

# New Horizons of Cooperation Between Uzbekistan and the European Union



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Uzbekistan is on the eve of an important political event - the presidential elections in the country. This major political event was launched at the meeting of the Central Election Commission of the Republic of Uzbekistan, which took place on July 23, 2021.

Today, the election campaign is in full swing, and it is taking place in a new political atmosphere. All processes are conducted openly, transparently and in accordance with the national electoral legislation and the time frames specified therein. All five parties that have nominated their candidates are actively promoting their program ideas and platforms.

Moreover, this year's elections will be held in the conditions of the updated national electoral legislation, updated in accordance with generally recognized international standards. For example, a procedure has been introduced for including citizens of Uzbekistan living abroad in the voter list. They can vote regardless of whether they are registered in the consular register of diplomatic missions or not.

There is a high interest of the international community, organizations in observing incoming election.

Observers from 50 countries and a dozen international organizations are expected to attend. Experts of Needs Assessment Mission, the OSCE Office for Democratic Institutions and Human Rights (ODIHR), who visited Tashkent in May positively assessed the pre-election situation. As a result of the visit, they expressed their willingness to send a full-fledged observer mission to Uzbekistan.

An active dialogue has been established between voters and political parties. At the same time, a high awareness of the electorate is a characteristic of all regions of the country, men and women, representatives of various age groups and strata of the population. In this regard, it is worth emphasizing that the upcoming election, in fact, will become an assessment of the reforms initiated at the end of 2016 by the head of state Shavkat Mirziyoyev, and to determine the further vector of Uzbekistan's development.

Sh. Mirziyoyev has been nominated and unanimously approved as a candidate to participate for October presidential election by members of the Liberal Democratic Party of Uzbekistan.

At the 10-th Congress of the party Sh. Mirziyoyev presented key points of his election program «Strategy of New Uzbekistan». The main message in his speech was that nowadays the democratic reforms in the country have acquired an irreversible, stable character and the state intends to steadily continue their implementation. Indeed, over the past five years, under the leadership of Shavkat Mirziyoyev, the living conditions of the Uzbek people have improved, their worldview has widened, the atmosphere of openness has become an integral part of the life of society.

The dynamic changes taking place in Uzbekistan are largely due to the progressive implementation of the updated domestic and foreign policy developed under the leadership of Sh. Mirziyoyev.

The irreversibility of course towards political and economic modernization of the country is being ensured by the rule of law, continuation of the development of civil society and market relations. We can confidently say that championing human rights and people interests determines the essence of all reforms and transformations carried out in the country. In recent years, the government has gradually eliminated forced and child labor, and has created a comprehensive social protection system.

In the economic sphere, the direction has been taken towards liberalization, development of entrepreneurship and improvement of the investment climate. Privatization of state assets, transformation of state-owned enterprises, unification of exchange rates have become the main conditions for increased economic growth. During 2017-2020, country's economy grew by 24%, industry - by 34%, and GDP per capita reached \$ 1,700, up from \$ 1,068 in 2011-2016.

The level of investment activity has significantly lifted: the total volume of investments in a short period of time increased by 2.1 times, including foreign investments - almost 3 times. Because of the liberalization of the economy and the simplification of customs procedures, the volume of exports in 2020 reached 15.1 billion dollars, which is 25% more than in 2016.

To support entrepreneurship, many benefits and preferences were widely provided. As the result, number of small businesses and private entrepreneurship in the country has doubled, 1 million 400 thousand new jobs have been created in this area. Accordingly, the share of small business and private entrepreneurship in GDP has increased from 38.2% in 2005 to 45.8% in 2020. Bold steps have been taken to ensure the transparency of government bodies, their accountability to the population. The political activity of the population, parties, nongovernmental organizations is growing, the media are gaining activity and independence.

Thanks to the introduction of well-established mechanisms of an open dialogue between government bodies and citizens, people have the opportunity to express their opinions on the assessments of the performance of leaders and officials at different levels. This is very important for development.

