Rapid Economic Growth Is Becoming Uzbekistan's New State Strategy – Alona Lebedieva

KYIV, UKRAINE, August 6, 2026 /EINPresswire.com/ -- Uzbekistan has significantly raised its economic expectations. In its Fiscal Strategy for 2027–2029, the Ministry of Economy and Finance revised its GDP growth forecast for 2026 from 6.6% to 8.1%. If this scenario materialises, the country will record one of its highest growth rates in recent years.

Alona Lebedieva

The government expects growth to slow to 6.9% in 2027 before accelerating to 7.1% in 2028 and 7.4% in 2029. The following day, President Shavkat Mirziyoyev set an even more ambitious objective: sustainable annual economic growth of 9–10%.

According to Alona Lebedieva, owner of the Ukrainian industrial and investment group Aurum Group, rapid economic growth is evolving in Uzbekistan from a projected result into a distinct state strategy. The authorities increasingly link economic policy not only to stability, but also to continued expansion in production, investment and domestic consumption.

Government Targets Exceed International Forecasts

The government's ambitions are considerably higher than the forecasts of international financial institutions. The IMF expects Uzbekistan's economy to grow by 6.8% in 2026, the Asian Development Bank by 6.7%, the EBRD by 6.5%, and the World Bank by 6.4%.

Even the revised official forecast of 8.1% is therefore significantly more optimistic than external estimates, while the presidential target of 9–10% is higher still.

There are grounds for optimism. Uzbekistan's economy grew by 8.7% in the first quarter of 2026 and, according to preliminary estimates, by 8.5% in the first half of the year. State budget revenues are expected to exceed the previous forecast by 19%.

The government attributes this performance to high global prices for gold and copper and faster growth in services, industry, construction and agriculture. Services are expected to expand by 16.6% rather than 14.5%, industrial production by 8% rather than 6.4%, construction by 12.4% rather than 10.2%, and agriculture by 5% rather than 4.2%.

Lebedieva notes that the revision reflects a broad acceleration in economic activity rather than the performance of one export sector. However, this expansion also places greater demands on the energy sector, financial system and public administration.

Automotive Production and Domestic Demand

Uzbekistan aims to produce 510,000 passenger cars in 2026: 396,000 by UzAuto Motors, 69,000 by ADM Jizzakh, 40,000 by BYD Uzbekistan Factory and 5,000 by Volkswagen.

The target appears achievable, as the country produced 457,800 passenger cars in 2025. Chevrolet vehicles made by UzAuto Motors, formerly Daewoo Uzbekistan, account for most of the market. Following nationalisation in 2019, the company was reoriented primarily towards domestic demand.

Domestic consumption remains a major growth driver. Uzbekistan’s population is approaching 39 million, and around 75% of citizens are under 50. Rising incomes, preferential lending and state support programmes are stimulating sales of cars, housing and services. This strengthens growth, but also increases dependence on affordable credit and stable household incomes.

Tourism as a New Source of Revenue

Uzbekistan welcomed a record 11.7 million foreign visitors in 2025 and plans to raise this figure to 16 million in 2026. To accommodate the increase, 483 new lodging facilities, including 86 hotels, are expected to open.

Neighbouring countries still generate much of the flow. In 2025, 3.3 million visitors came from Kyrgyzstan, while 2.7 million arrived from each of Tajikistan and Kazakhstan.

The next challenge is to attract higher-spending travellers and more visitors from distant markets. One step was the introduction of visa-free travel for Chinese citizens in 2025.

Energy May Become the Main Constraint

In 2026, the government plans to increase electricity generation to 93.3 billion kWh, including 14.3 billion kWh from solar and wind power. Natural gas production is forecast at 25.4 billion cubic metres.

At the beginning of the year, electricity generation stood at 86.7 billion kWh. By summer, however, the system was operating close to its limits. In July, amid temperatures reaching 48°C, daily consumption hit a record high. On 17 July, the Ministry of Energy introduced rolling blackouts lasting two to three hours a day in some areas.

Lebedieva warns that energy infrastructure may become one of the main constraints on Uzbekistan's ambitions. Manufacturing, construction, transport, data centres and services require increasing amounts of electricity, so generation must expand even faster.

Without modernised grids, new capacity and sufficient reserves, sustaining annual growth of 9–10% will become increasingly difficult.

High Metal Prices and Economic Diversification

Gold and copper remain among Uzbekistan's principal exports. Rising demand for copper from electric vehicles, renewable energy, power grids and global electrification creates opportunities to increase export revenues and finance investment.

However, favourable commodity prices are not permanent, and long-term growth cannot depend solely on expensive metals and strong demand for raw materials.

Uzbekistan is therefore seeking to transform its economy by developing industry, financial services, tourism, technology, service exports and the Tashkent International Financial Centre. The centre is expected to attract capital, strengthen the financial sector and support a model in which private investment, modern services and higher-value-added production play a greater role.

The gap between official expectations and external forecasts remains substantial. The EBRD projects growth of 6.5% in 2026 and 6% in 2027. The Asian Development Bank expects 6.7% and 6.8%, respectively, while the World Bank forecasts 6.4% for 2026 and the IMF 6.8%.

According to Lebedieva, success will be measured not only by whether Uzbekistan exceeds 8% growth in 2026, but by whether it can convert favourable commodity prices, strong domestic demand and public investment into a sustainable development model.

Maintaining growth of 9–10% for several years will require adequate electricity generation, more productive enterprises, strong financial institutions, private investment and consistent reforms.

These factors will determine whether the current acceleration marks a new stage in Uzbekistan's development or remains the result of an exceptionally favourable economic year.

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