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Uzbekistan's Labour Law & Employment Regulations

Overview

Uzbekistan is a rapidly developing economy at the heart of Central Asia, strategically positioned as a gateway between Europe, China, Russia, and South Asia. As the most populous country in the region, Uzbekistan plays a pivotal role in regional trade and connectivity, supported by its participation in international initiatives such as the Belt and Road Initiative.

With a population of 37.7 million ([IMF, 2025](#)) and a GDP exceeding USD 100 billion ([IMF, 2025](#)), Uzbekistan ranks among the fastest-growing economies in the Commonwealth of Independent States (CIS) with a modernised business climate, liberalised currency regulation, and the introduction of a new Labour Code (2023) more closely aligned with international standards. Backed by initiatives such as the IT Park Uzbekistan residency program, special economic zones, and substantial tax incentives, the country has positioned itself as an increasingly attractive destination for foreign investment.

Basic Country Facts



Capital
Tashkent



Population
37.7 million
[IMF](#)



Currency
Uzbek Soum (UZS)



GDP per Capita
USD 3,510 (as of 2025)
[IMF](#)

Uzbekistan's Government Platforms

1. My.mehnat.uz

My.mehnat.uz is the **Unified National Labour System** of Uzbekistan—a state-operated digital platform created to manage employment relationships and labour data with transparency and efficiency.

Core Functions:

- Enables **electronic labour contracts**, their registration, amendments, and terminations.
- Acts as an official repository of **individual employment records**, including job history, salary, education, and social contributions.
- Automates data integration across various agencies to reduce paperwork and ensure compliance.

Who must be registered on My.mehnat.uz?

Employers:

- **All organisations and private enterprises** operating in Uzbekistan (including domestic businesses and foreign-owned companies) are required to use the platform to register employment contracts.
- The system is **mandatory for employers** — not for self-employed individuals (individual entrepreneurs).

Employees:

- **Employees hired under official employment contracts** must be registered by their employer within **5 working days** of hiring, ensuring labour relation records are complete and compliant.
- This includes **foreign (expatriate) employees**, whose contracts must also be registered as part of the work permit process.

2. Soliq.uz

Soliq.uz is the official **e-tax services portal** of Uzbekistan's **State Tax Committee**. It serves as a comprehensive digital platform facilitating seamless interaction between taxpayers and tax authorities.

Key Features

For Individuals:

- Access to personal tax accounts and calculators
- Submission of tax declarations
- Generation of tax registries and PINFL information
- Registration of taxpayers and receiving related e-services

For Sole Proprietors:

- Asset and social contribution services
- Registration of cash register machines
- Access to various personal tax services

For Legal Entities:

- Submission of tax reports and electronic invoices
- Requests for tax refunds or overpayment returns
- Integration with fiscal registers and cash register systems

Platform Capabilities

This platform supports:

- **Electronic filing and document management** to streamline tax compliance
- **Personalised taxpayer dashboards** featuring real-time access to tax accounts, invoices, notifications, and guides
- Assistance for both **individuals and businesses**, promoting user-focused experience

Business Value

- Offers a **unified digital channel** for tax compliance and reporting
- Enhance **efficiency, transparency**, and user convenience
- Part of Uzbekistan’s broader digital transformation in tax administration

3. 1C:Enterprise

1C:Enterprise is a trusted, scalable foundation for automating core business operations in Uzbekistan. For international employers, it provides a reliable system that ensures compliance with local payroll and financial requirements. It is widely adopted throughout Central Asia and CIS countries, including Uzbekistan, making it a standard solution for local financial and HR operations.

How It Supports Payroll Operations

- **End-to-End Automation:** The platform handles complex payroll tasks, from salary calculations and tax deductions to social contributions and reporting, making it a comprehensive tool for monthly payroll processing.
- **Integrated HR Functionality:** 1C:Enterprise seamlessly integrates personnel management with payroll, consolidating employee records, leave, attendance, and compliance data within one system.

