

# Uzbekistan independence day/world

## Twenty years of dynamic growth and prosperity

This year, the people of Uzbekistan widely celebrate the 20th anniversary of independence. Over the past years of independence, Uzbekistan has made significant progress in all spheres of life and achieved great successes, which are the results of the wise policy of H.E. President of the Republic of Uzbekistan Islam Karimov.

The essence and substance of the model of development, which was elaborated and is being put into practice today, is to drastically change and renew the state and constitutional order; implement political, economic and social reforms based on the de-ideologization of the economy and its priority over politics, giving the state the role of a major reformer (i.e., the functions of an initiator and coordinator of reforms); ensuring the rule of law; providing strong social policy; and implementing the reforms on a gradual basis.

Uzbekistan attaches great importance to the comprehensive development of civil society, efficient interaction of the legislative and executive authorities, judicial and legal reforms, economic reforms, as well as the training of professionals capable of making their own contributions to the practical implementation of the initiated reforms.

This way of development, and further implementation of democratic and economic reforms, will surely serve the progressive development of Uzbekistan.

Thanks to measures taken under the leadership of President Karimov, Uzbekistan's gross domestic product (GDP) in less than 20 years of independent development grew by 3.5 times and per capita ratio by 2.5 times. Real income of the people increased by 3.8 times while the state expenses for social security of the population grew by five times, which resulted in a significant improvement of living standards.

Over the last few years the economy of Uzbekistan has grown by a yearly rate of between 7 and 9 percent. According to the results from 2010, the growth of GDP in Uzbekistan reached 8.5 percent, which is one of the highest rates in the world. The capacity of commercial production has increased to 8.3 percent, agricultural production to 6.8 percent, services to 13.4 percent and construction to 9 percent. The state budget has been implemented with a proficiency of 0.3 percent to GDP.

The export capacity has increased to 10.8 percent. In 2010, capital investments development increased to 13.6 percent, and including direct investments and credits to 10.5 percent. Uzbekistan has become a full member of more than 30 international economic and financial organizations. Uzbekistan has established trade and economic relations with more than 180 countries and exports products to 170 countries. Uzbekistan has concluded agreements on the liber-



President of the Republic of Uzbekistan H.E. Islam Karimov

alization, encouragement and protection of investments that provide full protection and safety of investments with 50 countries. The country also has agreements on most favored nation treatment with 45 countries.

As a whole, due to a favorable investment environment created for foreign and local investors, the total investment in the Uzbek economy has exceeded \$100 billion during the years of independence, and from the total, over \$35 billion are funds from foreign investors.

As a result of implementing the state program "Year of small business and private entrepreneurship," approved by the president, and other acts of legislation, through only the first half of 2011 more than 22,800 small business entities were registered. Subjects of small business and private entrepreneurship created 331,200 new jobs. The industrial production volume of small businesses increased by 20.4 percent, while exports and sales of products through exchanges grew 1.5 times.

From all advantages, the key factors of success in business in Uzbekistan are a rich raw materials base, advantageous geographical location in the center of the largest regional markets, transportation and logistics systems integrated into overland and air routes, lines of communication of international significance, a diversified industrial base, and scientific and intellectual human resource potential.

Unprecedented tax incentives are created for enterprises engaged in production activities in the territory of the newly created Free Industrial Economic Zone (FIEZ) in the Navoi region. The benefits in the zone, created on the initiative of President Karimov, include the exemption of all taxes and customs in the territory of the republic, making the FIEZ in the Navoi region one of the most liberal and attractive such zones in the world. Proximity to vast product markets and the developed transportation infrastructure of Uz-

bekistan, integrated into the multimodal communication system of Eurasia, determine promising investment, trade and economic cooperation. Foreign companies, investing in Uzbekistan, get an opportunity to enter the five largest and most dynamically growing markets of the Commonwealth of Independent States (CIS) countries, with more than 300 million people: Central and Eastern Europe, South and Southeast Asia, and the Middle East.

During independence, mutually beneficial cooperation between Uzbekistan and Japan in all areas has been lifted up to the level of strategic partnership. In January 2012, Uzbekistan and Japan will celebrate the 20th year since the establishment of diplomatic relations. Uzbekistan and Japan in 2002 signed a Joint Statement on Friendship, Strategic Partnership and Cooperation in Tokyo, a logical outcome of the expanding bilateral interactions.

The political dialogue received an additional boost during the then Prime Minister Junichiro Koizumi's official visit to Uzbekistan in August 2006. In May 2010, within the 43rd Annual Meeting of the Board of Governors of the Asian Development Bank in Tashkent, President Karimov met with the Japanese delegation headed by the then Deputy Prime Minister Naoto Kan.

During the official visit from Feb. 8-10, 2011, President Karimov met with His Imperial Majesty Emperor Akihito, Prime Minister Kan, speakers of the upper and lower houses of the Diet, Takeo Nishioka and Takahiro Yokomichi, Minister of Foreign Affairs Seiji Maehara, and the leaders and members of parliamentary groups of friendship, the DPJ-Uzbekistan and LDP-Uzbekistan.

