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‘NEW UZBEKISTAN’: THE TIRELESS WAY TO REFORMS

– *Mr Ambassador, this year marks the 30th anniversary of our countries’ independence. Could you please briefly outline Uzbekistan’s achievements.*

– Over the years of independence, Uzbekistan has made major strides in state building, improving its economic potential, and developing the social field.

The current balanced course of the country’s leadership towards the realisation of crucial socioeconomic tasks and active foreign policy has unquestionably contributed, and continues contributing, to further strengthening the state’s sovereignty and raising its international profile.

Today’s Uzbekistan is an active member of the international community and a responsible regional partner seeking to expand mutually beneficial and long-term cooperation with all friendly countries.

Undoubtedly, at the nascent stage of gaining independence, our country, just like the other post-Soviet countries, fought with similar challenges. However, as development unfolded, the path of each nation started assuming individual and unique features.

As far as Uzbekistan is concerned, I would like to mention that while such reforms as the introduction of market economy, privatisation, the changeover to the state language, and the setting up of the armed forces are of universal character, a wide range of changes in the agricultural field, industry, and finance have allowed our country to make tangible progress in a short time span.

The most vivid example thereof is the establishment of Uzbekistan’s own car industry. Attracting foreign investment into this knowledge-intensive sphere has enabled the creation of a modern export-oriented automobile cluster at the centre of a powerful ecosystem consisting of scientific, educational, and industrial components. Broadening the circle of Uzbekistan’s technological partners allows us to annually increase the range of manufactured products, whilst also diversifying export destinations.

That said, I should like to note that our country has also successfully carried out some other, albeit less famous, more fundamental transformations. These include eliminating the use of cotton monoculture, which allowed drastically transforming the lives of the Uzbekistani people for the better, creating the country’s own oil and gas industry, setting up a vertically-integrated textile industry, opening dozens of branches of foreign universities, etc.

The list of successful transformations initiated at the dawn of Uzbekistan's independence could be made even longer, but I would only like to mention the following. Today's Uzbekistan is a young and burgeoning nation boasting a high-end educational system, advanced economy, and high-tech industry. This is a country which is perfectly aware of its place and role in the prosperity of the wider Central Asia region.

While certainly seeking to leave its mark on global development, Uzbekistan is also fully cognizant of, based on its centuries-old history, that it is only through peaceful coexistence, cooperation, and mutual responsibility that we can attain our purpose.

We are at the beginning of a long and arduous journey and much remains to be done in terms of reforming the state and the society. In these processes, we are going to continue relying on the support of the international community.

– *In recent years, when it comes to your country, there is increasing mention of the term 'New Uzbekistan'. Observers note major changes and reforms conducted by the new President of Uzbekistan, Shavkat Mirziyoyev. Could you please tell us about these changes.*

– Almost five years ago, fundamental changes took place in the life of my country. The advent to power of Shavkat Mirziyoyev, President of Uzbekistan, ushered in the realisation of a large-scale programme of ambitious and genuine reforms as well as economic modernisation. None of observers has doubts that the transformations taking place in Uzbekistan have a positive impact on the general situation in the region.

The major focus of the reform programme is aimed at liberalising all spheres of social life, with special emphasis on the democratisation of society and the development of market economy. To this end, there was adopted the Action Strategy on Five Priority Development Areas of Uzbekistan for 2017–2021.

The 'five pillars' of the Action Strategy are geared towards enhancing the system of state and social development, ensuring the rule of law, economic liberalisation, developing the social field, and, very importantly, guaranteeing security and conducting a balanced and constructive foreign policy.

As a result of the work carried out and, of course, thanks to President Mirziyoyev's strong political will, today's Uzbekistan is going through a historic period: The economy and society are undergoing a phase of enormous transformation. For each citizen of our country, this is a unique chance to make their own contribution to the changes.

The way the country is transforming impresses observers, both domestic and foreign. That said, I would also like to particularly underscore the irreversibility of all the changes taking place in Uzbekistan.

Along with internal reforms, substantial transformation has also taken place in Uzbekistan's foreign policy, which is characterised by pragmatism in building relations with all partners.

