Islam KARIMOV

OUR MAIN GOAL IS TO CARDINALLY DEEPEN THE REFORMS AND STRUCTURAL TRANSFORMATIONS CARRIED OUT IN OUR ECONOMY, OPEN UP A BROAD PATH FOR PRIVATE OWNERSHIP, SMALL BUSINESS AND ENTREPRENEURSHIP

Statement at the Expanded Meeting of the Cabinet of Ministers of the Republic of Uzbekistan Devoted to the Outcomes of the Country s Social and Economic Development in 2015 and the Top Priorities of the Economic Program for 2016.

January 15, 2016

Distinguished participants of the meeting!

The main issue of the agenda of today's expanded meeting of the Cabinet of Ministers is to discuss the outcomes of Uzbekistan's economic and social development in the past year of 2015 and determine the top priorities of our path of progress for 2016.

We have every reason to declare that the year 2015 was a big step along the path of achieving our primary goal - ensuring a proper standard of living and quality of life for our people and joining the ranks of the developed democratic states, and above all, implementing the important reforms.

At the heart of this effort is the implementation of a thoroughly considered, long-term and comprehensive Program. Certainly, you are well-aware that this Program by its essence is **aimed at implementation of in-depth structural reforms, reliable protection of the interests of small business and private enterprise, and something that is of a fundamental importance - ensuring through legislative, regulatory, legal, and practical measures, as established in our Constitution, the priority role of private ownership, and a consistent shrinking of the presence of state in Uzbekistan's economy.**

It should be emphasized that it was acknowledged to be expedient at this stage of our development to keep under the direct control of the state only those enterprises that are engaged in the extraction and processing of hydrocarbon raw materials, precious and nonferrous metals, and uranium, as well as the strategic infrastructure sectors of natural monopolies - railways and motorways, air transport, the generation of electricity, and electricity grids and public utility networks.

The objectives were put forward and appropriate conditions were created for privatization of government assets and primarily their sell-off to foreign investors. For example, it should be noted that a total of 506 property complexes have been sold on a competitive basis to new investors at a "zero" redemption value, with investors assuming investment obligations of approximately 1 trillion soums and 40 million US dollars, accompanied by the creation of some 22,000 new jobs.

Along with this, a total of 245 distressed and inactive organizations have been entirely liquidated.

Some 353 government-owned unused properties and unfinished construction projects envisaged in the privatization program have been tom down, and as a result, 120 hectares of land has been freed up. Nearly 80 hectares of this land has been allocated to entrepreneurs for the organization of production operations and the construction of facilities for delivery of services.

An inventory of other such 319 government-owned properties has been completed and these properties have been offered for sale for placement under private ownership, and 102 of them were sold last year to new owners. Besides, the government-held stakes in 378 joint-stock companies were appraised and offered for sale at public auction with the aim of selling them to strategic foreign investors.

It should be stressed in particular that the government- held stakes in dynamically developing and quite successful enterprises have also been offered for sale, including such joint-stock companies as the Navoiazot, Ferganaazot, Urgench Excavator, Kyzylkum Cement, Jizzakh Battery Plant, Alokabank, Turonbank, and the Uzagrosugurta Insurance Company, among others.

Of the government-held stakes offered at auction, those in 52 joint-stock companies have already been sold to private owners. In particular, the government-owned shares in the Kukon Yogh-Moi Joint-Stock Company have been sold for 2.5 million US dollars.

And this is only the beginning of the large-scale effort to bring about a fundamental change in the structure of ownership.

A number of laws and legislative acts adopted in our country were of critical importance in establishing the due order to rule out the unlawful interference of law enforcement, supervisory and administrative structures in entrepreneurial activities, and increase the responsibility of the managers and officials of these agencies.

The principle of priority of the rights of business owners in their relations with government, law enforcement and supervisory authorities has been introduced. The amendments and additions have been introduced to more than 40 regulatory legal acts related to simplifying the process of launching the business entities and facilitating their operations. Specifically, a new procedure has been introduced under which no criminal charges are filed and a person is not held liable in the event of a first-time criminal offense related to tax evasion or the evasion of other mandatory payments, given that reimbursement of the loss to the state is provided in full within 30 days of the date the violation is discovered.

A high priority is being assigned to **reinforcing the role of judicial authorities** in addressing the issues related to the protections for the lawful rights of private property owners and entrepreneurs, strengthening of guarantees of their activity. Courts have the right to suspend the execution of a decision by a supervisory body that has been appealed by a private business owner for the period that the petition in question is being considered.

A legal norm has been introduced which provides that the property of private business owners may be seized only on the basis of a court order in connection with their violation of tax and customs laws, and the time periods for the hearing of a complaint have been also reduced significantly.

The audits of the activities of micro-firms, small businesses and owner-operated farms will now be carried out on a scheduled basis no more than once every four years, while other economic entities will be audited no more than once every three years, and only by a decision of the Republic Council for Coordination of the Activities of Supervisory Authorities.

Furthermore, the time period for the performance of scheduled audits not related to financial and commercial activities has been reduced from 30 to 10 calendar days. It is important to note that these norms have been established for private banking and financial institutions as well.

The administrative liability measures have been toughened for violation of the procedure of performance of audits and inspections of the financial and commercial activities of enterprises by law enforcement and supervisory authorities, and violation of the procedure of provision of government services.

These measures are also applied to such instances as unlawful suspension of the activities of economic entities and operations on their bank accounts, an unjustified request for information about the availability of funds in their accounts, compulsory involvement of business owners in charity activities, and other events related to the diversion of funds.

In addition, a mechanism has been established under the legislation for providing full compensation for damages, including compensation for lost earnings to a private business resulting from unlawful decisions by government authorities, self-governing bodies of citizens, or actions (inaction) by their officials.

Officials of supervisory, law enforcement and other government authorities, who have repeatedly violated the legislation on protecting entrepreneurial freedom, will be subject to criminal liability. The relevant provisions have already been incorporated into the Criminal Code of the Republic of Uzbekistan.

In the year under review, based on a common call service center of the Uzbektelecom Joint-Stock Company and a telephone hotline operated by the Office of the Prosecutor General, a new 24-hour system has been introduced for receiving complaints from citizens.

This system receives applications and complaints about unjustified interference in the activities of business entities by government, law enforcement and supervisory authorities, about the obstruction of entrepreneurial activity and violations of the rights of property owners. Just in the first six months since the introduction of this system, more than 1,500 business owners have filed complaints with prosecutor's offices. And what is especially important here is that approximately one- third of all complaints were resolved in their favor.

Thanks to the introduction of electronic forms of interaction between government authorities and business owners, in 2015 42,800 businesses were registered via the Internet on the Single Portal for Interactive Government Services. This portal provides access to 260 different types of interactive services. If in 2013 and 2014 just over 102,000 services were provided to business owners and citizens, in 2015 alone the number of such services exceeded 420,000. At present, 100 percent of tax returns and statistical reporting are filed electronically through the Internet.

