

Uzbekistan independence day

On the path of development, prosperity

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AMBASSADOR OF UZBEKISTAN

This year the people of Uzbekistan widely celebrate the 21st anniversary of independence. Over the years, the country has achieved significant progress and sustainable development in all spheres of life.

In his speech at celebrations of the 20th anniversary of independence, the President of the Republic of Uzbekistan H.E. Islam Karimov noted: "Strings of years, entire epochs will pass, but for our nation that has survived much in its millennium-old history, the independence of Uzbekistan that has fundamentally changed our lives and consciousness forever, will remain in the country's history as an event of enormous proportions in the fullest sense, and will never lose its genuine value and essence."

According to the consistent implementation of its own development model, Uzbekistan during the years of independence achieved high economic growth. In the period 1997-2003, the Uzbek economy has developed at a moderate rate of 3.8 to 5.2 percent per year. As a result of the intensifying of economic reforms aimed at creating a favorable business environment, modernization, technical and technological renovation of manufacturing since 2004, the economy provided high and sustainable rates of economic growth of 7 to 9 percent per year. The gross domestic product (GDP) at purchasing power parity in 2011 increased compared to 1990 by 3.6 times, from \$27.1 billion to \$101.4 billion. Creating a favorable business environment, the expansion of investments ensures not only the pace of economic growth, but also important qualitative changes in the structure of the economy.

In 1990, exports exceeded imports by \$79.8 million. In 2010, the trade surplus amounted to \$4.246 billion and in 2011 to \$4.517 billion.

Adopted in 2000-2011 were measures of industrialization, modernization, technical and technological re-equipment industries, the creation of new spheres of industries like the automobile industry, oil and gas, chemical industries, railway machinery construction. Also in the framework of the program on the priorities of industrial development of Uzbekistan for 2011-2015, provided the growth of total industrial production and the share of manufacturing in GDP to 24 percent by 2011.

During this period, foreign trade turnover increased by 31.2 times, including export to 34, import to 27.7 times. Positive balance of trade has increased more than 56.6 times, ensuring the rapid growth of foreign reserves and the stability of the national currency. Macroeconomic stability, intensification of economic and institutional reforms to improve the investment climate in the country contributed to the investment activity and growth in the volume of capital investments in the economy, which in 2011 compared to 1990 increased by more than 12.5 times.

Through the realization of integrated measures in the country



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

for sustainable and dynamic development of the national economy, the consistent increase of the level of life standards, in the first half of 2012, total income grew by 26.1 percent, the share of small business in GDP was 42.6 percent. Small businesses and private entrepreneurship exported goods and services totaling more than \$1 billion, or 14.1 percent more than the same period last year, which also shows the dynamic development of the sector. Moreover, in the first half of this year, 13,000 new business entities, were organized, most of which operate in the manufacturing sector.

A favorable business environment, the concession of a broad system of legal guarantees and privileges for foreign investors and the measures taken to stimulate the activity of the enterprises with foreign investment contributed to a significant increase of foreign direct investment flows into the country.

To further encourage foreign investment, creating favorable conditions for foreign investment and more effective use of a large economic and investment potential of the country by the initiative of President Karimov on Dec. 2, 2008, and April 13, 2012, in the territories of Navoi and Tashkent regions, creating the Free Industrial Economic Zone "Navoi" and Special Industrial Zone "Angren," with concessions under a special legal regime, including unprecedented customs, currency and tax incentives, making FIEZ "Navoi" and SIZ "Angren" some of the most liberal and attractive free economic zones in the world.

Proximity to vast product markets and the developed transport infrastructure of Uzbekistan, 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 countries of the Commonwealth of Independent States and Central and Eastern Europe, South and Southeast Asia, and the Middle East.

During the years of independence, warm and trusted relations established between Uzbekistan and Japan serve to

dolences and humanitarian assistance provided by Uzbekistan to the residents of this region of Japan. It is one of the examples of the development of the Uzbek-Japanese relation in the spirit of strategic partnership.

It is necessary to note that the two nations have worked out a constructive cooperation within the framework of international organizations and institutions. From 1993, Uzbekistan has consistently supported Japan's aspiration for a permanent seat on the U.N. Security Council. Along with this, Uzbekistan actively supports the international initiatives of Japan on the reforming of the United Nations and its structures.

