels, and customer types, as well as analyzing existing threats and vulnerabilities to determine the residual risk level for each sector.

The residual risk level for each sector was identified. To mitigate these risks, a methodology for assessing the effectiveness of internal control systems, reporting and control points, and recommendations for designating responsible personnel were developed and implemented for the overseen organizations. This enabled these organizations to independently evaluate high-risk areas.

Furthermore, in 2025, enhanced monitoring was conducted regarding 5 systemically significant risks:

- operations related to international money transfers;
- operations related to the illegal cash withdrawals of funds from the accounts of legal entities;

- operations involving the transfer of funds from a legal entity to a natural person or from a natural person to a legal entity;
- card-to-card money transfers between natural persons (*P2P operations*);
- listed persons and their transactions.

Supervisory measures

In the reporting year, on-site oversight activities were conducted at 10 banks with high-risk levels according to their risk profiles. Additionally, remote oversight activities regarding sector-related issues were carried out at 22 banks, 9 payment organizations, 8 non-bank credit organizations, and 2 payment system operators.

As a result, fine sanctions were applied to 24 banks and 8 non-bank credit organizations that permitted relevant errors and deficiencies; furthermore, 9 payment organizations and 2 payment system operators were issued warnings regarding the implementation of strict measures in the event that deficiencies are identified in the future.

Optimization of the normative base

To enhance the effectiveness of the AML/CFT framework, address sector-specific risks, and align legislation with the FATF Recommendations, the internal control requirements for supervised institutions were revised. Amendments were introduced to key definitions, suspicious transaction criteria, customer risk assessment procedures, and mechanisms for identifying designated persons and freezing their assets.

The Central Bank continues to ensure the fulfillment of obligations within the framework of the Eurasian Group (*EAG*)¹⁵ and participated in the 42nd and 43rd Plenary Meetings of the EAG in 2025.

Within the framework of capacity building, two employees obtained the ICA¹⁶ AML certificate, and an additional two employees completed the training program for FATF and EAG expert-evaluators.

Taking into account the necessity of identifying and assessing risks related to the potential termination of correspondent relations between banks and foreign financial institutions, as well as compliance with the requirements of foreign state legislations affecting their activities, relevant amendments were introduced to the “Regulation on Requirements for the Risk Management Systems of Banks and Banking Groups”. These amendments were aimed at ensuring the comprehensive and systemic assessment of sanctions risks by banks within their risk-management frameworks.

The “Compliance Club” project, organized for bank employees in the field of sanctions compliance, was continued. Within its framework, topical sanctions cases arising in banking practice are regularly discussed, and experiences are exchanged between banks based on international practice.

Furthermore, a joint seminar on AML/CFT and sanctions compliance was conducted with the central banks of Türkiye and the United Arab Emirates.

¹⁵Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 16 dated January 23, 2013, “On Organizational Measures for the Implementation of the Agreement on the Eurasian Group on Combating Money Laundering and Financing of Terrorism”

¹⁶International Compliance Association

Compliance control

In 2025, an independent Compliance Control Service was established within the Main Office of the Central Bank. Furthermore, anti-corruption internal control units were formed in regional main departments and subordinate enterprises based on designated minimum criteria¹⁷.

Additionally, a corruption risk assessment was conducted for 52 functions assigned to the Bank, based on the Methodology for Assessing Corruption Risks in the Central Bank¹⁸.

Monitoring, supervision, and preventative measures

Based on the internal audit and compliance control plan approved on December 24, 2023, monitoring activities were implemented throughout the Central Bank system regarding the execution of anti-corruption documents.

In accordance with the Regulation on the Identification and Management of Conflicts of Interest, annual declarations for the year 2025 were obtained from all employees.

Specifically, declarations were accepted from 2,152 management personnel:

- remedial measures were established for “existing” cases;
- management mechanisms were defined for “potential” cases.

Furthermore, for the purpose of preventing corruption risks in procurement processes, investigations were conducted on a total of 1,408 counterparties (312 in the main office, 189 in territorial branch offices, and 907 in subordinate enterprises), and relevant conclusions were provided.

During the recruitment process, a total of 589 candidates (170 in the main office, 57 in territorial branch offices, and 362 in subordinate enterprises) were vetted. During the review, instances of conflicts of interest, prior work activities, and corruption risks were specifically evaluated.

Awareness-raising and communication measures

In 2025, a total of 206 roundtable discussions, lectures, and seminars on anti-corruption topics were organized for the employees of the Central Bank system (31 in the main office, 119 in territorial branch offices, and 56 in subordinate enterprises).

Furthermore, the training of employees in basic and specialized courses of the Virtual Anti-Corruption Academy has been established; a total of 2,125 employees were trained in specialized courses on “Ensuring Integrity in Public Service”, “Combating Corruption in Public Service”, and “Elimination of Corruption Risks”¹⁹.

¹⁷ Resolution of the President of the Republic of Uzbekistan No. RP-147 dated April 21, 2025, “On measures to ensure the independence and enhance the efficiency of internal anti-corruption control units within state bodies and organizations”

¹⁸ Resolution of the President of the Republic of Uzbekistan No. RP-240 dated May 11, 2022, “On measures to improve mechanisms for eliminating corruption risks in public administration and expanding public participation in this area”

¹⁹ Resolution of the President of the Republic of Uzbekistan No. RP-228 dated June 21, 2024, “On measures to introduce a system for the continuous knowledge enhancement of the population and civil servants in the field of combating corruption”

In the 2025 rating assessment of the effectiveness of anti-corruption efforts by government agencies and organizations, the Central Bank received a high rating, scoring 95 points

Internal audit

In 2025, work continued on the optimization of the Central Bank's internal audit and risk management systems based on advanced international practices and standards.

Starting from 2025, a three-year audit cycle was introduced in accordance with the requirements of the Global Internal Audit Standards (GIAS). This approach provides for the full coverage of all significant risks pertaining to the activities of the Central Bank and the assessment of the effectiveness of their management.

In accordance with this audit plan, starting from 2025, internal audit activities are being implemented based on a methodological risk-based approach; the effectiveness, adequacy, and status of execution of the measures established to mitigate the impact of risks related to the Central Bank's activities are evaluated, and recommendations for optimizing their management are provided.

Specifically, according to the approved internal audit plan, during the internal audit activities conducted across 15 designated audit objects in 2025, a total of 35 risks and 115 control mechanisms for their management were analyzed. Of these, the application of control mechanisms for 19 risks was assessed as adequate and effective, while additional measures were established to optimize the management of the remaining 16 risks.

During the reporting period, a separate Risk Management System Development Department was established for the purpose of the effective and systemic organization of work regarding the implementation of the risk management system within the Central Bank.

Furthermore, based on the tasks defined by the Board of the Central Bank, the identification and assessment of risks associated with the activities of the Central Bank's regional main departments and subordinate organizations were finalized.

The Consolidated Risk Register of the Central Bank, encompassing a total of 177 risks, was formulated; an action plan for the prevention and mitigation of the impact of risks was approved, and monitoring over its execution was established.

In addition, within the framework of membership in the International Operational Risk Working Group (IORWG), the personnel of the Central Bank's risk management service familiarized themselves with advanced global practices.

In October of the reporting year, a subsequent technical assistance mission from the IMF regarding internal audit and risk management issues was engaged. During this mission, the internal audit and risk management practices within the Central Bank were analyzed, and priority tasks for harmonization with international standards were defined.

Based on these recommendations, action plans for the further optimization of risk-based internal audit and risk management practices in the Central Bank for the period 2026–2028 were approved.