As of January 1 this year, the Single Centers for Providing Government Services to Business Owners based on the «one- stop shop» principle started operating in all of the regions of the country. Totally new mechanism has also been introduced for connecting businesses to public utilities. This mechanism calls for the regional enterprises of operating companies to be given the authority to perform all of the procedures on a "turnkey" basis, from the receipt of technical specifications to the connection to public utility grids.

Dear friends!

We also need to note that the work we are accomplishing in our country to improve the business climate is having a positive impact on the business environment ratings of international economic organizations. In October last year, the World Bank published its Doing Business ratings. In this ratings Uzbekistan rose 16 points in just a year, reaching the 87th place.

A special mention should be made of the fact that based on criteria such as «starting a business», Uzbekistan currently ranks the 42nd in the world; in terms of enforcing contracts - it is ranked the 32nd; and on resolving insolvency it is in the 75th place. Based on the «getting credit by small businesses» indicator, for over the past three years Uzbekistan rose from the 154th place to the 42nd place, and in the last year alone it moved up 63 places in the ranking.

As noted in the World Bank report, Uzbekistan has now joined the top ten countries in the world in terms of achieving the best results in improvement of the business environment for entrepreneurial activity over the past years.

I would like to specially mention that as a result of reforms being implemented in this direction, the share of small business and private entrepreneurial activity in gross domestic product has risen from 31 percent in 2000 to 56.7 percent today, which represents an increase by a factor of 1.8. This sector currently accounts for one-third of all industrial production, and 98 percent of agricultural output. I will speak the very truth, if I say that, please take note of this figure, more than 77 percent of the entire employed population works in this sector and makes earning by hard work not only for his own family, but also adds to the wealth of our country. This is, above all, a vivid confirmation of the opportunities granted to us by Independence.

Distinguished participants of the meeting!

In 2015 we made an enormous contribution in terms of bringing about a fundamental change in the principles and approaches in the corporate governance system, providing for this process a genuinely market orientation and freeing this system from the conservative views.

A complete inventory of the activities of all joint-stock companies was performed. As a result, the decisions were made to liquidate or convert into other organizational-legal forms 462 companies, or 43 percent of the total number.

Based on a study of leading international experience in the corporate governance of enterprises, a new model structure for joint-stock companies was developed and approved. On the basis of this model, and taking into consideration the latest approaches to corporate management, a new Classification of Jobs and Professions was developed and approved; it includes 566 new categories that are in line with the needs of a market economy.

Proceeding from this classification, the certification of management personnel has been performed. The main objective of this certification was to test their knowledge of contemporary methods and principles of corporate governance, management and marketing. According to its results, of the 721 managers who went through certification, just under half, or 49 percent, passed it, one of three received conditional certification, and 20 percent, or one out of five, were found to be unqualified for the positions they held.

These figures, it goes without saying, testify about a lot and once again confirm how timely we have initiated the important work of fundamental change in the management structure of joint-stock companies.

The young specialists with in-depth knowledge and able to apply in practice the contemporary management and marketing methods were brought in to fill the freed up management positions. With an active involvement of the European School of Management and Technology (Germany) the Scientific and Educational Center for Corporate Governance was established to organize on a systematic basis the training and continuous education of management personnel and specialists at joint- stock companies, and provide them with knowledge of contemporary corporate governance methods.

Last year, with an extensive involvement of professors and instructors from leading education institutions of Germany and other economically developed countries, more than 160 managers of joint-stock companies, banks and major enterprises of our country have upgraded their qualifications in the area of corporate governance and half of them went through practical training at the German enterprises.

When we speak about the joint-stock companies, it cannot be said that at present we derive satisfaction from their activities. The secondary market of shares hasn't been shaped in due level in our country. Meanwhile, globally the management through joint-stock companies is the most reliable and effective method. However, we should openly speak about the fact that such joint-stock companies in our country perform a perfunctory activity. Thus, the relevant authorities, and above all, the Cabinet of Ministers must pay a serious attention to this issue. The managers of joint-stock companies must be capable to govern in line with the latest requirements.

Today it is a high time to ask such managers the following questions: for how long have you been working as a manager?; which countries of the world did you visit in order to raise your qualification?; and whose experience did you learn? Please tell us, who is now obstructing you to visit Germany, Japan and South Korea, or any other economically developed state and learn the methods of work there? Let it be known to you, if we don't introduce in our country the governance methods practiced in the developed states, and if we are going to perform just a formal activity, we will just perfunctorily transit to market economy and such state of affairs will be a reason for backwardness. There is a proverb in our people which goes: «If the times don't obey you, then you should obey the times». This was said quite to the point. If we are guided by this wisdom, then we will never fail.

Dear friends!

The work on attracting investments aimed at structural reforms in the country's economy and implementation of projects on modernization, technical and technological updating of the sectors of economy deserves a special attention.

For these purposes, in 2015 investments equivalent to 15,8 billion US dollars from all sources of financing were attracted and utilized. It represents an increase of 9,5 percent compared to 2014. More than 3,3 billion US dollars, or more than 21 percent of total investments are foreign investments, of which 73 percent are the direct foreign investments.

Some 67,1 percent of all investments were earmarked for construction of new production capacities. This made it possible in 2015 to complete the construction of and launch production at 158 major production facilities, with a total value of 7.4 billion US dollars. For example, these projects included the construction of a steam and gas plant with a 370 megawatt capacity at the Tashkent Thermal and Electrical Power Station, the modernization of hydropower generators at Charvak Hydroelectric Power Station, expansion of the production of sodium carbonate at the Kungrad Soda Plant, organization of the production of new compound fertilizers at the Samarkandkimyo Joint-Stock Company with a capacity of 240,000 tons. Besides, the production of tractor trailers, including the large-capacity trailers, components for household appliances and other commodities based on the idle production facilities at the Motor Plant Joint-Stock Company was organized.

Speaking about such important facilities, I would like to specially mention the Ustyurt Gas and Chemical Complex supported by the Surgil gas field which was built in cooperation with the South Korean investors and specialists. This complex, with a cost of more than 4 billion US dollars, is one of the largest, most modem and high-tech production facilities in the world. The launching of production there will allow for the annual output of 83,000 metric tons of polypropylene. Meanwhile, this commodity up until now has been imported into the country for large amounts of hard currency. At present, this enterprise is greatly important to us as it has a capacity to increase the output of polyethylene by a factor of 3.1 and bring about opportunities to create jobs for more than 1,000 highly skilled specialists.

The GM-Uzbekistan Joint-Stock Company in Khorezm Region has launched serial production of the Chevrolet Labo mini-truck. The total cost of the project is nearly 6 million US dollars, with an annual output of 5,000 vehicles, which are very needed by farmers and private businesses. It should be noted that this is the third model to be produced at the new Khorezm Auto plant, where the Damas and Orlando vehicles are already being manufactured.

A solar photoelectric station with a capacity of 130 kilowatts has been commissioned in Pap District of Namangan Region. At the moment, this project is being tested. By 2020 there are plans to commission another three solar power plants in our country with a capacity of 100 megawatts each.

