

# Bakhtiyor Saidov: Uzbekistan and China: new facets of cooperation and development

**✖ Leading information and analytical resources of China (“kitaichina.com”, “Belt and Road News Network”, “sina.com”, “fengshows.com”) have published an article by Bakhtiyor Saidov, Ambassador Extraordinary and Plenipotentiary of the Republic of Uzbekistan to the People's Republic of China.**

*Below is the text of the article.*

“January 2021 marked the 29th anniversary of the establishment of diplomatic relations between the Republic of Uzbekistan and the People's Republic of China. It is gratifying to note that in recent years there has been a high trend of deepening multifaceted cooperation in virtually all areas, such as trade, investment, energy, transport communications, and others.

This trend allows us to look with optimism and confidence into the future of Uzbek-Chinese relations. Despite the consequences of the pandemic, the two countries managed not only to maintain the trend of strengthening a comprehensive strategic partnership, but also to jointly identify new facets of practical interaction.

## **Active political dialogue**

A key factor in this dynamic development of bilateral cooperation is an active political dialogue at the highest level.

In May 2017 President of Uzbekistan Sh. M. Mirziyoyev paid his first state visit to China, during which he held fruitful talks with Chinese President Xi Jinping. The Heads of State identified priority areas of cooperation for the coming years in order to deepen the bilateral comprehensive strategic partnership.

A new impetus to the development of Uzbek-Chinese relations was given by the negotiations between President Sh. M. Mirziyoyev and President Xi Jinping in 2018 within the framework of the SCO summit in Qingdao. “New points” of further strengthening of multifaceted cooperation were identified following the meeting of the two heads of state held during the participation of the leader of Uzbekistan in the international forum “One Belt, One Road” in Beijing in 2019.

During the telephone talks held on May 7, 2020, the leaders of Uzbekistan and China thoroughly discussed a wide range of practical issues on the bilateral agenda. As a result, mutual agreements were reached on active cooperation in the fight against Covid-19 and its consequences, and on intensifying cooperation in the areas of trade, investment, and the economy in the context of the pandemic.

President of Uzbekistan Sh. M. Mirziyoyev and President of the People's Republic of China Xi Jinping noted with deep satisfaction and gratitude the mutual support and humanitarian assistance provided during the most difficult period of the fight against coronavirus infection. The leaders of the two states said that this was another evidence of the strengthening of the Uzbek-Chinese relations of comprehensive strategic partnership based on the principles of friendship, mutual respect and trust.

President of the Republic of Uzbekistan Sh. M. Mirziyoyev took part in the annual summit of the heads of State of the Shanghai Cooperation Organization on November 10, 2020. The speeches of the leaders of Uzbekistan and China at this event once again confirmed the proximity or similarity of the positions of the two states to the current problems of ensuring security and sustainable development in the vast SCO space.

In order to implement the agreements reached at the highest level, a number of bilateral negotiations were held at the intergovernmental level. All conditions have been created for the qualitative promotion of inter-parliamentary relations between the two states. Practical cooperation between the foreign ministries

of the Republic of Uzbekistan and the People's Republic of China has become active.

### **Economic foundation of bilateral cooperation**

Consistent implementation of the agreements reached between the President of Uzbekistan Sh. M. Mirziyoyev and the President of the People's Republic of China Xi Jinping allowed to maintain high dynamics of bilateral cooperation in the fields of trade, economy and investment. Thanks to the joint efforts of the two countries, the impact of the pandemic on Uzbek-Chinese cooperation was minimized in 2020. This is evidenced by a number of positive trends in cooperation between the two countries in these areas.

First, over the past three years, China has maintained its position as Uzbekistan's first trading partner. Before the pandemic, the annual volume of bilateral trade increased by an average of 30-40%. In 2020, there was a slight decrease in mutual trade against the background of Covid-19.

China also remains the largest export market for Uzbekistan. In particular, according to the State Statistics Committee of the Republic of Uzbekistan, in 2020, China's share in the total volume of Uzbekistan's foreign trade was 12.8%.

Along with this, there is not only a quantitative, but also a qualitative change in the structure of mutual trade turnover. This positive trend is primarily due to an increase in the volumes and names of Uzbek finished products and agricultural goods supplied to the Chinese markets.

Secondly, cooperation between Uzbekistan and the People's Republic of China in the field of investment and modern technologies, which are designed to accelerate the technological modernization and diversification of the Uzbek economy, is becoming increasingly intensive, as well as increasing the country's export potential. The annual growth of Chinese investments in Uzbekistan ranges from 40-50%.

Today, China's direct investment, along with the capital of other leading partners of Uzbekistan, is actively present in a number of sectors of the Uzbek economy. Among them are oil and gas, chemical, construction materials, pharmaceuticals, agricultural sector, light industry and others”.

Uzbekistan and China have a huge, yet unrealized potential for cooperation in the areas of investment and advanced technologies. In this context, it should be noted that in his Address to the Parliament of the Republic of Uzbekistan, President Sh. M. Mirziyoyev set a target for 2021 to attract foreign investment totaling \$ 23 billion.

As a result, it is planned to put into operation 226 large industrial and infrastructure facilities in Uzbekistan. At the same time, it is planned to build hundreds of modern facilities for the production of textile, construction, leather and footwear, food and pharmaceutical products, as well as launch new power plants in a number of regions of the country.

Of course, one of the key factors in the dynamic development of Uzbek-Chinese cooperation in the trade, economic and investment spheres is the liberalization of the national economy implemented in Uzbekistan. Comprehensive work is being carried out to harmonize the national regulatory framework with international standards. The mechanisms of customs-tariff, fiscal regulation and export-import procedures are being improved and simplified, and measures are being taken to form "green corridors".

