



Uzbekistan and the EU

Overview of political and economic relations between Uzbekistan and the European Union (EU).

Political relations

The EU and Uzbekistan have steadily strengthened their relations since the country's independence in 1991. The relationship is based on the 1996 [Partnership and Cooperation Agreement \(PCA\)](#), which extended cooperation from development to political affairs, trade and economics. The EU opened its diplomatic representation in Tashkent in 2011.

Under the PCA, the EU and Uzbekistan hold regular political meetings and cooperate on trade, investment, intellectual property, legislation, human rights, culture, development and the fight against illegal immigration. There are a number of other agreements complementing relations between the EU and Uzbekistan, notably the [Memorandum of Understanding](#) on cooperation in the field of energy.

The PCA provides for several institutions, made up of European and Uzbek officials, to ensure implementation and monitoring:

- The Cooperation Council of ministerial level meets once a year in Brussels and supervises implementation.
- The Cooperation Committee of senior officials meets once a year either in Brussels or Tashkent and assists the Council.
- Two Cooperation Subcommittees of experts provide technical assistance, meeting once a year in Brussels or Tashkent. These are the subcommittees for Justice and Home Affairs, Human Rights and related issues (JHA Subcommittee) and Trade, Investment, Energy and Transport (TIET Subcommittee).
- The Parliamentary Cooperation Committee of members of the Uzbek Parliament and the European Parliament maintain political relations by meeting once a year in Brussels.

EU-Uzbek relations exist in the wider context of the [European partnership with Central Asian countries](#) . This includes regular political and human rights dialogues, as well as cooperation on numerous issues such as education, the rule of law and sustainable

development.

Economic relations

The EU provides millions of euros of financial assistance to Uzbekistan every year, primarily aimed at promoting economic development. Recent and ongoing EU projects in Uzbekistan have focused on the rule of law and criminal justice reform, social services — in particular mother and child health and inclusive education — rural development, civil society and small and medium-sized enterprises (SMEs).

For the period 2014-2020, financial aid for Uzbekistan amounts to €168 million, which represents a 124 % increase compared to the 2007-2013 period. Under the [Multi-Annual Indicative Programme](#), EU development assistance for Uzbekistan between 2014 and 2020 is concentrated on rural development. Goals include poverty reduction and wealth creation in rural communities, the improvement of quality of life, living standards and food security of people residing in isolated or sparsely populated areas, and the protection of natural resources.

This rural aid goes beyond the traditional focus on agriculture as it supports income- and employment-generating investments in village infrastructure, local cooperatives, family farms and micro and small-sized enterprises. Rural development interventions may also include sustainable energy, improvement of water, sanitation and irrigation systems in rural areas and measures to increase resilience to climate change and natural or man-made disasters.

In addition to bilateral aid, Uzbekistan can also benefit from [EU regional cooperation programmes with Central Asia](#). Regional projects for Central Asia support border management reform, the fight against drug trafficking, energy efficiency and renewables and regional cooperation in areas such as the rule of law, environment and education. The Investment Facility for Central Asia (IFCA), which was launched in 2010 to combine EU development assistance with loans from European and international financial institutions for the five countries in Central Asia, provided €145 million between 2010 and 2015.

Uzbekistan can also benefit from the EU's various thematic cooperation programmes covering issues such as [human and social development \(Investing in people\)](#), [energy](#), the [environment](#), [migration and asylum](#), [stability and peace](#), and [democracy and human rights](#).

Trade relations

Bilateral trade relations between the EU and Uzbekistan are governed by the Partnership and Cooperation Agreement (PCA). The agreement provides for the EU and

Uzbekistan to grant each other most-favoured-nation treatment concerning:

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

The Agreement provides for removal of all quantitative restrictions on trade between the EU and Uzbekistan but also allows for the possibility of agreement over measures to protect domestic producers in cases where they may be harmed by imports. In addition, the PCA provides for economic cooperation to ensure Uzbekistan's international trade respects the rules of the World Trade Organisation (WTO).

Uzbekistan benefits from the EU's [Generalised System of Preferences \(GSP\)](#), which grants developing countries non-reciprocal access to the European market. The GSP is designed to encourage growth in developing countries and ensures that exporters from these countries pay lower or no duties on some or all of the products they sell to the EU.

In 2015, [trade between the EU and Uzbekistan](#) was worth around €1.8 billion.

Documents

[Partnership and Cooperation Agreement \(PCA\)](#)

[Regional Central Asia: Multiannual Indicative Programme](#)

[Uzbekistan: Multiannual Indicative Programme](#)

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