

## Cooperation between Uzbekistan and Malaysia is a requirement of contemporary time



Strengthening friendly relations and developing a multifaceted partnership with Malaysia is one of the important priorities of Uzbekistan's foreign policy in Asian direction.

This year marks the 33rd anniversary of the establishment of diplomatic relations between our countries. Over this period, Uzbek-Malaysian relations have been developing consistently and fruitfully, based on the principles of friendship, equality, mutual support, respect and consideration of each other's interests.

The traditional close ties of friendship between the Uzbek and Malaysian peoples are based on common religion, similarity of customs and cultural values.

The main goals and objectives of the strategic development and modernization programs «Uzbekistan-2030» and «Malaysia MADANI» implemented by our countries also demonstrate similarity and are aimed at ensuring sustainable economic growth and improving the quality of life and well-being of the population.

High-level visits and established mechanisms of interstate dialog have played an important role in promoting and deepening bilateral interaction.

To date, six high-level visits have been conducted. In 2020, «friendship groups» were established between the parliaments of the two countries, which significantly intensified inter-parliamentary dialogue. Consequently, in April 2023, Johari bin Abdul, Speaker of the House of Representatives of the Malaysian Parliament, visited Uzbekistan. In June 2024, Nur Jazlan Mohamed, the Deputy President of the Senate of the Parliament of Malaysia visited our country. In return, a parliamentary delegation led by Speaker of the Legislative Chamber of Oliy Majlis Nuriddin Ismoilov paid a visit to Malaysia in July 2024.

Political consultations between the foreign ministries of the two countries are held regularly, where the sides discuss current issues on the bilateral agenda. Six rounds of political consultations have taken place

thus far. Notably, delegations led by the Minister of Foreign Affairs of the Republic of Uzbekistan visited Malaysia in February and July of 2024.

A solid legal framework has been established between the two countries, consisting of 25 intergovernmental and other documents.

Furthermore, Tashkent and Kuala Lumpur closely coordinate within the framework of regional and international organizations such as the UN, CICA, the Organization of Islamic Cooperation, and the Non-Aligned Movement, mutually supporting each other's initiatives and demonstrating a convergence of positions on the most pressing global and regional issues.

It is important to note that a more active dynamic in Uzbek-Malaysian relations has been observed in recent years. Thanks to the active and trusting political dialogue between the leaders of the two countries - President of the Republic of Uzbekistan Shavkat Mirziyoyev and Prime Minister of Malaysia Anwar Ibrahim, Uzbek-Malaysian cooperation is now filled with new content and reaching a higher level.

Undoubtedly, Anwar Ibrahim's visit to Uzbekistan in May 2024 gave a significant impetus to bilateral interaction. As a result of this visit, important agreements were reached and new directions were outlined for further expanding cooperation between the countries.

In particular, a Joint Statement on Deepening Multifaceted Cooperation was signed, which reaffirmed the commitment to further strengthening of political dialog, inter-parliamentary ties, trade and investment, cultural and humanitarian interaction. The leaders emphasized the need to elevate bilateral relations to the level of a comprehensive partnership in the near future.

Following the Uzbek-Malaysian Business Forum held in Samarkand as part of the visit, a solid package of 19 investment agreements worth over \$3 billion was signed.

In this context, it is important to emphasize that in recent years there has been a steady growth in bilateral trade turnover between the countries, which has increased 2.5 times since 2020. The number of joint ventures with Malaysian capital in Uzbekistan has reached 37.

During the visit, in order to further intensify trade and economic cooperation, it was decided to transform the existing bilateral Trade Committee into an Intergovernmental Commission. Its first meeting was successfully held in Kuala Lumpur in May 2024.

In addition, the parties agreed to create a special Uzbek-Malaysian industrial zone to promote high-tech projects. Undoubtedly, its creation will significantly deepen industrial cooperation between the countries and lay the foundation for the formation of joint productions with high added value.

In this context, an important direction of industrial cooperation could be the production of microelectronics and semiconductors. As it is known, Malaysia has achieved high results in the development of the semiconductor industry, which accounts for 25% of the country's GDP. It ranks 6th in the world in semiconductor exports and accounts for 13% of the global market for testing and assembling microchips.

In the near future, Malaysia has set a goal of becoming a leading «chip design powerhouse» and increasing its share of the global semiconductor trade from the current 7% to 14% by 2029. To achieve this goal, a National Semiconductor Development Strategy was adopted in 2024, with plans to invest about \$107 billion in its implementation.

Uzbekistan, which has a significant resource potential of rare earth metals, also aims to actively develop the production of semiconductors and microelectronic products, which are becoming increasingly in demand on the global market. In this regard, our country is interested in establishing cooperation with Malaysia to develop the semiconductor industry and launch joint startup projects in this area.

Another significant direction of industrial cooperation could be pharmaceuticals. Malaysia is one of the

leaders in the production of pharmaceutical products. In 2024, the profit of its pharmaceutical industry amounted to more than \$1.7 billion.