The Afrosiyob high-speed passenger electric train service has been launched on the Samarkand-Karshi line. This allows to raise the quality and frequency of passenger transportation on the Tashkent-Karshi route. As a result, the travel time for passengers between our capital city and Kashkadarya Region and from Karshi to Tashkent has been cut in half.

The profound structural changes are being implemented in the **agricultural sector of our country**. In spite of challenging weather conditions, thanks to the selfless labor and skills of private farmers and dekhkan farmers, last year the country's agricultural sector produced an abundant harvest, with an output of more than 7,500,000 metric tons of grain and over 3,350,000 metric tons of cotton.

It should be noted that the high yields are ensured primarily thanks to the intensification of agricultural production, improvements in selection, introduction of regional varieties of cotton, grain and cereal crops, and the incorporation of modem agricultural technologies.

The average wheat yield in our country reached 55 centners per hectare, and in some regions it was as high as 60-77 centners per hectare, which is undoubtedly an immense achievement by our farmers.

In addition, the agricultural sectors such as fruit and vegetable production, horticulture, viticulture and livestock production also developed at an accelerated pace. Last year 12,592,000 metric tons of vegetables were produced, including potatoes, along with 1,850,000 metric tons of melon crops, 1,556,000 metric tons of grapes and 2,731,000 metric tons of fruit.

We also assign exceptional importance to increasing the industrial processing of agricultural raw materials and to developing the infrastructure for storage of the grown produce. Last year, 230 enterprises engaged in the industrial processing of agricultural produce and 114 new cold-storage facilities with a capacity of 77,800 metric tons were created and modernized. The overall capacity for the storage of fruit and vegetables in the country was increased to 832,000 metric tons. This allows for the country's population to be supplied continuously throughout the year with the major types of agricultural products, without steep seasonal price increases, and also for an expansion in agricultural exports and the maintenance of price stability.

Frankly speaking, all of us do see and witness these achievements, but we rarely think how they are gained and what factors lay in their foundation. For instance, we are well aware what a tense situation was in this respect in the most of the republics of the former Soviet Union last year. However, the prices were preserved in due level in Uzbekistan. At the expense of what have we achieved this?

If you pay attention, no fruits are imported to Uzbekistan! We produce potato ourselves as well. There is a proverb in our people: «A hungry man listens to music with his stomach». We should never forget such proverbs. Since, this is the wisdom, derived from the life experience, accumulated by our people through centuries having endured the severe hardships.

We will speak the very truth if we say that today's abundance and prosperity in our land is a result of selfless labor of our dekhkans, timely creation of broad opportunities for farmers' movement.

In a word, today we are doing the job ourselves and enjoy its fruits ourselves. Whatever we are doing along this path, our nation, elderly and children will enjoy more the yields of these deeds in the future. Thanks to the diligent people, first of all, the noble labor of our brave and steadfast fellow countrymen, working in the sphere of agriculture, every year we achieve such high results.

Taking this opportunity, today from this very high rostrum I deem it my duty to express once again from the bottom of my heart sincere gratitude to all workers at agricultural sector.

Last year, the systematic efforts were consistently continued to ensure the dynamic development of the **service sector** as one of the most important factors in and directions for the deepening the structural reforms and diversification of the economy, and for ensuring employment and increasing people's income and living standards.

In 2015 the service sphere accounted for more than half of the growth in gross domestic product. This shows what an important place this sector holds and what an impact it has on the economy. Its contribution to GDP has now reached 54.5 percent, compared to 49 percent in 2010. More than half of the total employed population works in the service sector.

Banking, insurance, leasing, consulting, and other types of market services, which contribute to the development of the private sector and small business, are growing at a steady pace. Some 80,400 small businesses are operating in this sector and they account for more than 80 percent of the total number of enterprises in the service sphere.

A special attention is being paid to the consistent development of this sector in rural areas. Within the framework of the implementation of the Program for Accelerated Development of the Service Sphere in Rural Areas, over the past three years more than 22,800 projects have been implemented, the volume of services provided has risen by a factor of 1.6, and the consumption of services per rural resident has increased by a factor of 1.5.

In this regard, I deem it is worthwhile to speak about one thing.

Nowadays, the life is sternly changing. All of us well know about the ongoing developments in the world and around us. Our steady pace of growth and improvement day-by-day of our life should be primarily reflected in our practical deeds.

For this reason, the life itself requires as an acute necessity for a leader to perform his duty wisely, to be farsighted and always be exacting to himself.

Now the new generation who was born and matured in the years of Independence enters the life. At present, the 24-year- old young men and women have knowledge, strength and inspiration. But they lack only one thing - the experience. If theyaccumulate it as soon as possible, if they move forward by exploring along the path to a great objective, then they will be capable to easily take our place and continue our noble deeds.

You should know that if we don't trust in ourselves, in our strength and in our potential, no one will come from outside to help us. On the contrary, instead of giving a helping hand, they will just look at us with an envy wondering why we have been developing with such a rapid pace.

Speaking about our accomplishments gained in 2015, I would like to state that we see our biggest achievement in changing worldview of our people, their attitude to work and the confidence with which our youth enters the life.

Dear friends!

Now I would like to draw your attention to another important issue.

Certainly, it is not by chance that today I have started my statement devoted to the outcomes of 2015 not with the briefing about achievements and figures which we have reached during this period, but primarily speaking about the ideas in terms of large-scale reforms and significant changes accomplished last year.

The reason for this is that if we don't start from the reforms and renovations which determine these very practical deeds, then it is obvious that we can't even imagine securing the steady pace of development that we expect.

All of us should well comprehend this very truth.

It will be quite fair to say that the large-scale and farsighted reforms carried out in 2015 and aimed at providing broad privileges and preferences for free entrepreneurship, increasing the volume of investments, and primarily, foreign investments and their implementation had a positive impact on ensuring **the stable growth rates and macroeconomic balance** of our economy.

In spite of the continuing global financial and economic crisis, during the year under review the gross domestic product grew by 8 percent, industrial output increased by 8 percent, agricultural output rose by almost 7 percent, construction and installation work grew by almost 18 percent.

The annual budget posted a surplus equal to 0.1 percent of GDP. The inflation rate was 5.6 percent, which was within the limits of the projected parameters.

Certainly, it gives us a great satisfaction that according to the rating of the authoritative World Economic Forum, Uzbekistan is **among the top five countries in the world with the fastest growing economies**, based on the results for 2014-2015 and the projected growth for 2016-2017.

Furthermore, in 2015 Uzbekistan was **one of 14 countries that received the award among the member-states of the Food and Agriculture Organization of the United Nations (FAO) for achieving the Millennium Development Goals** in the area of ensuring food security.

Last year there was further strengthening of the banking system, with an increase in the level of capitalization of banks and expansion of their investment activity. The aggregate capital in the banking system increased by 23.3 percent compared to 2014 and reached 7.8 trillion soums. This indicator has risen by a factor of 2.4 over the past five years. The capital adequacy figure for our banking system is almost 24 percent. This is three times higher than the generally accepted international standards, while the system's liquidity is two times higher than the highest indicative estimates.