Specifically, thanks to the combined effort of the leaders of Central Asian states, the region now has a totally new atmosphere of political trust. A breakthrough has been achieved in resolving many issues, which previously impeded rapprochement in pursuit of common interests with respect to further development and improving the well-being of nations in the region.

Trade, investment, transport, communication, industrial, cultural and humanitarian, cross-border, and interregional cooperation have intensified and expanded, and so did collaboration in the field of security and joint response to modern challenges and threats.

Owing to renewed approaches, there has been a marked increase in the efficiency of attracting foreign investments and new technologies, increasing the flow of tourists, as well as expanding exports of national products to world markets.

In particular, a steep rise in investment activity has recently been one of the drivers of economic growth. Over the past four years, the average annual investment growth rate amounted to 22 percent. The overall volume of attracted foreign investment has reached \$22.6 billion, including FDI (\$17.5 billion). By contrast, the same volume was invested into the country's economy during 2007–2017.

Speaking of the 'New Uzbekistan', one cannot fail to mention the active steps taken by our country in shaping not only regional but also global agenda, building collective mechanisms for countering various challenges and threats directly affecting security, prosperity, and sustainable development of the international community.

Specifically, since 2016, upon the initiative of President of Uzbekistan Shavkat Mirziyoyev, there have been adopted four UN resolutions designed to refine the basis and mechanisms of international cooperation, interfaith understanding, and sustainable development.

What also merits particular attention is important initiatives put forward by the head of our state during the 75th UN General Assembly, which became a solid input of the republic to developing mutually beneficial international cooperation. These include proposals on devising an International Code on Voluntary Commitments of States during Pandemics and adopting a UN General Assembly resolution on increasing the role of parliaments in achieving the Sustainable Development Goals and ensuring human rights.

In the last few years, Uzbekistan's activity in the UN has also found its cruising speed. A landmark event of note here has been the country's first-ever election as member of the UN Human Rights Council.

– The coronavirus pandemic currently remains the major challenge facing humanity. Could you share Uzbekistan's experience in fighting against COVID-19 and overcoming economic hardship caused by the pandemic.

– The outbreak of SARS-CoV-2 has become a painful ordeal for the whole of humanity. Uzbekistan here is no exception. In determining our strategy for countering this new challenge, we have relied heavily on international expertise and exchange of experience.

The strategy of Uzbekistan for countering COVID-19 is premised on breaking the virus transmission chain, including stricter quarantine measures, self-isolation, and social distancing.

In a record-breaking five-day time, a quarantine centre for 10,000 people has been built in the suburbs of Tashkent. The number of beds at infection units has been increased in all regional hospitals. There have been established dozens of centres for the temporary upkeep of more than 10,000 patients with suspected COVID-19.

And although the restrictions imposed have resulted in the considerable slowdown of economic activity, the timely measures have eventually allowed saving many lives.

For the purposes of supporting the economy and people, there has been established an Anti-Crisis Fund of \$1 billion, whose funds are channeled to broadening welfare support for the country's citizens and ensuring the stable functioning of the sectors of economy. A multitude of various benefits and preferences have been given to entrepreneurs and population.

I would like to note that the achievements of the national health system have been favourably received by the international community. It is noted that Uzbekistan has performed excellently in fighting against COVID-19. The recovery rate from the coronavirus in Uzbekistan stands at 55 percent, with the mortality rate of 0.45, which is much better than the global indicators.

Inoculation against coronavirus started on 1 April this year with the usage of the Uzbek-Chinese medication ZF-UZ-VAC2001, European AstraZeneca, and Russian Sputnik V. The number of vaccinated people currently exceeds 1.5 million.

– *Let us move to interesting issues more related to your region. In 2019, Uzbekistan hosted a historic meeting of five leaders of the Central Asian countries. Many have viewed this as a sign of the expanding of regional cooperation. But then the pandemic broke out. Has it impeded progress in this respect? What is the reason behind such rapprochement of the regional countries?*

– According to estimates of the overwhelming majority of international experts, today's Uzbekistan is conducting a consistent, clear, and constructive foreign policy.

Upon assuming power as Head of State in December 2016, President Mirziyoyev defined the development and strengthening of friendly, good-neighbourly, and mutually beneficial relations with the Central Asian countries as the paramount foreign policy priority.