The nature and content of the country's foreign policy have changed. Today, expert communities are confidently talking about the emergence of the phenomenon of a new foreign policy in Uzbekistan.

**First**, Tashkent determined Central Asia, which is associated with the country's vital interests, as the priority of Uzbekistan's foreign policy. The goal is to transform the region into a zone of stability and sustainable development, to establish an atmosphere of trust and good neighborliness. To note that this is fully consistent with the approaches of the European Union. The symbol of this pragmatic approach is the regular Consultative Meetings of the Heads of State of Central Asia, initiated by President Sh. Mirziyoyev. At the recent meeting, it was decided to prepare a five-sided document on friendship, good-neighborliness, and cooperation in Central Asia in the 21st century, as well as to agree on a draft Roadmap for the development of regional cooperation for 2022-2024. All this indicates that a serious course has been taken towards the creation of a new, more durable structure of regional interaction.

As cooperation between the Central Asian countries increases, important joint decisions are made at all levels on regional and international issues of mutual interest to the countries of the region: in the field of security, economy, investment, tourism, culture, health care and the environment.

Today, awareness of common interests strengthens the perception of the region as an integral, consolidated player in the world. The total GDP of the countries of the region at the end of 2020 amounted to \$ 295 billion. At the same time, in the pre-pandemic period, this figure reached \$ 303 billion (2019), showing an increase in comparison with 2016 by 19.2%.

**Secondly**, the stabilization of the situation and economic development in neighboring Afghanistan have taken a special place in the new foreign policy of Uzbekistan. The country has put forward important initiatives and efforts to ensure stability and security in Afghanistan. Today Tashkent perceives the security of Afghanistan as the security of the country, a guarantee of stability and prosperity for the entire vast region.

In response to the increased demand for food aid in Afghanistan, the UN World Food Program has established a main logistics center in Termez (Surkhandarya region). Today, UN agencies are delivering necessary humanitarian supplies to the provinces of Afghanistan.

The government of Uzbekistan also sent 1,300 tons of humanitarian aid with food, medicine, and clothing to the Afghan province of Balkh. Moreover, coordinated work was ensured together with foreign partners on the orderly evacuation from Afghanistan and transit through the territory of the Republic of Uzbekistan of both citizens of foreign states and citizens of Afghanistan sent to previously agreed countries. Recently, about 7 thousand citizens of foreign states - Germany, Russia, USA, Switzerland, Austria, Denmark, Poland, Hungary, Slovakia, Kazakhstan have been evacuated through the territory of Uzbekistan.

**Thirdly**, Uzbekistan's ties with major international players as Russia, China, the United States, the European Union, as well as other powers of Eurasia, such as Turkey and Pakistan have significantly intensified. Key visits were made to the United States and Germany, with which Uzbekistan restarted relations after a long period.

Foreign trade has noticeably increased from \$ 24 billion in 2016 to \$ 36 billion at the end of 2020. In January-June 2021, its volume increased by 13.6% compared to the same period in 2020 and amounted to \$ 18.013 billion.

**Fourthly**, Uzbekistan has intensified its activity through international organizations to solve common problems concerning not only political and economic aspects, but also involving humanitarian issues, ecology, and sustainable development in general. Undoubtedly, the European Union is one of the key partners of Uzbekistan in the international arena. Tashkent attaches great importance to the development

of mutually beneficial cooperation with the EU and its member states in both bilateral and multilateral formats.

It is worth emphasizing that in recent years, the EU's dialogue has been strengthened not only with Uzbekistan, but also with all countries of the region. EU diplomatic presence and involvement has expanded, and approaches towards Central Asia have been updated. The most important thing in these relations, in my opinion, is that, while supporting an open and constructive foreign policy of Tashkent in Central Asia, Brussels has radically revised its policy towards this region. This is reflected in the updated 2019 EU Strategy for Central Asia. It strengthened the emphasis on the development of interregional connection, the support of the European Union for political stability and sustainable development of the Central Asian countries.