In spite of a substantial slowdown in growth in world trade, a reduction in external demand and a decline in world prices for key export goods, **we managed to post a foreign trade surplus. This has allowed for the growth in state gold and foreign exchange reserves.**

The low level of public debt, which is no more than 18.5 percent of GDP, serves as an evidence of the positive gains that have been achieved and the strengthening of macroeconomic stability in the country.

Such gains and achievements secured in a very tough and complicated situation, first of all, are the result of a deeply and thoroughly developed policy. In the foundation of these achievements there is a heroic labor of our diligent, courageous and steadfast people.

Distinguished fellow countrymen!

The sustained high rates of growth in the economy and the sphere of service have created the necessary conditions for fulfillment of our highest priority - **providing for employment of the population, and above all job placement for graduates of vocational colleges and higher education institutions**.

More than 980,000 jobs were created in 2015, and over 60 percent of these jobs were in rural areas.

More than 480,000 graduates of vocational colleges were provided jobs. The commercial banks granted them the low- interest credits totaling 280 billion soums to start up their own businesses, a figure that is 1.3 times more than in 2014.

The sustained high rates of economic growth achieved in 2015 created a solid foundation for **further growth in personal income and for improving the standard of living and quality of life for our people.**

The wages of employees in the public sector, pensions and stipends were increased by 21.9 percent, while the real gross income per capita grew by 9.6 percent.

I would like to specially note that the share of income from entrepreneurial activity rose to 52 percent, compared to 47.1 percent in 2010, which is significantly higher than the same indicator in the CIS countries.

Certainly, you are well aware that in Uzbekistan since the early days of its independence the great attention is being paid to reducing the level of social stratification of the society. Simply speaking, we have been sticking to the principle so that there are neither the very rich nor the very poor in our society.

In our country the ratio of income earned by the wealthiest 10 percent of the population and the poorest 10 percent of the population - the so-called «decile ratio» - has a steadily shrinking trend and in 2015 was equal to 7.7, compared to 8.5 in 2010.

The international indicator that describes stratification by income, the Gini index, was equal to 0.280 in 2015 compared to 0.390 in 2010, and it is significantly lower than in many economically developed and developing countries of the world.

It should be said that of course it is not an easy job to achieve such successes which draw the admiration of others. It takes much more than one or five years along this path. In order to realize these objectives we must change our daily life not in words but by practical efforts.

The growth in personal income helped to boost domestic consumer demand. The retail trade turnover grew by more than 15 percent for the year, while services provided for a fee grew by 10.8 percent.

The qualitative changes occurred in terms of the level and structure of the population’s access to durable goods. The majority of them are now being manufactured in our country. Specifically, 42 out of 100 families now have passenger cars, which is 1.5 times higher than five years ago; 47 families out of 100 have personal computers, which

represents an increase by a factor of 3.9 during the same period. 31 out of 100 families have air conditioners, which is an increase by a factor of 1.7; and there are 234 mobile phones per 100 families, which represents an increase by a factor of 1.6.

In 2015 under the auspices of the United Nations and with the participation of a group of independent organizations and international experts the research to measure the «happiness index» was held in 158 countries. By the index describing a country's ability to provide its residents with a happy life Uzbekistan was in the 44th place in 2015, compared to the 60th place in 2013.

The issues related to the further reform and improvement of the **education system** were also at the focus of our attention last year. The annual spending on education in Uzbekistan is equal to around 10-12 percent of GDP. This is almost twice the level recommended by UNESCO (6-7 percent) for investments in education necessary to ensure a country's sustainable development.

In 2015 we have accomplished the work aimed at the further development and strengthening of the material and technical base of 384 facilities in the educational sphere, at a total cost of 423 billion soums, including the construction of 29 new general education schools based on model designs, the reconstruction of 219 schools, and major renovation work of 136 schools.

A modern new classroom building with space for 2,200 students was built at the Uzbek State University of World Languages, along with an athletic complex, and a hotel for visiting foreign specialists. The construction of a new teaching facility at the Navoi State Mining Institute was completed.

In the area of higher education, a fundamentally new, improved system for the regular retraining of faculty and teaching staff of the higher education institutions has been introduced. The retraining and continuous education courses have been organized at the 15 main higher education institutions for higher education administrative and teaching staff, and some 2,700 faculty members have already gone through retraining.

In 2015 with an objective to preserve a precious health of our people the spending on the construction, reconstruction, major renovation, and equipment of 141 medical institutions totaled approximately 500 billion soums.

The Republic Pediatric Osteo-Tuberculosis Sanatorium, the Urgench Branch of the Tashkent Medical Academy, the regional multi-specialty medical centers in Andijan and Bukhara, the regional pediatric multi-specialty medical centers in Karshi and Samarkand, as well as the medical associations in a number of regions of the country have been reconstructed and commissioned. The work on upgrading the rural health clinics and supplying them with modem diagnostic and therapeutic equipment has been completed.

As a result of measures that have been carried out over the past five years, the maternal mortality rate per 100,000 live births fell from 23.1 to 19, and the mortality rate among children up to the age of five years fell from 14.8 to 13.9, while infant mortality dropped from 11 to 10.7.1 would like to underscore that based on these indicators Uzbekistan has fully met all of the relevant United Nations Millennium Development Goals.

A special attention is being accorded in our country to the development of **physical culture and sports**, which are the important and effective factors in improving the public health. In 2015 in the framework of implementation of the targeted program for the construction and reconstruction of children's athletic facilities at the expense of the Foundation for Development of Children's Sports, 35 model athletic facilities were completed, in addition to 12 swimming pools and 174 school gymnasiums, at a total cost of more than 225 billion soums.

The Uzbek athletes won more than 860 medals at the world and Asian championships and other international tournaments, including 311 gold medals, 274 silver medals and 276 bronze medals. Our athletes excel, in particular, in sports such as track and field, gymnastics, boxing, wrestling, judo, taekwondo and equestrian events.

At present, the athletes of our country are actively training to participate at the Summer Olympic Games to be held in Brazil this year. All of us do believe that our sportsmen will take part at these prestigious international competitions inferior to no one.

Throughout the last year we focused our attention on ensuring the **comprehensive implementation of the State program on the Year of Attention and Care for the Elder Generation.**

All government ministries and departments, enterprises and organizations in all sectors of the economy and social structures, including in particular the Nuroniy and Makhalla foundations were involved in implementing this program in order to strengthen the attention and care towards our beloved elderly.

More than 215,000 elderly people received free medical examinations last year. Over 11,000 prosthetic and orthopedic devices and high-quality technical equipment for rehabilitation purposes were made available free of charge to the needy disabled persons. Some 70,000 veterans underwent full medical examinations and treatment at in-patient, sanatorium and health spa facilities. All people who reached 100 years of age received the special pension supplements equal to the minimum wage.

