

Changes in Uzbek Government

Uzbekistan

BAKER & MCKENZIE

Legal Alert

8 September 2016

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Changes in the Government of Uzbekistan Following the Death of its President

On 2 September 2016 the Cabinet of Ministers and the Oliy Majlis (Uzbekistan's Parliament) issued a joint statement announcing the death of Islam Karimov, Uzbekistan's First President, following a stroke several days earlier. He was 78 years old.

This Legal Alert summarizes the changes in the Government of Uzbekistan following the tragic death of President Karimov.

Legislation

Uzbekistan's Constitution¹ establishes that if an incumbent president cannot perform his professional duties, the duties and authorities of the president are temporarily conferred upon the Chairman of the Senate (the upper chamber of the Oliy Majlis).² It is silent on what is to happen in the event the Chairman of the Senate declines to accept the duties and authorities of the President.

The Constitution³ provides for presidential elections to take place within three months after the president's incapacitation in compliance with Uzbekistan's Presidential Elections Law.⁴ Under such law, an election of the President is to be called by Uzbekistan's Central Elections Committee. The new President is to be elected for a full five-year term, rather than for the remainder of the preceding President's term.

Under Uzbekistan's presidential system of government, the death of the President does not automatically result in any changes to the Prime Minister or other members of the Cabinet of Ministers.

Current Chairman of the Senate and Prime Minister

The current Chairman of the Senate is Mr. Nigmatilla Yuldashev, 54. He is a former Deputy General Prosecutor and a former Minister of Justice of Uzbekistan.

The current Prime Minister of Uzbekistan is Mr. Shavkat Mirziyoyev, 59. He is a former khokim (governor) of Samarkand Oblast. He became Prime Minister in 2003 and has served continuously in that position since then.

¹ The Constitution of the Republic of Uzbekistan dated 8 December 1992, as amended (the "Constitution").

² Art. 96 of the Constitution.

³ Art. 96 of the Constitution.

⁴ Law of the Republic of Uzbekistan "On Election of the President of the Republic of Uzbekistan" dated 18 November 1991, as amended (the "Presidential Election Law").

8 September Resolution

A joint session of Oliy Majlis's upper and lower chambers was held on 8 September 2016. At the joint session, Mr. Yuldashev proposed to “temporarily confer the duties and authorities of the President of Uzbekistan” on the Prime Minister, due to “his extensive managerial experience in the Government and respect earned among Uzbek population”. The leaders of political parties and the deputies and senators of the Oliy Majlis supported Chairman Yuldashev's proposal. In addition, both houses of the Oliy Majlis adopted a joint resolution conferring the duties and authorities of the President of Uzbekistan on Prime Minister Mirziyoev.⁵

Accordingly, as of 8 September 2016, Mr. Yuldashev and Mr. Mirziyoev remain the Chairman of the Senate and the Prime Minister, respectively, with Prime Minister Mirziyoev also exercising the duties and authorities of the President of Uzbekistan.

Presidential Elections

The 8 September joint resolution also called on the Central Elections Committee to call elections in accordance with the Presidential Elections Law.

As of the date of this Legal Alert, the Central Elections Committee has not set a date for the presidential election. But because the Constitution requires the election to be held within 3 months after a president's incapacitation, it must be held by 2 December 2016, 3 months after the announcement of President Karimov's death.

Each of the country's major political parties is expected to nominate a candidate. Uzbekistan's largest political party is the Movement of Entrepreneurs and Businessmen - Liberal Democratic Party of Uzbekistan (“Liberal Democratic Party”). President Karimov was the Liberal Democratic Party's candidate and he won the most recent presidential election in 2015 with 90.39 % of the vote. Neither the Liberal Democratic Party nor any other major party has yet announced its candidate.

Policy Changes

During the 3-month transitional period before the election of a new president, no significant changes are expected to take place in legislation, or government policies and practices, concerning the major areas affecting foreign investors, including privatization, investment incentives, taxation and currency regulation.

This LEGAL ALERT is issued to inform clients and other interested parties of time sensitive legal developments which may affect or otherwise be of special interest to them. The comments above do not constitute legal advice or opinion and should not be regarded as a substitute for detailed legal advice in individual cases.

⁵ Statement on joint session of the Legislative Chamber and Senate of Oliy Majlis published on the website of Uzbekistan State Portal (<https://www.gov.uz/ru/news/view/7246>) and on the website of Press Service of the President of Uzbekistan (<http://www.press-service.uz/ru/news/5324/>).