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This Profile provides information about the application of IFRS Standards in Uzbekistan. IFRS Standards are developed and issued in the public interest by the International Accounting Standards Board (the Board). The Board is the standard-setting body of the IFRS® Foundation, an independent, private sector, not-for-profit organisation.

This Profile has been prepared by the IFRS Foundation based on information from various sources. The starting point was the answers provided by standard-setting and other relevant bodies in response to surveys that the Foundation conducted on the application of IFRS Standards around the world. The Foundation drafted the profile and invited the respondents to the survey and others (including regulators and international audit firms) to review the drafts, and their comments are reflected.

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RELEVANT JURISDICTIONAL AUTHORITY

Organisations	National Association of Accountants and Auditors of Uzbekistan (NAAAUz) Chamber Auditors of Uzbekistan
Role of the organisation	Accounting standards in Uzbekistan are set by the Ministry of Finance for companies other than banks and by the Central Bank for the banking sector. The NAAAUz and the Chamber of Auditors advise the Ministry of Finance and the Central Bank.
Websites	NAAAUz: http://www.naaa.uz Chamber of Auditors: http://www.uzaudit.uz Central Bank of Uzbekistan: http://www.cbu.uz/eng
Email contacts	NAAAUz: naba@naaa.uz Chamber of Auditors: auditpalata@mail.ru

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global accounting standards?

Yes.

Has the jurisdiction made a public commitment towards IFRS Standards as that single set of high quality global accounting standards?

Yes.

In 2010 the President of the Republic of Uzbekistan adopted a Decree supporting adoption of IFRS in Uzbekistan (Presidential Decree #1438 dated 26 November 2010). The Decree would require audits of large state-owned entities on the basis of International Standards on Auditing by 2015. Following that, IFRS Standards would be implemented.

Moreover, the Central bank has adopted IFRS Standards for the banking sector in Uzbekistan. However, IFRS Standards have not yet been fully implemented for banks.

What is the jurisdiction's status of adoption?

IFRS Standards are required for banks by the Central Bank, although the transition from prudential accounting standards to IFRS Standards has not yet taken place in full (see below). Entities other than banks are required to use national accounting standards developed by the Ministry of Finance.

Additional comments provided on the adoption status?

While the Central Bank has required the use of IFRS Standards in the financial statements of the banking sector since 1996, banks also follow certain prudential accounting requirements of the Central Bank that differ from IFRS. Examples of the differences include:

- Valuation of investments held in bonds and equities.
- Measurement of loan loss impairment.
- Recognition and valuation of loan fees.
- Deferred income tax.
- Lease accounting.
- Consolidation.

IFRS Standards have not been adopted for other companies, but adoption is under consideration by the Ministry of Finance. No timetable has been established. Some companies voluntarily publish IFRS financial statements in addition to financial statements using Uzbek accounting standards.

If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Standards in the jurisdiction.

Not applicable.

EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Standards in their consolidated financial statements?

Yes, but only for banks, and with some [modifications](#) of IFRS Standards for banks.

If YES, are IFRS Standards REQUIRED or PERMITTED?	Not applicable.
Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?	Only banks.
Are IFRS Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?	No.
For instance, are IFRS Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?	No.
For instance, are IFRS Standards required or permitted for companies whose securities do not trade in a public market?	As noted above, the Central Bank requires IFRS Standards for only commercial banks in the banking sector.
If the jurisdiction currently does NOT require or permit the use of IFRS Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Standards for such companies in the future?	IFRS Standards are under consideration by the Ministry of Finance. No timetable has been established.

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Standards in their consolidated financial statements?	No.
If YES, are IFRS Standards REQUIRED or PERMITTED in such cases?	Not applicable.
Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?	Only banks.