In addition, as of September 1, 2015 a new list was introduced of basic foodstuffs and personal hygiene products that elderly persons living alone and disabled persons in need of outside care receive free of charge on a monthly basis.

Indeed, one can speak about this topic for long. Nevertheless, in short the fact that a total of 2 trillion 246 billion soums and more than 225 million US dollars from all sources was spent on the implementation of measures provided for under the Year of Attention and Care for the Elder Generation State Program stands as a vivid confirmation of the scope and volume of our work in this direction.

Dear participants of the meeting!

In defining the main priorities for our country's socio-economic development in 2016, we cannot ignore the serious problems that are emerging in connection with the continuing global crisis.

Due to these problems now we witness that a sharp reduction in demand, the uncertainty and significant increase in stiff competition in the world markets, the slowdown in growth in output are negatively affecting the majority of countries in the world.

Such a very difficult situation demands from all of us, while looking at our future and defining our prospects, above all, outright rejection of an old pattern of visions, full denial of obsolete, suffice it to say, the inertial methods.

The main task for us should be continuous technological and technical updating of production, ongoing search for internal opportunities and reserves, the implementation of in- depth structural reforms in the economy, and modernization and diversification of industry.

These very new vision and efforts should lay in the core of our entire activity.

In this context, the principal focus for the utilization of our internal reserves and capacities should be a gradual increase in the extent of processing of domestic raw materials of mineral and plant origin, which our country has in abundance, as well as expansion of the volume and range of goods produced with high value added.

In other words, we need to shift to three- or four-stage cycles for the processing of raw materials into products that are in demand in the global market. This system is based on the following model: **the first stage** includes basic raw material - primary processing (semi-finished goods), **the next stage** - finished materials for industrial production, and **the third and final stage** - finished products for final consumption.

When developing and implementing programs in this regard, we need to follow the entire cycle of extensive processing for each type of raw material - from semi-finished goods all the way up to the finished products for final consumption.

In short, we need to provide for the forecasting of the entire cycle for the organization of production - from raw materials to finished products, based on feasibility and cost recovery.

According to the estimates, as a result of the production of goods with high value added, production output in the petrochemical industry, as new types of products are brought online, can be increased by a factor of 3.2 by 2030, the output of nonferrous metal products can be boosted by a factor of 2.2, the volume of ferrous metal products can be increased by a factor of 2.3, and the output of chemical industry products, including mineral fertilizers, can be raised by a factor of 3.2.

The extensive processing of cotton fiber, fruits and vegetables using contemporary technologies will make it possible to increase the output of environmentally friendly finished products of the textile industry and light industry, which are in demand in the domestic and external markets, by a factor of 5.6 and the processing of fruit and vegetable products by a factor of 5.7.

This list could go on and on.

No doubt, growth in and raising to a new level of the output of contemporary finished products with high value added that are in demand in external markets will become the solid foundation for sustained high rates of growth in exports of finished goods.

It must be noted that this work has already begun in our country. It does require, however, a fundamentally new comprehensive and programmatic approach, so that for each promising type of raw material and semi-finished product that offers a great deal of potential, there should be a specific extensive processing program planned for 2020, 2025 and 2030.

From this point of view, undoubtedly, **we have every reason today, based on an in-depth analysis of trends in global economic development and a realistic assessment of our resources and capacities, to set ourselves a clear target of at least doubling the volume of the country's gross domestic product by 2030.**

Pursuing this goal, through fundamental structural reforms, we should achieve accelerated growth in industry and bring its contribution to GDP up to 40 percent, compared to 33.5 percent in 2015, and reduce the share of agriculture from 16.6 percent to 8-10 percent, while cutting the energy-intensiveness of GDP by approximately two times as a result of the widespread introduction of modem energy-saving technologies.

The following calculations allow us to judge whether this target is realistic. In order to achieve a doubling of our country's GDP in 2016-2030, the average annual growth rates of 4.8 percent need to be sustained. If we take into account that for over the past 11 years this indicator was higher than 8 percent, then it will be clear that there is a solid basis to implement this objective.

We will not be mistaken to say that these indicators are the result of our comprehensively and deeply elaborated economic policy. Now we should brainstorm our plans for the future, think about our prospects and prosperous life of our children, keeping in mind the hard changes taking place in the global market today. In this regard, the implementation of the set goals will remain the most important task for us in any situation. In a word, we need to channel our entire knowledge and capacities, strength and inspiration to look openly and with a clear conscience in the face of our future generations. Let our children and grandchildren live by thanking their fathers and forefathers, and all of us, who have created the foundation of a stable progress for 15-20 years.

Dear fellow countrymen!

The most important priority in the economic program planned for 2016 must be the unconditional continuation of the systemic democratic reforms and modernization of the country that have been started, along with in- depth structural reforms in the economy, and in industry and agriculture in particular, rapid development and protection of the interests of private property ownership, entrepreneurial activity and small business, as well as ensuring macroeconomic balance.

We have set ourselves the target of 7.8 percent growth in GDP this year, 8.2 percent growth in industrial output, 6.1 percent growth in agricultural production, 14 percent growth in the retail trade turnover, and 17.4 percent growth in services. We also envisage to keep inflation within the range of 5.5-5.6 percent and provide for 9.5 percent growth in real personal income and a 15 percent increase in average wages, pensions, stipends, and benefits, taking into account tax concessions that are granted.

The implementation of the Investment Program for 2016 has a crucial role to play in achieving these targets. Since this Program is the most important instrument for structural reforms in industry and the economy as a whole.

The urgent measures should be taken to ensure the unconditional implementation within the established timeframes of 164 major investment projects planned for 2016, with a total value of more than 5 billion US dollars.

These include, in particular, completing the construction of the Afrosiyob high-speed railway line Tashkent-Samarkand- Bukhara, two steam and gas turbines with a capacity of 450 megawatts each at the Talimarjan Thermal and Electrical Power Station, a 150-megawatt unit at the Angren Thermal and Electrical Power Station, three sulfur treatment units with a capacity of 6 billion cubic meters of gas at the Mubarek Gas Processing Plant, and a new smelter with a production capacity of 70,000 metric tons of copper at the Almalyk Mining and Metallurgical Complex; expansion of the capacities of the cement plant in Jizzakh Region to 1 million metric tons of Portland cement; and development of the production of the new Aveo model of passenger cars (T-250) at the GM-Uzbekistan Joint-Stock Company.

In 2016 there are plans to build 13,000 houses with a total living area of more than 1.8 million square meters in rural areas, as well as to lay 900 kilometers of water, gas and electrical supply lines, and 325 kilometers of access roads.

In 2016 there are plans to earmark investments totaling the equivalent of 17.3 billion US dollars for development, modernization and structural reforms in our economy, which represents an increase of 109.3 percent, of which foreign investments account for more than 4 billion US dollars, representing a 20.8 percent increase compared to 2015.

What does it speak for? What does it prove?

I mean that this is the evidence of a big confidence of foreign countries in Uzbekistan’s economy. If there is no such a strong confidence, given current tense situation when dramatic changes are aggravating in the international arena, when the uncertainty is on the rise in the global economy and world markets, what foreign investor would channel his capital to our country’s economy?