Feature	Description
Platform Type	Low-code development platform for business automation
Common Modules	ERP, accounting, payroll, HR, CRM, WMS, document management
Deployment	On-premises, cloud, web, mobile
Benefits	Rapid customisation, scalable, integrated HR and finance processes
Relevance in Uzbekistan	Widely used and supported by local software partners and customisation experts

4. Medical Insurance (Not Mandatory)

Providing medical insurance in Uzbekistan is **optional, not mandatory**, but it is considered a best practice among leading employers, especially for expats and senior-level staff.

Currently, there is no legal requirement in Uzbekistan for employers to provide private medical insurance to employees. Some employers, particularly **international companies and large local enterprises**, voluntarily offer **private medical insurance** as part of a benefits package to attract and retain talent.

For expatriates, medical insurance is **not a statutory requirement for employment**. However, in practice, many employers provide it to ensure access to higher-quality private healthcare facilities and to comply with international HR standards.

The government is gradually moving towards reforms in healthcare financing, but as of now, **mandatory employer-provided health insurance has not been introduced**.

5. Employer’s Civil Liability Insurance (Mandatory)

All employers in Uzbekistan are required to insure their civil liability to employees.

- Covers compensation in case of:
 - Workplace accidents;
 - Occupational diseases;
 - Death of an employee due to work-related causes.
- Insurance ensures that financial compensation is paid to employees or their families, with the insurer covering the costs instead of the employer directly.

Coverage and Benefits

- Compensation includes:
 - Medical treatment expenses;
 - Temporary or permanent disability payments;
 - Lump-sum compensation to families in case of death.
- Guarantees protection for employees and reduces financial risks for employers.

Employer’s Obligations

- Conclude an insurance contract with an authorised insurer;
- Pay regular insurance premiums;
- Notify the insurer and authorities of any accidents or occupational health cases;
- Ensure proper investigation and documentation of incidents.

Labour Law & Employment Regulations

Employment Contracts

Contracts must be in writing by both Employer and Employee (Uzbek or Russian required for legal validity).

Contract Type	Definition & Duration	Common Use Cases	Legal Framework	Termination Rules	Typical Industries / Workers
Fix-Term Contract	Contract with specific start and end dates. No specified minimum period. Can be extended for up to 5 years in total.	Project-based or time-bound roles	Uzbekistan Labour Law	Ends automatically unless renewed. After 5 years becomes indefinite; early termination may require valid reason or compensation.	Construction, manufacturing, project roles, Temporary / Seasonal Work, Students, part-time workers, flexible staff, Expat employees
Open-Ended (Indefinite) Contract	No defined end date. Long-term employment relationship.	Permanent, full-time roles	Uzbekistan Labour Law	Termination requires valid justification; otherwise, compensation is due.	Administrative, local hires, permanent staff

Contract Type	Definition & Duration	Common Use Cases	Legal Framework	Termination Rules	Typical Industries / Workers
Part-Time Contract	No defined end date. Long-term employment relationship.	Retail, education, service support and other roles	Uzbekistan Labour Law	Termination terms as agreed in contract.	Students, part-time workers, flexible staff
Freelance / Service Agreement	Not considered employment. No labour entitlements.	Independent consultants, service providers	Uzbekistan Civil Law	As per contract; no end-of-service benefits or dismissal protection.	Advisors, outsourced professionals

Probation Period

1. **Maximum Duration:** Employees may be employed without a probationary period or with a probationary period of **up to 3 months**. For **managers, chief accountants, and heads of branches/representative offices**, the probation period may be extended **up to 6 months**.
2. **Termination During Probation:** Either party may terminate the contract during the probation period. Applies only if the probation period was formally included in the employment contract.

Initiation of Termination

(a) By Employer:

- It is possible if the employee's performance or conduct is deemed unsatisfactory.
- Employer must issue a formal order and provide written justification (e.g., systematic absence, failure to meet job requirements).