IFRS ENDORSEMENT

Which IFRS Standards are required or permitted for domestic companies?	IFRS Standards as issued by the IASB Board are required for banks, through IFRS Standards have not been fully implemented by banks.
The auditor's report and/or the basis of presentation footnotes states that financial statements have been prepared in conformity with:	For banks, the audit report states conformity with IFRS Standards. For all other companies, the audit report states conformity with Uzbek national accounting standards.
Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Standards and the jurisdiction's GAAP)?	Yes. The requirements for the audit of banks require that audit report shall state whether the financial statements are prepared in accordance with IFRS Standards and with local legislation.
Are IFRS Standards incorporated into law or regulations?	IFRS Standards are not incorporated into law. However, IFRS Standards have been adopted for banks in regulations issued by the Central Bank.

If yes, how does that process work?	The Central bank regulations were adopted back in 2004. They refer to those IAS/IFRS Standards that were in effect before 2005. The requirements in those regulations are now outdated since they have not been kept up to date for new or amended IFRS Standards issued since 2005. Therefore, the Central bank is planning to change its regulation to refer simply to IFRS Standards as issued by the IASB Board once IFRS Standards have been translated into Uzbek (the national language). This will be done in a separate legal act (Resolution of Cabinet of Ministers or Resolution of Central bank). By referring to IFRS Standards as issued by IASB Board, all future changes to IFRS Standards will automatically be adopted in Uzbekistan without a need to issue new regulations.
If no, how do IFRS Standards become a requirement in the jurisdiction?	Not applicable.
Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Standards (including Interpretations) in place?	No.
If yes, what is the process?	Not applicable.
If no, how do new or amended IFRS Standards become a requirement in the jurisdiction?	Not applicable.
Has the jurisdiction eliminated any accounting policy options permitted by IFRS Standards and/or made any modifications to any IFRS Standards?	Currently yes. See below.
If yes, what are the changes?	<p>Under the Central Bank regulations adopting IFRS Standards for the banks, property, plant, and equipment must be accounted for using the revaluation model and not the cost-depreciation-impairment model. In applying the revaluation model, property, plant, and equipment is remeasured based on indices issued by the government on an annual basis.</p> <p>Further, in applying IFRS Standards banks follow certain prudential accounting requirements of the Central Bank that differ from IFRS Standards. Examples of the differences include:</p> <ul style="list-style-type: none"> • Valuation of investments held in bonds and equities. • Measurement of loan loss impairment. • Recognition and valuation of loan fees. • Deferred income tax. • Lease accounting. • Consolidation.
Other comments regarding the use of IFRS Standards in the jurisdiction?	None.

TRANSLATION OF IFRS STANDARDS

Are IFRS Standards translated into the local language?	The National Association of Accountants and Auditors of Uzbekistan (NAAAUz) is leading the process of translation of IFRS Standards into Uzbek. The Chamber of Auditors, the Ministry of Finance, the Central Bank, and audit firms are participating in the translation as members of Review Committee. Translation of the 2013 bound volume of IFRS Standards has been completed, but the Ministry of Finance and the Central Bank have not yet adopted the translated IFRS Standards, though they have recommended the use of that translation. Accountants and auditors in Uzbekistan regularly refer to the Russian translation of IFRS Standards, for which the 2015 bound volume is available.
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If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Standards?	The NAAAUz has signed a copyright waiver agreement with IFRS Foundation according to which NAAAUz is responsible for translation and the Ministry of Finance and the Central Bank are responsible for adoption of the translated texts of IFRS Standards into the national legislation. According to the agreement NAAAUz will be providing the translation of the latest updates to IFRS Standards on ongoing basis.
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APPLICATION OF THE IFRS FOR SMEs STANDARD

Has the jurisdiction adopted the IFRS for SMEs Standard for at least some SMEs?	No.
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If no, is the adoption of the IFRS for SMEs Standard under consideration?	No.
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Did the jurisdiction make any modifications to the IFRS for SMEs Standard?	Not applicable.
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If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
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Which SMEs use the IFRS for SMEs Standard in the jurisdiction, and are they required or permitted to do so?	Not applicable.
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For those SMEs that are not required to use the IFRS for SMEs Standard, what other accounting framework do they use?	National accounting standards.
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Other comments regarding use of the IFRS for SMEs Standard?	None.
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