In this context, I want to specially draw your attention to another important issue. As we attract the investments, first of all, the foreign investments for development of our economy, which we have never dreamt of, primarily we should ensure that the technologies and equipment being delivered at the expense of these investments should meet the latest requirements.

To this end, the Agency for the Expert Assessment of Project Feasibility Studies for Newly Built and Reconstructed Production Capacities, Technical Equipment, and Technologies was created under the Cabinet of Ministers of the Republic of Uzbekistan last year. This agency will be responsible in particular for ensuring the unconditional compliance by all contracting parties with this requirement.

A study recently performed by a special commission of the Cabinet of Ministers of the status of this problem at enterprises in the light industry and the textile industry identified a number of serious deficiencies in this area. The reviews of this kind need to be continued.

In addition, it is necessary to include in the Code on Administrative Liability and the Criminal Code the specific articles to increase the liability of consumers for the delivery of worn and obsolete equipment and for putting this equipment into operation.

Another important task is to continue in 2016 the work that has begun on the unconditional implementation of the principal provisions of the Program for Development and Modernization of the Public Utilities and Road and Transportation Infrastructure for 2015-2019.

The issues related to completing the modernization of the Uzbek National Highway should be at the focus of our attention. To this end, we need to carry out the construction and reconstruction of some 513 kilometers of roads this year.

In the area of railway transport, a key focus will be further development of the railroad network, along with providing for electrification of the Samarkand-Bukhara line, and continuation of work on the electrification of the Karshi-Termez route. The completion of construction of the 19-kilometer railway tunnel through Kamchik Pass and the opening of railway traffic on the Angren-Pap line, which will allow for the shipment of freight and passengers by rail between regions in the Fergana Valley and other regions of the country, will be important events this year.

In this respect, I would like to stress time and again that this is a vitally important project for us, which is not only of strategic and economic significance, but also represents the impressive progress that we have achieved in the sphere of communications and transportation.

Distinguished meeting participants!

A principally important priority in the economic program for 2016 and for the near future is further deepening of the reforms and structural changes in agriculture, coupled with the effective use of land and water resources.

It must be said that with the transition to the owner-operated farming system, the question of optimizing the size of parcels of land allocated to each farm under leasing arrangements remains a crucial issue.

This is linked, above all, to the fact that under the conditions of irrigation-based farming, a shortage of water resources and a high degree of salinization, practically all of the arable land in the Republic of Karakalpakstan, in regions and rural districts of the country is marked by a high degree of variation in terms of fertility and productivity.

The systematic and painstaking work was needed in order to arrive at a reasonable and optimal allocation of parcels of land for owner-operated farms, taking into account the experience that has been gained in the development, effectiveness and profitability of these farms in various regions.

A decisive factor in avoiding and preventing the adoption of a subjective approach to determining the size of parcels of land was that all of this exceptionally important work was assigned to a body of deputies, Fanners' council and the communities in rural districts.

As a result of the optimization of parcels of land, over 17,500 additional owner-operated farms were created, along with 250,000 new jobs. The largest numbers of new farms were created in Tashkent, Jizzakh, Namangan, Samarkand, Kashkadarya, Ferghana and Andijan Provinces, and in the Republic of Karakalpakstan.

A new mechanism has been introduced for the allocation and withdrawal of parcels of land for owner-operated farms. According to this mechanism, the decision is made not by the district governor, but by the district council of people's deputies based on a finding by a regional council of farmers and commissions for the review of issues related to the allocation of land.

Above all, I would like to thank the people who took part in these important arrangements. The conscientious and honest people work on this issue on ground. Working at the lower level, they do know the real state of affairs - who is farmer just formally, who is in practice creating an affinity between himself and the land, and who is working by the sweat of his brow.

In this context, I would like to emphasize that the role of the commission on allocating the parcels of land should be further strengthened. The openness and transparency of their activity should be enhanced.

I would especially like to focus on another issue that is of a fundamental importance and refers to the perspective.

I am talking about a gradual reduction in the production and public procurement of raw cotton from 3.35 million metric tons to 3 million metric tons by 2020.

As the calculations show, this level of raw cotton production will make it possible, on the one hand, to fully meet the demand for raw materials, primarily from the textile industry and light industry, taking into account its extensive processing, and on the other hand, to maintain Uzbekistan's strong position as a supplier of cotton fiber and its derivatives to the world markets.

As a result of reduction in raw cotton production by 350,000 metric tons, 170,500 hectares of irrigated land will be freed up. In this process, the attention will be paid to the lands with a low level of productivity, above all, where the cotton yield is not more than 12-15 centners per hectare, while the average yield for the country as a whole is 26.1 centners per hectare. The land that will be freed up contains saline soils, for the most part, in addition to land in foothill areas that is not suitable for growing cotton.

The fact that there has been a sharp drop in prices and demand for cotton in the global market in recent years is yet another reason for adopting such a decision.

At present, the interests of big states are put in the first place in the world markets. It is them which bring about the different «games». The cases still continue when the prices are artificially maintained, when the strategically important raw materials and commodities are accumulated only to take them to markets while their prices are sky-high, and thus exerting a damage to the economies of other countries. If they are allowed, some great states behave in such a way, as if the smaller states must stand still and straight before them saying «yes». The word «есть» - «yes» in the Uzbek language means «we will do it» and «we will do it in the best way». In this respect, much will be clear, if we recall the proverb of our people: «At the council of wise-men, let a slow-witted child of a rich-man speak». But where is the justice, when only the great states impose their will, when others live saying «yes, sir», «we will do, sir»?

Once upon time, there were many obedient people and leaders in our country. They used to live by saying «we will do it, sir», no matter what order they received from the former Soviet center, whether it was right or not, whether it was possible to accomplish the assignment or not. This was the opinion of shortsighted people, who were ignorant about the future.

What do I mean? We will no longer reconcile with such «games». Let them reserve these «games» for themselves. Today we have all capabilities to defend ourselves in this issue. Is there any power which would overcome us, if our nation lives and steps to arena shoulder to shoulder and hand to hand?

In the international arena Uzbekistan has always supported the equal and mutually beneficial relations, and it will stick to this policy.

Look, the powerful states cut a deal among themselves and created the G-7 and G-20 formats without exchanging opinions on this topic with other countries.

In fact, people and human being are one and the same everywhere. Their needs and aspirations are the same. No matter what state it is, whether it is a member of such associations or not, despite this, no nation in the world is somehow superior to another one, and it cannot be this way.

If so, sticking solely to one's own interest and bearing malice towards other countries don't correspond to any norms, first of all, the provisions of the United Nations Charter. We wish and this is our stance - all people, nations and states in our planet should live equal.

Now I would like to come back to the topic of reducing the parcels of land for cotton growing. The arable land that is freed up as a result of the cutback in cotton production will be used primarily for the cultivation of vegetable crops, including potatoes, feed and oilseed crops; orchards and vineyards will also be planted.