Speaking from the rostrum of the UN in September 2017 during the 72nd session of the UN General Assembly, the President of the Republic of Uzbekistan proposed convening consultative meetings of Central Asian heads of state. This initiative has gained broad international recognition and has been supported by all the leaders of the regional countries.

The first meeting of the region's leaders took place in Astana in 2018. The second Consultative Summit of the heads of state of Central Asia was held in Tashkent on 29 November 2019. The upshot of the meeting was a Joint Statement, a paramount one for our peoples, emphasising that 'the tendency formed in Central Asia towards regional rapprochement is a historically conditioned reality'.

Over the last few years, the President of Uzbekistan has initiated an exchange of high-level visits with all the countries of the region. The political dialogue among the leaders of Central Asia has become regular, permanent, and trust-based.

Consequently, Uzbekistan has considerably improved its relations with all the countries of the region in a historically short period. A lot of problems that existed in relations with neighbours prior to 2016 have been resolved thanks to strengthening the open political dialogue with leaders of the regional countries.

Specifically, over recent years, visa regimes have been facilitated and dozens of check points at the borders with the neighbouring countries have been opened. As a result, the number of citizens crossing the Uzbek-Kyrgyz and the Uzbek-Tajik borders daily has reached 30,000 and 20,000, respectively.

In the region, the resolution of water energy issues is no longer discussed. The nearest plans are the full-fledged commissioning of the Central Asian energy ring. Within the common energy ring, Uzbekistan is already successfully cooperating with Kazakhstan, Kyrgyzstan, and, seasonally, with Tajikistan. This allows meeting the demands of the people and industry for electricity, especially during the peak workload of the winter period.

From 2016 to 2019, intraregional trade has grown more than twofold, exceeding \$7 billion. Thereby, the Central Asian countries get a chance to successfully open up the closest markets and become independent from trends in foreign, frequently volatile, markets.

I would like to emphasise that the situation with coronavirus has not influenced the buoyancy of Uzbekistan's regional policy. On 10–11 June alone, there took place an official visit of the Uzbek leader, Shavkat Mirziyoyev, to Tajikistan. The meeting resulted in signing agreements on joint projects with a total cost of \$730 million.

Nowadays, speaking of Central Asia, we also imply Afghanistan. The ongoing process of involving this country into the trade and economic flows taking place in the region could have a catalytic effect on the further rise of the region's investment attractiveness.

In particular, the prevailing stabilisation in Afghanistan and the harnessing of its transit infrastructural potential can provide a powerful impetus to the development of interregional trade and implementation of large-scale projects aimed at strengthening the interconnectivity of Central and South Asia.

– *This year marks the 29th anniversary since the establishment of diplomatic relations between our states. Do you see any untapped potential in Uzbek-Ukrainian relations? How could we bring them to a new level?*

– Although the diplomatic relations between our countries were established on 25 August 1992 and were followed by four visits at the level of the President of Ukraine to Uzbekistan as well as six visits at the level of the President of Uzbekistan to Ukraine, there is great untapped potential in the bilateral relations.

At the end of 2020, our trade turnover totalled \$437.9 million and, of course, we have to increase it to at least \$1 billion in the forthcoming years.

This task is of comprehensive, but realistic, character. It is gratifying that we are seeing the same aspiration of our Ukrainian partners. Accordingly, the consolidation of the two countries' efforts will accelerate our movement towards the task at hand.

Today, we have to resume routine air services, maintain our intergovernmental and B2B contacts on a regular basis, and, most importantly, bring people's diplomacy back to the agenda.

The month of May this year was seminal for Uzbek-Ukrainian relations, which saw two momentous offline events in the city of Tashkent that, in my opinion, gave special impetus to our dialogue. We are talking about the new round of political consultations between the Foreign Ministries of Uzbekistan and Ukraine. The delegations of the sides were led by Farkhod Arziyev, First Deputy Minister of Foreign Affairs of Uzbekistan, and Yevhen Yenin, Deputy Minister for Foreign Affairs of Ukraine.

No less important, from my standpoint, has been the holding of the first meeting of the Uzbek-Ukrainian Business Council and a business forum among representatives of the two countries' entrepreneurs.

