

#### **EU-Uzbekistan** relations

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Factsheets

#### Looking back

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. EU relations with Uzbekistan are embedded in 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 late President of Uzbekistan 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 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 the 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 Council Conclusions reiterate the EU's determination to further develop security dialogues with the 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 today

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 <u>EU Generalised System of Preferences (GSP)</u> – an autonomous trade arrangement whereby the EU provides 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 the 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 adapted to the situation and needs of each country.

The Government of Uzbekistan embarked upon a structural reform aiming at transforming a Soviet-style economy based on cotton and its primary processing to an industrial and agroindustrial economy. The EU Multiannual Indicative Programme 2014-2020 supports this development policy shift - it earmarks €168 million for support to Rural Development in four subsectors: [i] diversification/productivity; [ii] sustainable management of natural resources and ecosystems; [iii] employment and income generation; [iv] enhancement of socioeconomic living standards of the most vulnerable groups in rural areas.

This allocation under the **EU Development Cooperation Instrument (DCI) is complemented by several thematic programmes**, including the Instrument for Stability, the European Instrument for Democracy and Human Rights, the Non-State Actor programme, as well as assistance provided by a number of EU Member States. 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)**.

The Central Asia region is 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 **€222 million**.

# Case Study: EU support to Improvement of Mother and Child Health Services in Uzbekistan

According to 2010 WHO data, around 49% of maternal deaths in Uzbekistan are directly related to obstetric factors or to the management of complications. In the context of the high proportion of deliveries attended by qualified medical personnel, this suggests there is room for the further improvement in facility based practices. In response to this challenge the European Development Cooperation Instrument (DCI) funded between 2012 and 2015 the Improvement of Mother and Child Health Services in Uzbekistan, phase II programme (€4.9 million) implemented by the Ministry of Health and the UNICEF Country Office.

Up to date, over 17,000 health care professionals, including over 865 national and local trainers enhanced their knowledge on new-born and child survival packages. The average rate of mothers and caregivers recognizing the danger signs of childhood illnesses improved from 31 to 52%. The Uzbek Mother and Child Health Coordination Council is a viable platform promoting better coordination of the sector activities between involved partners and contributing to the system level changes and sustainability of the interventions.

Dilfuza Joldosova, nurse at the Neonatal Intensive Care Unit: "Together with my colleagues, I attended several training courses on new-born and child survival topics. Due to the availability of training equipment, we refreshed our skills regarding life-saving interventions, such as lung ventilation and intubation."

### Graphics



€168 mn to support rural development in 2014-2020:



diversified and increased productivity



sustainability of natural resources and ecosystems



employment and income generation



improved living standards in rural areas

€4.9 mn to improve mother and child health services allocated in 2012-2015:



17,000 health care professionals trained



rate of mothers recognizing the danger signs of childhood illnesses improved from 31% to 52%

The EU also allocates €360 mn for regional cooperation projects in Central Asia for 2014-2020

Author

#### **EEAS press team - Contacts**

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