As a result of the optimization of areas under cultivation and the introduction of modem agricultural technologies, there are plans to bring the production of grain and cereal crops up to 8.5 million metric tons by 2020, which represents an increase of 16.4 percent, and to raise the production of potatoes by 35 percent and other vegetables by 30 percent; the output of fruits and grapes should grow by 21.5 percent, meat by 26.2 percent, milk by 47.3 percent, eggs by 74.5 percent, and fish by a factor of 2.5.

One should also take into account here that there will be a significant increase in the exports of these foodstuffs.

The issues related to the development of social sphere and to further improvement in the people's standard of living and quality of life continue to be at the focus of our attention.

In 2016 59.1 percent of all State budget spending will be channelled for the social sphere, which is more than in the previous year. In particular, this includes 33.7 percent for education, and 14 percent for healthcare. The spending on ongoing support for and development of the educational sphere will increase by 16.3 percent compared to the previous year, while spending on healthcare will rise by 16 percent.

I would like to make a special mention of the growing volume of funding earmarked for the development of the material and technical base of the country's higher education institutions. There are plans to allocate 355 billion soums for the construction and reconstruction of 13 higher education institutions, including Karakalpak, Bukhara and Samarkand state universities, and the Fergana Polytechnic Institute. A new complex will also be built at the Tashkent State Dental Institute, in addition to new teaching facilities at the branches of Inha University and the Management Development Institute of Singapore.

One of our critical tasks continues to be providing for employment of the population. In 2016 there are plans to create some 990,000 new jobs, including the creation of more than 660,000 jobs through the accelerated development of small business and private entrepreneurial activity, and the service sphere. In 2016 we will need to provide jobs for more than 510,000 graduates of higher education institutions, vocational colleges and lyceums.

Once again I would like to remind the heads of district, city and regional governments of their personal responsibility for this particular area of our work, bearing in mind that resolution of the problem of employment of young people, our children, especially in rural areas, continues to be one of our most pressing tasks.

It is extremely important in the process of annual drafting of the admissions plan for vocational colleges and academic lyceums to take into consideration what new facilities will be going into operation in 3-4 years within the district, city or region, and what kind of personnel, in which areas of specialization, will be needed to staff these facilities, and to make the relevant adjustments in the admissions plans on this basis.

Given the increasingly stiff competition in the world markets, **a fundamental improvement in the competitiveness of our economy is a top priority, along with providing more support for exporter enterprises and doing everything possible to encourage owner-operated farms, small businesses and private entrepreneurs to participate in exports.**

There is a huge untapped potential in these areas. We should bear in mind that unlike industrial enterprises-exporters, the small businesses and farmers are exempt from the surrender requirement, which calls for the sale to banks of 50 percent of foreign exchange earnings from exports of their products, and they need to have an interest themselves in promoting their goods for export.

Above all, we need to take a critical approach to reviewing the system of concessions granted to exporters and take additional measures aimed at the further simplification of customs procedures, reducing the time required for the performance of these procedures, and lowering tariffs for foreign trade operations. The electronic processing of all documents and permitting procedures related to product exports needs to be introduced more widely.

Serious responsibility for the resolution of these issues is being assigned to units within the reorganized Ministry of Foreign Economic Relations, Investments and Trade.

Today they bear the responsibility for the coordination of exports and for bringing the new participants into export activity, for expanding deliveries of our products for export, and developing new markets.

The experience of the Fund to Support Exports by Small Businesses and Private Enterprises, which was created in 2013 under the National Bank for Foreign Economic Activity, deserves the most serious attention. This is a unique structure, which is intended to provide legal, financial and organizational services to private businesses seeking to move their goods and services into external markets.

I believe that we need to reinforce the Fund's financial capacities by at least doubling its statutory capital this year, as well as expanding its authorities, functions and the list of financial services provided by it. We should also consider the question of establishing the structural subdivisions of the Fund in various regions of the country.

Given the environment today, **in the Internet and digital era, widespread introduction of modern information and communication technologies (ICT) in various sectors of the economy is a high priority, along with a serious acceleration of creation of an «e-government» system.**

All of the experience around the world shows that in the global economy today, the information and communication technology sector is taking on an ever-expanding role and importance; this includes the production of computer and telecommunications technologies, software development, and the delivery of a broad spectrum of interactive services based on them.

We should not forget that the ICT development has a direct impact on the level of a country's competitiveness, it allows for the collection and synthesis of immense bodies of information, and it opens up vast opportunities for management at a strategic level.

It should be mentioned that nowadays the ICT sector already accounts for approximately 5.5 percent of the global GDP. According to the estimates by authoritative international experts, this figure will exceed 9 percent by 2020.

For example, in the Republic of Korea the ICT sector accounts for more than 11.8 percent of the country's GDP, in Sweden this figure is 7 percent, and the United States it is 6.8 percent.

In spite of the fact that in recent years this sector of our economy has been developing at a rapid pace, we have to admit that we are just at the initial stage - the ICT sector represents only around 2 percent of GDP.

At present, it is obvious that we have all of the necessary resources and capacities for more rapid development of this sector, bearing in mind the growing professional human resources potential in the country, consisting of people who are being trained today by foreign universities operating in Tashkent, such as South Korea's Inha University, and by our country's own higher education institutions.

Dear friends, you are well aware that on the eve of the new year we decided to name 2016 as the Year of Healthy Mother and Child. In accordance with the age-old traditions of our people, we firmly believe that a healthy mother gives birth to a healthy child, a healthy mother and a healthy child is a guarantee of a happy family, and a happy family is the foundation of a strong society.

A special attention will be paid to the issues such as further strengthening of the system for protection of families, motherhood and childhood; formation and strengthening of the material and technical base and the staffing of perinatal and screening centers and visiting nurse services; raising the level and quality of care for

young mothers and children; creation of a healthy spiritual environment in families; development of young girls who are physically healthy and intellectually mature; compulsory education for girls in academic lyceums and vocational colleges; and regular participation by girls in sports. To implement this Program we have a huge amount of work ahead of us, both in terms of its scale and its substance.

Further strengthening the physical and moral health of our dear children and kind mothers, and all of our people, without any doubt directly depends on how we will accomplish these very important tasks. I believe that all of us will spare no efforts and will actively participate in this noble cause.

Distinguished fellow countrymen!

We have every reason today to be rightfully proud of what we achieved and what we accomplished in 2015. There is a commendable contribution of all citizens living in our country, irrespective of their nationality and religion, to this large-scale work.

We have stepped to 2016, when we will celebrate the sacred 25th anniversary of Independence of our free and prosperous Motherland, with great goals and plans. It will be the very truth to say that it is an immense honor for each citizen of Uzbekistan to make a deserving and tangible contribution to this great jubilee, which stands as the brightest page in our new history.

Certainly, 2016 will not be easy for us, but I am convinced that in terms of all parameters and indicators, it will exceed the past year 2015 and won't be less abundant thanks to the devoted labor of our experienced people as well as their will and energy. There can be absolutely no doubt about that.

