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FACT SHEET

EU-Uzbekistan relations

A historical glance

Relations between the European Union and the Republic of Uzbekistan have been developing steadily since its independence in 1991. The signature of the **Partnership and Cooperation Agreement** (PCA) in 1996 paved the way for a broader bilateral relationship. Political dialogue; trade in goods; business and investment; intellectual, industrial and commercial property protection; legislative cooperation; economic cooperation; cooperation on matters related to democracy and human rights; cooperation on prevention of illegal activities and the prevention and control of illegal immigration; cultural cooperation and financial cooperation in the field of technical assistance are all covered in the PCA. Since 2007, the EU and Uzbekistan have held annual Human Rights Dialogues in Brussels and Tashkent alternatively. A regional dimension to the EU's relations with Uzbekistan exists through the **EU and Central Asia Strategy for a New Partnership**, which outlines the overall cooperation objectives, policy responses and priority fields for the EU's engagement in Central Asia.

Since January 2011, when the President of Uzbekistan Islam Karimov visited Brussels, bilateral relations between the EU and Uzbekistan have developed significantly. During the visit a Memorandum of Understanding on cooperation in the field of energy was signed and an agreement was reached, establishing an **EU diplomatic representation in Tashkent**. Several high level visits, including by the former EU High Representative Catherine Ashton and by the EU Special Representative for Central Asia have since taken place.

The most recent review of the 2007 EU Strategy for Central Asia by the EU Foreign Affairs Council took place on 22 June 2015, welcoming the significant progress achieved in bilateral

FOR FURTHER DETAILS:

Maja Kocijancic +32 498 984 425 - +32 2 298 65 70 - Maja.Kocijancic@ec.europa.eu @MajaEUspox
Adam Kaznowski +32 2 29 89359- +32 460 768 088 - Adam.Kaznowski@ec.europa.eu
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relations with each country and the region in general and highlighting the significant mutual interest in increased political and economic cooperation. While the main objectives and priority areas of Strategy remain pertinent, the 2015 review called for a stronger role for the EU in promoting a **reliable and attractive investment climate** in Central Asia as a way of stimulating the development of stronger trade and energy links between the EU and the five countries. Simultaneously, the conclusions reiterate the EU's determination to further develop security dialogues with Central Asian countries and to further enhance its efforts to address the serious challenges of governance and human rights in the region.

Political, trade and economic relations

The EU-Uzbekistan PCA is implemented and monitored by several institutions, which serve as important formats for dialogue on different issues:

- The Cooperation Council
- The Cooperation Committee
- Cooperation Sub-committees on Justice and Home Affairs, Human Rights and related issues, and on Trade, Economic and Investment Issues
- The Parliamentary Cooperation Committee

Regarding bilateral trade and economic relations, the PCA provides for the EU and Uzbekistan to grant each other most-favored-nation treatment with respect to:

- Custom duties and charges applied to imports and exports;
- Direct and indirect taxes applied to imported goods; and
- Rules relating to the sale, purchase, transport, distribution and use of goods on the domestic market.

The PCA also provides for the removal of all quantitative restrictions on trade between the EU and Uzbekistan, with provisions to protect domestic producers in cases where they may be harmed by imports. In addition, the PCA provides for economic cooperation with a view to ensuring that Uzbekistan's international trade is conducted in conformity with the rules of the WTO.

Uzbekistan benefits from the EU's Generalised System of Preferences (GSP) — an autonomous trade arrangement whereby the EU provides a non-reciprocal preferential access to the EU market to developing countries. The GSP, designed to contribute to the growth of economies in developing countries, ensures that exporters from these countries pay lower or no duties on some or all of what products that they sell to the EU.

Development cooperation

The EU's development cooperation with Uzbekistan and other countries in Central Asia is based on a multi-annual regional cooperation strategy which takes the situation and needs of each country into account.

EU financial resources for co-operation with Central Asia (which amounted to EUR 750min 2007-2013 and increased by 56% to EUR 1.07 billion in 2014-2020) are complemented by the assistance provided by a number of Member States.

In Uzbekistan, EU cooperation focuses primarily on:

- Rural development
- Rule of law, good governance, democratization and human rights
- Human and social development
- Energy, environment, fight against drug trafficking and border management in the framework of our regional cooperation with Central Asia

The EU makes use of the Development Cooperation Instrument (DCI) as well as of several important thematic programmes, including the Instrument for Stability, the European Instrument for Democracy and Human Rights, the Non-State Actor programme. Thematic cooperation also covers human and social development, sustainable management of natural resources, nuclear safety, and migration and asylum. Uzbekistan is also eligible for the Investment Facility for Central Asia (IFCA), which was launched in 2010 to blend EU development assistance with loans from European financial institutions for the 5 countries in Central Asia. The country also benefits from the Institutional Building and Partnership Program (IBPP)

Central Asia is a region particularly prone to natural hazards, including earthquakes, floods and landslides. Improving the capacity of national institutions and local communities to prepare for and respond to disaster is a priority for **EU humanitarian action** in the region. Under its current Disaster Preparedness Programme, the Commission is funding community-based initiatives to increase the resilience of the population to recurrent disaster. Between 1994-2015 EU humanitarian funding to Central Asia has been in excess of **EUR 222 million**.