The event has been attended by more than 100 companies and firms from both sides.

During the forum, there have been signed a roadmap on cooperation between the Trade and Industry Chambers of Uzbekistan and Ukraine as well as agreements on cooperation between territorial offices of the chambers.

The prevailing institutionalisation of the bilateral relations allows lifting existing barriers and overcoming differences at an adequate level, thus significantly intensifying the bilateral dialogue.

As for important tasks, I deem it necessary to organise this year the 8th meeting of the Joint Ukrainian-Uzbek Commission on Comprehensive Cooperation as well as resume regular air services.

It should be noted that our economies are of mutually reinforcing character, thus allowing us to safely talk about cooperation, not rivalry.

Nowadays, we import from Ukraine pharmaceuticals, vehicles and equipment, food commodities (sunflower oil, sugar, meat), heifers, compound feed-stuff, while our main export items include textile, copper, zinc, automobiles, electronics, and agricultural products.

I am deeply convinced that Uzbekistan can be attractive for Ukrainian producers not only as a sales market but also as a regional hub for further entry into the Central Asian countries, including Afghanistan.

In turn, we consider Ukraine to be a point of entry into Eastern European markets. For this purpose, we negotiate with Ukrainian entrepreneurs and undertake field trips to regions to shape conditions for future forms of cooperation.

– Tashkent and Kyiv are twin cities. What are the prospects for cooperation between Ukrainian regions and Uzbek viloyats and what is the role of the embassy in developing cooperation between the cities?

– Thank you for the interesting question. I see a distinct potential in the development of interregional cooperation. It is encouraging that today the geography of fraternal ties between Uzbekistan and Ukraine is quite broad.

Specifically, since 1998, our capitals have been twin cities. Besides, other twin cities include Lviv and Samarkand, Yuzhne and Uchquduq, and, starting from this year, Khmelnytskyi and Namangan.

Interregional cooperation has been established between Zaporizhzhia and Navoiy Regions, Lviv and Samarkand Regions, Sumy and Qashqadaryo Regions, Khmelnytskyi and Namangan Regions. This year we also plan to launch interregional cooperation between Odesa and Bukhara Regions.

I also consider it important to give substance to the interregional dialogue, with particular emphasis on the economic dimension. It is pragmatic trade and economic contacts that will become the driving force of cultural and humanitarian cooperation, which is also budding.

It is nice to see that my colleague, Mykola Doroshenko, Ambassador Extraordinary and Plenipotentiary of Ukraine to Uzbekistan, shares this vision. We hold regular consultations on one simple question: How to bring our sisterly countries even closer together?

– A number of Ukrainian entrepreneurs have recently noted the favourable investment conditions generated in Uzbekistan. In particular, the other day F. Zhebrovskaia, the owner of one of Ukraine's biggest pharmaceutical companies Farmak, announced investment plans to build a new pharmaceutical factory valued at \$25 million. Are there any other investment projects? Could you please tell us what attracts Ukrainian investors to Uzbekistan.

– As indicated above, nowadays the republic has created most comfortable conditions for foreign investors, regulations are being adopted to protect their

interests and resolve emerging problems as soon as possible, benefits and preferences are granted to potential foreign investors.

Whereas Uzbekistan itself is a market of 35 million people, if one considers adjacent countries, it becomes part of a sales market with 100 million customers, thus renewing the strategy of expansion for our Ukrainian partners.

Presently, the republic sees successful activities of PlazmaTech (production of electrodes) and Zakaz.ua, a Ukrainian delivery service, which entered into our market last year. In addition, large Ukrainian pharmaceutical companies Farmak and Lekhim have successfully embarked on their projects for the construction of their own plants.

As for new projects, I would also like to mention a joint enterprise established in April this year between Zaporizhzhia Mechanical Plant and the Uzbek firm O'ztemiryo'lmashta'mir, which will be specialised in repairing and producing equipment for the needs of the railway sector.

There are also a number of other projects currently in the pipeline, which we will discuss when their initiators deem it necessary to unveil their plans.

I am sure that the tendency towards the intensification of investment cooperation will be reinforced and we will see a great number of Ukrainian brands on the Uzbek market in the forthcoming years.