All of us should take concerted and persistent efforts to implement the economic program planned for 2016 and discussed during today's meeting.

We should also openly say that among us there are the managers who allow for shortcomings in their activity or those showing weakness in tackling various problems. It is necessary to critically assess and fairly appreciate both their achievements and shortcomings.

Since, in our today's meeting we are discussing the issues related to our future and prospects. What does discussion mean? Discussion means dispute.

Given that each of us manages a certain sector or leads a certain region, all issues and problems should become apparent during today's discussions, i.e. it becomes clear who accomplishes a noteworthy work and who drags us back, and allows for a deficiency in fulfilling his duty. We need to clarify everything during such disputes and make a common conclusion.

There are two reasons that may lead to the situation when managers allow for certain shortcomings in their activity. The first reason is the lack of initiative and shortage of responsibility. The second one - the shortcomings may occur due to objective reasons.

If we look at any province of our country, the number of population in most of them is more than two million people and in some provinces the population makes up over 3 million.

In this context, I want to address to the governors and say: you are present in this hall on behalf of so many people and you are taking part in this meeting as their representatives and leaders. Therefore, no matter what questions arise, whenever we speak about their solution, first of all, you should very deeply feel the responsibility and look at the problems from this point of view.

You know well the system of state governance established in our country. At present, according to the Constitution, the President is not the head of legislative or executive branch of power. Today the Constitution defines that the President is the head of state coordinating the activity of all branches of state governance.

From the legal point of view, first of all, there is a legislative branch of power in the country. The Legislative Chamber and the Senate of Oliy Majlis, the local councils of people's deputies function in this system of power. Another independent branch of power is the executive one, and the judicial system is the third branch of power. These very three systems provide for the constitutional separation of state power in our country and constitute the system of democratic governance. However, who is first and foremost responsible for all of the reforms being carried out in our country no matter in which system or sphere they are accomplished? Certainly, the President is responsible for all of them as a head of state. Me personally think exactly this way, and I understand this is my duty and task.

You are well aware about the latest amendments introduced to our Constitution in this respect. Taking into account the great importance of issues being discussed at today's meeting, I took a responsibility to address it with the main statement.

From this point of view, making a report today, I should speak not only about the economy, but also about judicial and legal system, legislative activity, foreign policy, and generally, the diplomatic issues, enhancing the potential of our national army, various events taking place around us and our attitude towards them.

However, today we are speaking only about the economy and the issues related to its development. Since, what sphere does determine our today's and future destiny? Isn't it the economy? Everything goes well with the developed economy. If the economy fails, whom will you complain to? Whom will you blame for this? Will the job get done saying that this is happening or that is happening in the world, with looking for a fault outside? Nowadays, the majority chooses this way.

Today you have listened to my statement on your own. Have I said a single word that the situation in the world hampers us? Meanwhile, the global financial and economic crisis affects us as much as it affects other countries. The only difference is in the fact that someone foresaw the consequences of crisis beforehand and defined the relevant and necessary measures, and still someone lived relying on the high oil prices.

In today's complicated and very tough conditions, it becomes very helpful to us that in Uzbekistan we have made it as our top priority to build and develop the modern industrial sectors, based on the high technologies, not only living by exporting the raw materials and agricultural products, and this policy yields its results.

Let us take the example of the two major industrial facilities put into operation in Karakalpakstan. The first one is establishment of the Gas and Chemical Complex supported by the Surgil gas field with a cost of over 4 billion US dollars. The second one is the Kungrad Soda Plant, the production capacity of which we have recently doubled. Making the overall calculations, I believe it will be right to say that Karakalpakstan is turning into the most actively developing region of our country.

We have decided to provide for our country's GDP growth in 2016 by 7.8 percent and the deputies of Oliy Majlis have approved it. Now our deputies should think about practical realization of this objective, i.e. they should take this issue under their control.

If I am asked how we are going to achieve this high growth rate, I would say the following.

For example, the timely commissioning of the major projects mentioned in today's statement alone will allow us to achieve 50 percent of our plans related to the economic growth. Therefore, in the first instance, we need to support our builders and the work of our engineers and technicians.

All of us are well informed that the tense situation in our near and far neighborhood - both politically and economically - is ever aggravating. I want to openly say that the international situation is developing in such a way that not only each state lives with caution, but instead of implementation of the agreements signed earlier, instead of offering a helping hand to and assisting one another, and instead of standing shoulder to shoulder, the mutual trust among them is unfortunately being lost.

The Uzbek people are the openhearted people. We always strive to live in cooperation and accord with near and far states, preserving the spirit of mutual trust.

At present, whether it is in the streets, whether it is at home, whether it is during public get-togethers, whether it is at the meetings of the elderly, all experienced people say one thing and come to one conclusion - let the Almighty God save our land. We have witnessed many examples to come to conclusion and say that Uzbekistan is the God-blessed land. I believe that you will agree with me, if I say that 2015 was a striking confirmation to the aforesaid, as well.

From this point of view, if we don't settle our plans right away in these early days of the year, it will be nothing but wasting our time.

Now it is high time to wash out the salinity of soil in our agricultural fields, prepare the land for a new agricultural season, strike contracts between parties in the construction sector and start building a foundation for new facilities. In general, no matter what sphere we look at, there is much to do - it is necessary to accomplish all our work on time. If we allow for a sluggishness, indifference and negligence, if we lag behind in carrying out this work, afterwards it won't be possible to bring back the wasted time, being very sorry about it. This is not a philosophical approach, this is the truth of life.

Time flies. Our main objective is to save time, to use it very fruitfully and effectively.

For this purpose, we need to take under strict control the implementation of today's adopted resolutions. Speaking about control, if you remember, in the former Soviet period we experienced many types of control. There was a Communist party control, there was a people's control. There were many other types of control on the local level. There used to be even a Komsomol control. Only there was not a pioneers' control. However, all of this was done for a showoff. What type of control should we have now? First of all, suffice it to say, there should be the control of conscience and the control of integrity.

If our people want to speak about somebody or want to express a wish to someone, what do they say first of all? They say let him give conscience and integrity. If we take this into account, what do the people expect of us today? They expect of us to act with conscience in every step and solidify the atmosphere of honesty and justice.

Making my statement on December 5 last year during the solemn meeting dedicated to the 23rd anniversary of our Constitution, I pondered much and paid a special attention to one point. Then I said that our people expected from us ensuring rule of law and its unconditional implementation in every sphere, equality of everyone before law and broader application of a just system in the society. I do believe that all of you well comprehend that this idea reflects our supreme objective.

Dear friends!

Today we have comprehensively discussed our goals and objectives set for 2016. We have made the relevant conclusions on the acute and urgent issues. We have found it appropriate to express critical views to each other though they might seem tough. Now, in order to implement these tasks, we need to solidify all our efforts.

Time and again, I wish you all the best along this path. I wish you to be steadfast, a sound health and realization of your goals and intentions.

Let the Almighty God ordain our country and nation with abundance in the new year, as well as happiness and good luck to our people.