During the talks, the sides carried out an extensive and productive dialogue on the current state and prospects of relations between Uzbekistan and Japan in a wide array of cooper-

ation areas. President Karimov and Prime Minister Kan signed a joint statement, which reflected an assessment of the current state and prospects of Uzbek-Japanese relations, as well as common approaches to cooperation in the international arena. The sides noted that the reached agreements and penned documents could reinforce a robust foundation for multifaceted cooperation and create an enabling environment for reliable extensive development of strategic partnership at a higher level.

In connection with the massive natural disaster in Japan, President Karimov on March 11 expressed his sincere condolences to the government and people of Japan, noting that Uzbekistan shared the pain and sorrow for the dead. The government of Uzbekistan decided to send humanitarian aid to the people of Japan, much of which was delivered to Fukushima Prefecture as the most affected by the natural and nuclear disaster. Prime Minister Kan and Fukushima Gov. Yuhei Sato expressed gratitude to President Karimov and the Uzbek people for the condolences and humanitarian assistance provided by Uzbekistan to the residents of this region of Japan, the victims of the devastating disaster of March 11.

The two nations have worked out a constructive cooperation within the framework of international organizations and institutions. Uzbekistan is consistently supportive of Japan's aspiration for a permanent seat on the United Nations Security Council. The two sides have been vigorous in bolstering multilateral contacts within the Central Asia plus Japan dialogue format.

Most pressing in the development of the strategic partnership between the two countries is the trade, economic and investment domain. Today, Japan is one of the major investors in the Uzbek economy. The volume of Japanese financial enclosures assigned for the execution of priority projects in the hydrocarbon industry, transport, telecommunications, health care, agriculture and other sectors has totaled \$2.3 billion. Major infrastructure projects have been implemented with the participation of leading Uzbek-Japanese companies. A joint venture manufacturing buses and trucks in Samarkand in cooperation with Isuzu and Itochu corporations, as well as a Sumitomo-owned telecommunications services company, have been successfully operating in Uzbekistan.

The intergovernmental agreement on liberalization, mutual protection and encouragement of investments, in force since Sept. 24, 2009, facilitates the growing interest of Japanese companies to Uzbekistan and setting up of persistent bonds with Uzbek partners in the realization of joint, longer-range investment projects.

The Japan International Cooperation Agency (JICA) and Japan External Trade Organization (JETRO) operate in Uzbekistan through their representative offices in Tashkent.

In its due contribution to

training highly qualified specialists, the Uzbek-Japanese Center in Tashkent bases its syllabuses on Japan's experience of economic progress. Founded in 1994, Uzbek-Japanese and Japanese-Uzbek committees on economic cooperation have been rather instrumental in enlarging trade and economic ties.

The Japanese partners have stressed Uzbekistan's key role in ensuring security, stability and sustainable development in the region. Tokyo supports the efforts of the Republic of Uzbekistan in addressing regional issues, including the use of water resources in the Central Asia region based on universally recognized principles of international law with regard to the interests of the region's states. Uzbekistan and Japan also have made an important contribution to the socioeconomic development of Afghanistan, stabilizing that country.

Along with that, the enhancement of cultural and humanitarian, as well as scientific and academic, exchanges between Uzbekistan and Japan is one of the key aspects of cooperation.

The organizing of two international Uzbek-Japan scientific symposiums — "Ancient Civilization and Religion in Uzbekistan: In Search of the Origins of Japanese Culture" in Tokyo and Nara in 2010, dedicated to the 1,300th anniversary of the establishment of the city of Nara, the southern point of the Silk Road; and the September 2010 Uzbek-Japan Academic Forum held at Nagoya University — has drawn a wide response in Japan. It is necessary to note that the Uzbek students in Japanese universities are making a worthy contribution to strengthening the friendship between the two countries. This October, a second Uzbek-Japan Academic Forum is planned at Tsukuba University in Ibaraki Prefecture.

Public friendship organizations in Japan, such as the Japan-Uzbekistan, Fukushima-Uzbekistan, Fukuoka-Uzbekistan, Central Eurasian Club-Gunma, Date-Uzbekistan and Nara-Uzbekistan, are making valuable contributions in developing cultural cooperation between the two countries through active promotion of the ancient, historical and rich cultural heritage of Uzbekistan. Historic ancient cities — Samarkand, Bukhara, Khiva, Shakhrisabz and Tashkent — centers of the Silk Road, are attracting the interest of foreign tourists. Uzbekistan Airways has direct regular flights twice a week between Narita airport and Tashkent, contributing to the rise in Japanese tourists to Uzbekistan.

In conclusion, one could say that initiatives put forward by President Karimov open a new phase in the implementation of political, democratic, economic and legal reforms in Uzbekistan and further the close, friendly relations between the Uzbek and Japanese people, which serves to develop the strategic partnership between Uzbekistan and Japan.

*Text provided by the Embassy of Uzbekistan*



Crossroads: The Registan complex stands in Samarkand, a UNESCO World Heritage site. EMBASSY OF UZBEKISTAN

**Congratulations  
to the People of  
the Republic of Uzbekistan  
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