The institutions of interregional interaction in the Central Asia-European Union format have proven themselves well. In this context, regular meetings within the framework of the High-level Dialogue on Political and Security Issues of the European Union and Central Asian countries allow exchanging views on serious issues of stable and sustainable development of the region.

Within the framework of bilateral cooperation, fruitful official visits of the President of the Republic of Uzbekistan to France (2018), Germany (2019) took place. As a result of these visits, breakthrough agreements were reached in the political, trade, economic, investment, cultural, humanitarian, and other spheres.

The reciprocal visits to the republic were successfully completed by the President of Germany F.-W Steinmeier (2019), President of the European Council D. Tusk (2019), EU High Representative for Foreign Affairs and Security Policy J. Borrell at the international conference on the interconnectedness of Central and South Asia (2021).

It should be emphasized that trade and economic cooperation between the EU and Uzbekistan has reached a new level and is becoming more and more long-term and sustainable. If last year the trade turnover between Uzbekistan and the EU amounted to \$ 3.6 billion, showing a slight decline compared to 2019 (\$ 3.9 billion), in January-May of this year it already reached \$ 1.36 billion.

It is worth noting that to intensify trade cooperation in 2020, The European Commission has decided to grant Uzbekistan the status of beneficiary country to the European Union Generalized Scheme of Preferences (GSP) Plus ahead of schedule, which allows duty-free delivery of more than 6 thousand domestic products to the European market.

Moreover, today in Tashkent and Brussels, serious attention is paid to the prospects for promoting trade and economic interaction within the framework of the new comprehensive Enhanced Partnership and Cooperation Agreement (EPCA), which has been under development since 2019. This agreement will undoubtedly become one of the important tools for building up mutually beneficial cooperation with the EU, including by attracting European investments, as well as the EU's experience in key areas of the country's development.

Furthermore, today one of the important priorities in the partnership between the EU and Uzbekistan and Central Asia are issues related to climate change and sustainable development. In this area, the parties have launched a number of key projects, such as «European Union - Central Asia: Cooperation in the Field of Water Resources, Environment and Climate Change», «Water and Energy Program for Central Asia», «Green Central Asia», etc.

The EU with its rich experience in sustainable development, can provide a genuinely regional and cross-border approach to addressing existing problems. It is worth emphasizing that the EU has allocated 168

million euros to support sustainable development in Uzbekistan for the period 2014-2020.

On this background, considering the outlined priorities of Uzbekistan's foreign policy, as well as the instruments of the European Union's foreign policy, I would like to outline a few promising areas for the further development of dialogue and cooperation between Tashkent and Brussels.

**First**, focusing on strengthening cooperation in the development of democratic institutions, improving public administration and the judicial and legal system, ensuring security, improving the environment, strengthening the health care system, education, and labor migration, which is in the interests of both parties.

**Second**, the intensification of dialogue in promoting the trade, economic and investment agenda. It seems extremely important for us to successfully complete the negotiation process on the earliest conclusion of the Enhanced Partnership and Cooperation Agreement between Uzbekistan and the European Union, as well as to dynamically interact with the European side in the process of Uzbekistan's accession to the WTO.

Third, strengthening the role of the European Union, one of the leading international actors, in supporting and developing positive trends in Central Asia, promoting the full-scale integration of the region into the world political and economic system, which is in demand in the new conditions of close and trusting regional cooperation.

**Fourth**, the deepening of EU-Uzbekistan interaction with regard to Afghanistan, including: **a)** cooperation in countering terrorism, extremism, drug trafficking and organized crime; **b)** peaceful reconstruction and economic development of Afghanistan; **c)** prevention of a humanitarian crisis in the neighboring state.

In general, the current state of relations between Uzbekistan and the European Union shows a mutual desire to strengthen cooperation and partnership. For our country, relations with the EU now and in the future remain the most important direction of the foreign policy strategy. It is obvious that both sides have clear guidelines and priorities for interaction and understanding of each other's demand. And today there is reason to believe that the comprehensive dialogue of Uzbekistan with the EU is moving into a new qualitative stage, closer and more targeted cooperation in the most important areas.