

## **Uzbekistan and the UAE Have all the Prerequisites for Bringing Relations to the Level of Strategic Partnership**

**Kadirov Alisher Kadirovich**

*Independent Researcher of TSUO*

**Abstract:** This article explores the potential for developing a strategic partnership between Uzbekistan and the UAE. The author analyzes and describes the existing prerequisites and factors that contribute to strengthening relations between the two countries. The article covers such aspects as economic cooperation, trade, investment and cooperation in the field of tourism. The authors come to the conclusion that Uzbekistan and the UAE have very promising opportunities for establishing a strategic partnership, which could bring mutual benefit and contribute to the development of both countries.

**Keywords:** Uzbekistan, UAE, strategic partnership, prerequisites and factors, strengthening relations, economic cooperation, trade, investment, cooperation in the field of tourism, promising opportunities.

It should be noted that Uzbekistan and the Middle East are united by geographical proximity, common historical, cultural and spiritual values. In recent years, there has been a process of intensification and expansion of cooperation between our country and many Arab states. Among them, the United Arab Emirates stands out, which is considered as one of Uzbekistan's key partners in the region.

The traditionally high level of political trust between the countries and the friendly nature of relations laid a solid foundation for establishing mutually beneficial cooperation even at the time of Uzbekistan's independence. In October 2022, the countries celebrated the 30th anniversary of the establishment of diplomatic relations.

Relations between Tashkent and Abu Dhabi, based on the principles of trust and mutual consideration of interests, are developing along an upward trajectory. They have gained the greatest development dynamics since 2017. Since this time, the Uzbek-Emirati partnership has risen to a qualitatively new level. This is largely facilitated by the intensity of political contacts at the highest and highest levels.

President Shavkat Mirziyoyev visited the UAE twice - in March 2019 and May 2022. The leaders of the two states hold bilateral meetings as part of their visits to multilateral forums, and constantly maintain a bilateral dialogue by telephone. Inter-parliamentary interaction has been established, meetings of the intergovernmental commission on cooperation and political consultations are being held between the foreign ministries of the two countries.

Currently, the UAE, thanks to the implementation of a far-sighted foreign policy, large-scale reforms in the economy and social sphere, has become associated not only with a country with large reserves of energy resources, but also with a rapidly developing modern tourism, transport, logistics and manufacturing hub in the Middle East. Abu Dhabi has made excellent progress in diversifying its economy and reducing its dependence on oil.

The country's nominal GDP in 2021 was over US\$409 billion. As of 2022, the UAE is ranked 1st in the Global Entrepreneurship Index. Dubai and Abu Dhabi are recognized as leading cities for global business thanks to investments in governance and economic well-being.

It should be noted that in the DoingBusiness global competitiveness ranking, the country ranks 1st in the region and 11th among 190 economies in the world.

In 2021, the UAE authorities announced a long-term development plan for the country until 2071, which provides for a transition to a more flexible form of government, stimulation of the development of the social sphere, the launch of projects that increase the competitiveness of vital sectors of the economy, and strengthening the position of the state in the international arena.

In order to timely implement the long-term development strategy, it is planned to create more efficient and integrated models of work for the government and ministries at the federal level.

According to experts, the UAE has economic, scientific, educational and technological resources to achieve the goals of the new development strategy for the next period. This is due to the following factors.

Firstly, the government's active and systematic work to diversify the national economy. Today, more than 70% of the UAE federal government's revenue comes from non-oil sectors, which is the first sign of the success of the strategy in this area.

According to the IMF rating, the UAE economy is the most competitive in the Arab world. The country received high praise for the efficiency of government, business and infrastructure development. At the same time, the Emirati authorities plan to double the volume of the national economy by 2030 - from 1.5 to 3 trillion dirhams (from 409 to 822 billion dollars).

Secondly, investing in human development and education. The UAE is ranked 1st in the Arab world and the Gulf region in the UNDP Human Development Index, a composite measure of long-term progress across 3 core dimensions of human development: long and healthy lives, access to knowledge, and a decent standard of living.

The Emirates strives to develop the scientific environment. There are dozens of universities in the country, including branches of more than 30 foreign education centers. Special "knowledge villages" and academic towns, free zones for the development of human resources are being created, where universities and science centers are concentrated with the possibility of 100% participation of foreign capital.

Thirdly, the transformation of the digitalization strategy into one of the promising areas of public policy.

First and foremost, the UAE government is committed to achieving a fully fledged paperless government.

Abu Dhabi manages to attract huge investments in the development of ICT and successful startups. Almost all major IT companies have representative offices in the UAE. The country was ranked highest among Arab countries by the Swiss research company StartupBlink.

Factors such as location and entrepreneurial ecosystem, improving quality of life and innovation, and attracting talent were paramount to the success of startups.

At the same time, the Emirati authorities also approved a strategy for the development of the digital economy, which provides for doubling its contribution to GDP from 9.7% to 19.4% over the next 10 years. This will allow them to remain at the forefront among the countries of the Middle East and North Africa.

For Uzbekistan, close interaction with a country with such achievements opens up broad political and economic opportunities in many directions and creates favorable conditions for the consistent expansion of Tashkent's foreign policy and foreign economic relations, especially with the Arab-Muslim world.

Taking into account that the UAE has wide investment opportunities, experience in the effective implementation of advanced technologies, and the implementation of large-scale investment projects that have ensured the formation of a diversified and sustainable economy, Uzbek-UAE cooperation is already developing in many key areas.

Thus, if we consider the development of the trade and economic sphere, then during the period from January to September of this year, the volume of mutual trade increased by 40% compared to last year and amounted to \$227.1 million. Of these, in January-September, exports amounted to \$13.5 million, imports amounted to \$213.6 million.