(b) By Employee:

- Employees may resign during probation **without stating a reason**.

Notice Period

- Either party may terminate the contract with **3 calendar days' written notice**.

Employee Rights

- Salary for all days worked;
- Compensation for unused leave (if applicable);
- Full social and labour protections up to the termination date.

3. Re-hiring and Repeat Probation

- If the employee is re-hired for a **different role or significantly different responsibilities**, a new probation period may be established, subject to the same legal limits (up to 3 months, or 6 months for senior roles).
- Probation must always be clearly stated in the employment contract.

4. Benefits During Probation

- The employee is entitled to salary and statutory rights (e.g. working hours, rest breaks, overtime pay).
- No end-of-service benefits are payable if the employee leaves or is terminated during probation.
- No severance if terminated during probation unless contract says otherwise.

5. Written Agreement Requirement

- The probation terms must be stated explicitly in the employment contract.
- If not mentioned, the employee is considered hired without probation.

Minimum Wages

As of 1 August 2025, the minimum monthly wage in Uzbekistan makes **UZS 1,271,000** and adjusted periodically by the government.

Statutory Contributions

1. Employer Contributions

- **Social Tax:**
 - Standard rate: **12%** of the employee's gross salary.
 - IT Park and certain preferential regime residents may benefit from **reduced (7.5% PIT) or exempted rates**.

2. Employee Contributions

- **Personal Income Tax (PIT):**
 - Flat rate of 12% withheld at source by employer.
 - Applies to salaries, bonuses, overtime, allowances, etc.
- **Individual Pension Contribution:** 0.1% Currently embedded in PIT (no separate payment by employee).

3. Reporting & Filing

- Employers are responsible for:
 - Monthly withholding of PIT and social tax;
 - Timely submission of payroll, tax, and pension reports to state authorities;
 - Ensuring compliance with applicable benefits and exemptions.

4. Special Regimes

- **IT Park Residents** are granted tax preferences for both local and foreign employees, significantly reducing labour costs.

Work Permit & Fees (Expatriates)

Expatriates must obtain a valid Work Permit License, which is sponsored by their employer.

- Work Permit (Annual): 31 of Basic Settlement Value (BSV)*
- Business visa: Multiple-entry visa - Up to 6 months USD 150; Up to 1 year USD 250.
- Work Visa:
 - Multiple-entry visa
 - Up to 6 months 6 BSV
 - Up to 1 year - 10 BSV
- Temporary Registration at Police: 2% of Basic Settlement Value per day
- Personal Identification Number of an Individual** ~10% of BSV

* The term **"Base Settlement Value"** in Uzbekistan refers to a legislatively defined reference amount used across various financial and regulatory calculations. It is subject to review on a regular basis (annually). As of 1 August 2025, its amount is **UZS 412,000**.

** In Uzbekistan the **Personal Identification Number of an Individual** is the equivalent of a tax identification number (TIN). It is required for interaction with government and financial institutions, including opening bank accounts, obtaining bank cards, and accessing social and medical services.