### **Connectivity and transport communications**

The coronavirus pandemic has had a major impact on the global economy and trade, disrupting global and regional production chains and trade links. Addressing the participants of the opening ceremony of the Shanghai EXPO in November 2020, President Sh. M. Mirziyoyev said that Uzbekistan highly appreciates the new strategic course of Chinese President Xi Jinping, aimed at ensuring stability in the field of trade, eliminating trade barriers, and strengthening the interconnectedness of the economies of different countries.

Today, it is important to combine efforts to strengthen regional and interregional connectivity by forming a network of "dry ports", logistics and wholesale distribution centers within the framework of the "One Belt, One Road" initiative. One of the significant results of joint work in this direction was the opening of a new multimodal transport corridor China-Kyrgyzstan-Uzbekistan, which is designed to accelerate the development of a project for the construction of a railway along this route.

Meanwhile, as the President of the Republic of Uzbekistan Sh. M. Mirziyoyev stressed, initiatives to create new transport corridors connecting the railway systems of Central and South Asia are of great importance. The high-level international conference "Central and South Asia: Regional Connectivity. Challenges and Opportunities", which will be held in May 2021 at the initiative of the Head of Uzbekistan. It is expected that representatives of foreign government, expert and academic circles from more than 30 countries will take part in this event.

### **Prospects for interregional cooperation**

Interregional cooperation between the Republic of Uzbekistan and the People's Republic of China is becoming a new "driver" for the development of the Uzbek-Chinese comprehensive strategic partnership. It is gratifying to note that from 2017 until the outbreak of the pandemic in early 2020, the leaders of all 14 regions of Uzbekistan visited various provinces and major cities in China.

As a result of mutual efforts in this direction, a number of bilateral agreements were signed on the implementation of more than 150 promising joint projects. For many of them, practical work has already begun or preparatory measures are being taken to launch them, first of all, enterprises for the production of finished export-oriented products.

At the same time, agreements were reached with a number of provinces of the People's Republic of China on cooperation in the fields of education and training in specialties that are in demand for ensuring the socio-economic development of the country's regions. Among them are "smart" agriculture, "smart" technologies, seed production, water-saving technologies, medicine, healthcare, etc.

### **New areas of cooperation**

As the results of 2020 showed, new challenges require new solutions to overcome them. The successful experience of the People's Republic of China in the fight against the pandemic has created objective conditions for the development of fruitful cooperation between the two countries in this area. The Chinese people under the leadership of Chinese President Xi Jinping not only successfully coped with the outbreak of a new coronavirus infection, but also became the first of the major states to enter the economic growth trajectory by the end of 2020.

As President Shavkat Mirziyoyev noted in his Address, in 2021, special attention will be paid to healthcare as an important priority in Uzbekistan. Continuing the fight against the pandemic will remain among the most important tasks in 2021, including by improving the quality of work and improving the material and technical base of the sanitary and epidemiological service, and creating modern laboratories.

In addition, it is planned to expand the scale of digitalization of the medical sphere in Uzbekistan, including remote services, the introduction of electronic office work in polyclinics and hospitals. Communication between specialized centers and their local branches will be established on the basis of telemedicine technologies, and opportunities for diagnosis and treatment in the regions will be increased.

In this context, it should be noted that within the framework of the SCO summit in November 2020, President Sh. M. Mirziyoyev proposed to develop a Concept of cooperation in the field of telemedicine. At the same time, it is important that this document provides for the training of doctors in the methods of telemedicine in the treatment of a wide range of diseases, as well as the exchange of experience in this area.

Another new area of cooperation between Uzbekistan and China is poverty reduction. The successful experience of the Chinese people in this area cannot but cause sincere admiration.

According to Chinese President Xi Jinping, China has achieved its poverty reduction goals as planned and achieved a significant victory. For 8 years, the entire poor rural population has been lifted out of poverty, and about 100 million people have been freed from the shackles of poverty. All poor counties included in the special list have been eliminated. Absolute and regional poverty has been eliminated. I would like to take this opportunity to sincerely congratulate our Chinese friends and the entire Chinese people on this historic event!

Addressing the Parliament of Uzbekistan in December 2020, President Shavkat Mirziyoyev stressed that the main goal of economic reforms in 2021 will be to reduce poverty and increase the well-being of the country's population. In this regard, comprehensive approaches and new methods will be introduced, including not only social protection, but also covering the areas of education and health, vocational training, access to clean drinking water, energy resources and road infrastructure.

It should be noted that working contacts have been established between the interested ministries and departments of the two countries, within the framework of which the exchange of experience is carried out. It is expected to adopt a plan of joint activities for the coming years, designed to increase the practical significance of cooperation in this area.

In general, in recent years, we have witnessed a qualitatively new dynamic in the development of cooperation between Uzbekistan and China, which has created all the conditions for a breakthrough in Uzbek-Chinese relations. It is gratifying to note such a positive trend in the year of the 30th anniversary of Independence of the Republic of Uzbekistan, which remains committed to the agreements on further deepening the comprehensive strategic partnership with the People's Republic of China.

I would like to emphasize that next year will be a landmark for the two countries - in 2022, the 30th anniversary of the establishment of diplomatic ties will be celebrated. I am sure that thanks to our joint efforts, we will be able to celebrate this historic date with dignity, filling our bilateral cooperation with new practical content for the benefit of our states and peoples.