There are 185 enterprises in the country with the participation of Emirati capital (104 foreign and 81 joint ventures), of which 45 were created this year.

There is a high dynamics of increasing the volume of Emirati investments attracted to the economy of Uzbekistan. In 2021, Masdar commissioned the first solar power plant in Uzbekistan, and is currently the winner of tenders for the construction of three new solar photovoltaic power plants: Sherabad FPP with a capacity of 457 MW, Samarkand FPP with a capacity of 220 MW, and Jizzakh FPP with a capacity of 220 MW. The total portfolio of Masdar projects in Uzbekistan currently amounts to more than \$2 billion, the total generating capacity of power plants under construction is 2.5 GW.

In partnership with the Mubadala company, a project is being implemented to expand the capacity of the Talimarjan Thermal Power Plant.

Today, with the leading company DP World, issues of developing the activities of the multimodal hub and the Navoi economic zone and modernizing the customs administration system are being worked out.

In addition, a number of large projects are being implemented in the field of agriculture, healthcare, logistics, digitalization and other areas.

The Uzbek-Emirates Investment Company, created with the support of the Abu Dhabi Development Fund, is operating successfully. Since the start of its activities, it has attracted about \$100 million to implement joint investment projects in Uzbekistan. Programs to support small and medium-sized businesses and projects in the field of education are being implemented.

The company is currently developing a portfolio of 17 promising investment projects totaling about \$400 million in the fields of healthcare, pharmaceuticals, logistics, tourism, agriculture and the food industry.

Direct interaction has been established between the Ministry of Food and Water Security of the UAE and the Ministry of Agriculture of Uzbekistan to explore the possibilities of implementing joint programs and projects in agriculture and the food industry.

An agreement is being implemented with the UAE government on large-scale cooperation in the field of improving the efficiency of public administration, developing long-term development strategies, introducing innovations in the activities of government bodies, improving the quality of education and training of personnel with modern, in-demand specialties, and developing tourism and logistics infrastructure.

In the field of increasing the efficiency of public administration and implementing the corresponding “road maps” in 25 areas, 147 joint events have been held over the past 3 years, as a result of which more than 2 thousand civil servants of Uzbekistan have undergone specialized training with a total duration of 34 thousand hours.

This year, the parties agreed to extend the above-mentioned framework agreement for three years. Interaction in the field of innovation and artificial intelligence, deepening the dialogue on reforming key industries and further improving public administration, and training modern personnel were identified as new areas of partnership.

Also launched in Uzbekistan in 2019, the “One Million Programmers” project has already reached more than 70 thousand people, many of whom have received appropriate qualification certificates. This project is one of the key initiatives within the framework of bilateral cooperation to stimulate the development of information and communication technologies in Uzbekistan. Its implementation in parallel makes it possible to resolve issues of qualifications and employment of young people.

Thus, in recent years, very favorable preconditions have been created, enabling Tashkent and Abu Dhabi to bring bilateral relations to the level of strategic partnership. This may be facilitated by the following:

- carrying out large-scale programs in countries to transform socio-economic development. Thus, today Uzbekistan, under the leadership of President Shavkat Mirziyoyev, has moved to a new stage of reforms based on the principle “From an action strategy to a development strategy.” In this regard, the Development Strategy of New Uzbekistan for 2022 - 2026 was adopted, which includes areas of work for further modernization of the economy, strengthening its competitiveness, attracting foreign investment and progressively increasing the level of well-being of the population.

In turn, the UAE has begun implementing a long-term development program aimed at diversifying economic ties, attracting additional foreign investment, developing new markets, developing the country’s scientific, technological, production and export potential;

- implementation of large trans-regional transport and communication projects in Central Asia, which open up great prospects for the development of trade and economic interaction. In this regard, the construction of the Trans-Afghan transport corridor and the China-Kyrgyzstan-Uzbekistan railway are the most important.

Such a prospect, coupled with the plans of the Uzbek side to join the World Trade Organization in the future, will significantly intensify the dynamics of trade and economic exchanges between the two states;

- accelerated introduction of digital technologies in the economy. The new Uzbekistan is rapidly moving towards digitalization of the economy. The “Digital Uzbekistan-2030” strategy has been developed and is being implemented, within the framework of which the share of the digital economy in the country’s GDP is planned to double by 2023.

Such plans of our country make the UAE a natural partner in this area. The Emirates are already among the states that are ahead of most countries in the world in introducing the principles of the digital economy;

- the focus of states on developing the tourism industry as a priority. Both countries have the highest potential for interaction in the field of tourism. Thanks to its developed infrastructure and high level of service, the UAE is one of the world's most popular tourist destinations. In terms of the volume of outbound tourist trips, the number of which is about 3.5 million people annually, the country occupies one of the leading places in the region.

Uzbekistan, which has a rich cultural and historical heritage, favorable climatic conditions and internal stability, is a promising tourist destination for the population of the UAE, primarily due to the opportunity to travel to the country with zierat tourism. The increase in tourist flow from the UAE and other Gulf countries will be facilitated by the decision to cancel entry visas for citizens of these countries to Uzbekistan.

In this regard, it can be confidently noted that Tashkent and Abu Dhabi are long-term partners whose interests coincide in most areas of interaction. The Parties are implementing national development strategies of a mutually complementary nature. There is a high level of bilateral relations, including regular dialogue at the highest level.

All this, against the backdrop of the transformation of the modern system of international relations, the emerging new model of global economy and trade, will undoubtedly contribute to

the further rapprochement of Uzbekistan and the UAE, building even closer interstate relations for the benefit of the interests of the peoples of our countries.

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