Leave & Benefits

Leave Type	Duration & Entitlement	Conditions / Notes
Annual Paid Leave	21 calendar days/year	<ul style="list-style-type: none"> • Paid (basic salary + allowances) • Must be used within the year or approved for carry-over • Additional days may be granted at the employer's discretion
Unpaid leave	Max duration must not exceed 3 months in total or continuously during a calendar year	<ul style="list-style-type: none"> • The duration of the unpaid leave is determined by agreement between the parties
Sick Leave	Employees in Uzbekistan are generally eligible for up to 4 months of paid sick leave, extendable to almost a year in special medical cases, provided official medical certification is issued.	<ul style="list-style-type: none"> • Requires medical certificate • The calculation is based on average daily earnings of the employee: <ul style="list-style-type: none"> ◦ 60%: up to 8 years of proved seniority; ◦ 80%: 8+ years of proved seniority; ◦ 100% regardless of seniority: employees with 3 or more children under 16 years of age, occupational disease or work injury
Maternity Leave	126 calendar days (70 days before + 56 days after birth) and in cases of difficult childbirth or multiple births, the postnatal leave is extended 14 days more	<ul style="list-style-type: none"> • If service ≥ 1 year: 100% pay • If service < 1 year: 75% pay • Cannot be terminated during leave
Parental Leave	Up to 2 years paid, and 1 additional year unpaid	<ul style="list-style-type: none"> • Paid at 60% of the government-set minimum wage until the child turns 2 years old
Marriage and other Social Leaves	Common practice: Many employers provide between 3 to 7 days with retention of average employee's wages	<p>Not required by law. Can be provided at Employer discretion: Companies may choose to offer marriage and social leave, specifying duration and conditions in their internal policies or employment contracts:</p> <ul style="list-style-type: none"> • due to a marriage ceremony (Marriage certificate may be required); • due to the marriage of the employee's children (Marriage certificate may be required); • due to a birth of a child (for a father) (Childbirth Certificate may be required); • due to death of a close relative (Certificate may be required).

Leave Type	Duration & Entitlement	Conditions / Notes
Public Holidays	<ol style="list-style-type: none"> 1 January – New Year 8 March – Women's Day 21 March – Navruz Holiday 9 May – Day of Memory and Honors 1 September – Independence Day 1 October – Teacher and Mentor's Day 8 December – Constitution Day The first day of the religious holiday of Ruza Hayit (Eid al-Fitr) The first day of the religious festival of Kurban Hayit (Eid al-Adha) 	<ul style="list-style-type: none"> If required to work on an official holiday, employees must be paid double rate of the employee's standard hourly wage or by granting equivalent time off
Overtime work	Limited to 120 hours per year	<ul style="list-style-type: none"> Paid in double rate of the employee's standard hourly wage or by granting equivalent time off
Night shift	<p>Night work is defined as work performed between 10:00 PM and 6:00 AM</p> <p>Paid at an increased rate, not less than 1.5 times higher than the daily rate</p>	<p>Night work is prohibited for:</p> <ul style="list-style-type: none"> Employees under 18 years old Employees with medical restriction Pregnant women

Payroll Method & Process

In Uzbekistan, payroll processing involves both the HR and Accounting departments.

Payroll Responsibility

- HR Department:** Calculates salaries, including base pay, overtime, bonuses, allowances, leave payments and other entitlements.
- Accounting Department:** Executes payroll disbursement, tax withholding, and statutory contributions.

Calculation Basis

- Payroll is based on:
 - Employment contract terms
 - Official working hours and timesheets
 - Overtime, holiday, or night shift work (with statutory premiums)
 - Sick leave, vacation, and other benefits

Payroll Documentation

- Payroll sheets/registers** – detailed calculation of wages, allowances, overtime, and deductions.
- Timesheets (T-13 form or equivalent)** – official record of working hours, absences, overtime, holidays, and leave.
- Payslips** – issued electronically or in hard copy, showing gross pay, deductions, and net pay.
- Leave records** – issue internal order of annual leave, sick leave, maternity leave, and other entitlements.

Compliance & Reporting

- Payroll records must comply with the Labour Code and Tax Code.
- Employers are required to submit:
 - Payroll registers
 - Tax and pension filings
 - Income certificates to employees

Payroll Requirements

- Currency: Salaries must be paid in Uzbek Soums (UZS).
- Payment frequency: At least twice a month.
- Payment method: Through bank transfer to a local Uzbek bank account in the employee's name.
- Payroll must include:
 - Basic salary
 - Allowances (meal, transport cost, sick leave, housing, transportation, etc., if applicable)

Payroll Platforms & Systems

- Most companies use 1C:Enterprise for payroll calculation.
- Salary transfers are executed via licensed commercial banks.
- Payroll and employee data are integrated with the national employment platform my.mehnat.uz for compliance.