Uzbekistan also actively supports the development of the pharmaceutical industry and has abundant natural resources that can be used for the production of medicines. In this regard, there is a great potential for creating joint ventures for the production of pharmaceuticals, as well as conducting joint scientific research in the field of pharmacology.

An important area of Uzbek-Malaysian cooperation is also the «halal» industry. This sphere is of particular interest to Uzbekistan taking into account the current trends of its growth on a global scale. In recent years, the global «halal» market has been growing rapidly and is now valued at \$2.6 trillion. According to forecasts, by 2030 it will reach \$5 trillion.

In turn, Malaysia is among the largest exporters of «halal» products and is recognized as a world leader in «halal» certification, including food, cosmetics, and pharmaceuticals. Today, exports of these products in Malaysia account for 17.3% of the country's total exports.

The «halal» industry is regulated by the Department of Islamic Development of Malaysia, known as JAKIM, which serves as the competent authority being responsible for halal certification in Malaysia. Its certificate is recognized in 49 countries around the world, which indicates a high level of confidence in this certificate and its international recognition.

It should be noted that since 2018, the Department of Islamic Development of Malaysia and the Agency "Uzstandart" started cooperation on the introduction of «halal» certification system in Uzbekistan. Further intensification of cooperation in this direction will significantly increase the competitiveness of Uzbek goods in the markets of Muslim countries and will play an important role on the way of Uzbekistan's integration into the global supply chains of «halal» products.

Islamic banking may become another key area of bilateral cooperation. Today, the Islamic banking system is increasingly becoming an important part of the global financial sector. According to the Islamic Corporation for the Development of the Private Sector, total Islamic banking and financial assets worldwide exceed \$4.5 trillion. According to forecasts by the international market research company «Mordor Intelligence», the compound annual growth rate in the Islamic finance market will be more than 10% in 2024-2029.

To date, Malaysia is recognized as an international center of Islamic finance. It was one of the first to introduce laws on Islamic banking and Islamic insurance. The size of the Islamic interbank money market is about one-third of the total market, and Shariah-compliant securities account for 81% of listed stocks. In addition, Malaysia has a well-developed training system in the field of Islamic finance. The International Center for Education in Islamic Finance (INCEIF) is the leading institution in this direction. In this regard, Uzbekistan is interested in intensifying cooperation with the Malaysian side on the development of Islamic banking in our country, as well as in training specialists in this sphere.

Uzbekistan and Malaysia attach particular importance to the expansion of cultural and humanitarian ties, which contribute to deepening mutual understanding and enrichment of the cultures of the two peoples.

Every year, cooperation in tourism, health care and sports is expanding, educational and academic exchanges are being strengthening. This facilitated by regular joint conferences, symposia, exhibitions, tourism fairs, culture and cinema days, concerts and festivals.

The achieved level of bilateral cooperation in the sphere of education and personnel training deserves special attention. For example, within the framework of the Malaysian Government's Technical Cooperation Program, more than 850 specialists from Uzbek ministries and agencies have upgraded their qualifications at various short-term courses and seminars in Malaysia. Today, about 500 Uzbek students are studying at prestigious Malaysian universities.

In 2021, a branch of Malaysia's «Binary» International University was opened in Urgench, which trains specialists in management, information technology and entrepreneurship. At the same time, our country is interested in further expansion of cooperation with leading universities in Malaysia in such areas as green energy, artificial intelligence, creative economy, Islamic banking, «halal» industry and others.

There is huge potential for cooperation in the tourism sector. Both citizens of Malaysia and Uzbekistan have a 30-day visa-free regime. Thanks to this, in recent years there has been a steady growth in the number of Malaysian tourists visiting Uzbekistan. If in 2023 their number was 4396 people, then by the end of 2024 their number reached 8854 people.

On the territory of our republic there is a large number of unique architectural monuments, ancient mosques and madrassas, tombs and burial places of great Islamic theologians, scientists such as Imam al-Bukhari, Imam at-Termezi, Imam Moturidi, Bahauddin Naqshbandi and others, which arouse great interest among Muslims from all over the world.

It must be acknowledged that thanks to the measures taken to develop ziyorat tourism in our republic, today Uzbekistan is becoming one of the largest centers of pilgrimage in the Islamic world. This evidenced by the growth of our country's position in various global ratings. Thus, in the Global Muslim Travel Index (GMTI-2023), Uzbekistan took 13th place among 140 countries in the direction of international pilgrimage tourism. At the Halal in Travel Awards 2023, Khiva was awarded as «Islamic Destination of the Year».

It is noteworthy that in 2024 Uzbekistan was honored with a prestigious award by Malaysia. Our country was recognized in the nomination «Best Asian Travel Destination with Rich Architectural Heritage». In this regard, it is important for the countries to expand cooperation on the creation of joint tours with a focus on the development of ziyorat tourism in the cities of Bukhara, Samarkand, Tashkent, Khiva, where historical Islamic monuments are concentrated.

In general, it can be stated with confidence that Uzbekistan and Malaysia are long-term partners whose interests coincide in most areas of interaction. A solid foundation has been laid in our relations for the further development of bilateral cooperation for the benefit of the peoples of the two states.

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