Business Travel Requirements

Mandatory to be compensated:

- Transportation costs
- Accommodation costs
- Daily travel allowance

Daily travel allowance is mandatory and is paid at least to the norms established by law.

- The amounts above established norms are subject to taxes – PIT and employer contributions apply.
- Daily allowance is to be paid before the business trip start date.

If an employee departs to/from the destination of a business trip on holidays/weekends, such days are considered work on holidays/weekends and require compensation. These rules apply equally to domestic and international business trips.

Termination & Severance

Voluntary Termination

- **Initiated by Employee:** No reason required
- **Notice Period:** 14 calendar days (3 days during probation)
- **Effective Date:** As stated in the notice or mutually agreed
- **Employer's Obligation:** Full final settlement by last working day
- **Withdrawal Allowed:** Before end of notice, unless a replacement is hired

Involuntary Termination

- **Employer-initiated** on legal grounds (e.g. redundancy, misconduct, poor performance)
- **Notice:** Typically 2 months (redundancy); immediate for serious violations
- **Protected categories:** No dismissal during leave, sick leave, pregnancy
- **Severance Pay:** 50–200% of average monthly salary based on length of service

Severance Pay by Length of Service (Article 173)

Length of Service	Minimum Severance Pay (% of Avg. Monthly Salary)
Less than 3 years	50%
3 to 5 years	75%
5 to 10 years	100%
10 to 15 years	150%
15+ years	200%

Termination Scenarios

Termination Scenario	Notice Period	Severance / Benefits	Legal Risk / Conditions
✓ Mutual Agreement	As agreed by parties	Severance not mandatory, unless specified in contract/collective agreement	Low legal risk if documented in writing
✓ End of Fixed-Term	No notice (if not renewed)	Severance not mandatory, unless specified in contract/collective agreement	Must not exceed max. 5 years; if continued, becomes indefinite (Art.111)
✓ Resignation (By Employee)	2 weeks (14 days)	Final salary + unused leave compensation	Employee must serve written notice; employer cannot refuse resignation (Art. 160)
✓ Termination During Probation	3 days	Salary for days worked only + unused leave compensation, if applicable	Employee – without stating a reason Employer – Allowed if performance unsatisfactory, must be documented
⚠ Employer-Initiated Termination (with cause)	No notice (serious misconduct)	No severance	Requires valid documented grounds (e.g., absenteeism, loss of trust, misconduct) (Arts. 173)
⚠ Employer-Initiated Termination (without cause / redundancy)	2 months	✓ Severance pay based on service (50%–200% of average monthly salary)	High legal risk; must justify redundancy or reorganisation (Arts. 161)

Other Deductions & Exemptions

- Total deductions from an employee's salary may not exceed 50% of the net monthly wage.
- Exceptions: in case of alimony, compensation for harm, or imprisonment-related costs, deductions can reach up to 70% (Art. 270).

Compliance Tips for Employers

- Register employees at my.mehnat.uz within 5 working days (both for onboarding and termination process)
- Monitor submissions monthly to tax authorities
- Maintain tax payment on time via government portals
- Ensure salary alignment across 1C:Enterprise

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19 Aug

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20 Aug

NetSuite Singapore Partner Awards Dinner



Uzbekistan

14 Aug

Future-Ready Markets: Workforce & Market Expansion in Uzbekistan



Umida Odilova
Chief Manager
IT Park Uzbekistan



Yury Karp
Regional Head
BIPO Central Asia



Firuza Idrisova
HR Service Delivery
Manager
BIPO Uzbekistan

Thailand

17-23 Aug

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Our comprehensive HR offerings include **Human Capital Management solutions**, **Global Payroll Outsourcing**, and **Employer of Record services**, powered by our award-winning HR Management System and Athena BI (Business Intelligence) platform.

At BIPO, we deliver customised services and scalable tech-enabled solutions that automate processes, simplify workflows, and generate actionable insights.

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