Both sides have been vigorous in bolstering multilateral contacts within the "Central Asia plus Japan" Dialogue format. The third Foreign Ministers' Meeting within the framework of the dialogue with the participation of the Minister of Foreign Affairs Katsuya Okada was held in Tokyo. During the meeting, the priority directions of cooperation in partnership with Japan, in the spheres including, trade and investments, regional security, fighting against extremism and narcotics trafficking, transport and communications, power, health and protection of environment were discussed.

Also, since 2002, political consultations between the Ministries of Foreign Affairs have been held on a regular basis. Rounds of consultations took place in Tashkent in May 2012. The Japanese partners 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 Central Asia based on universally recognized principles of international law with regard to the interests of the region's states. It was stated that Uzbekistan and Japan were making an important contribution to the socioeconomic development of Afghanistan and stabilizing the country.

For the significant contribution to strengthening the friendship, partnership, cooperation and mutual understanding between the people of the countries, the former Ambassador and Diet member Kyoko Nakayama, scientist-archaeologist Kyudzo Kato, first deputy rector of Banking and Finance Academy Toshiharu Kitamura, former rector of Waseda University Takayasu Okushima and former Prime Minister and Diet member Yoshiro Mori were awarded the Dustlik (Friendship) order.

The most pressing in the development of strategic partnership between the two countries is in the trade, economic and investment domain. Today, Japan is one of the major investors into 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

totalled \$2.3 billion, including the government-privileged yen credits worth more than \$1.2 billion, over \$280 million in honorary aid, more than \$110 million in technical assistance, over \$720 million in commercial credits.

Founded in 1994 the Uzbek-Japanese and the Japanese-Uzbek Committees on Economic Cooperation are playing significant roles in developing the trade and economic relations.

Besides, the largest Japanese companies and corporations, including Mitsui and Co., Mitsubishi Corp., Sojitz Corp, Marubeni, Itochu Corp., Isuzu Motors, Sumitomo Corp., etc., are successfully operating in the market of Uzbekistan. One of the vivid examples of cooperation is the production of buses and trucks under the Isuzu brand in the Samarkand Automobile Factory.

In 2011 the trade turnover between the two countries amounted to \$162.7 million. During the period of January-June 2012 bilateral trade amounted to \$58.7 million. Along with this, 11 enterprises with Japanese capital, including one with 100 percent Japanese capital, are operating in Uzbekistan. The main spheres of activity of the noted enterprises are trading, services, transport, tourism and health, engineering, metalworking, light industry. Fourteen offices of Japanese companies, the scope of which includes conducting export-import operations, procurement within investment projects, etc., are accredited in Uzbekistan.

Along with this, the Japan International Cooperation Agency (JICA) and the Japan External Trade Organization (JETRO) are actively working through their offices in Tashkent. The Uzbek-Japanese Center in Tashkent is making its own contribution to the training of highly qualified personnel. The training programs of the center are based on the experience of the economic development of Japan. Specialists of Uzbekistan are taking short-term and medium-term training courses in various fields with JICA.

The cooperation in the cultural, scientific and educational fields is successfully developing, based on the common historical heritage of the Silk Road. The given high level of Uzbek-Japanese cooperation is constantly expanding through intensified cultural dialogue, academic exchange and sporting events. All of this is the basis of public diplomacy that promotes greater understanding between our people, enabling the promotion of tourist potential of both sides.

In this context, the opening of a Japanese garden with the



Modern and traditional: The capital Tashkent, which has changed economically, culturally and architecturally since 1991, is noted for its tree-lined streets, numerous fountains, pleasant parks and new buildings. Hasti Imam complex (right) is one of the ancient religious squares in Tashkent and an important center of Islamic culture in Uzbekistan for more than a thousand years.

EMBASSY OF UZBEKISTAN



planting thousands of "sakura" trees on the territory of Uzexpo-center and setting the Peace Bell in 2003 in the Babur Park of Culture and Rest in Tashkent is quite symptomatic, which symbolizes the contribution of Uzbekistan in strengthening peace and stability in Central Asia. This list of events of cultural and humanitarian cooperation can be continued.

Only in recent years dozens of events of a cultural, scientific and educational nature have been held in Japan. Among them are the Week of Culture and Art of Uzbekistan (June 2012), Second Uzbekistan-Japan Academic Forum with Uzbek and Japanese students, researchers at the University of Tsukuba (Oct. 29-30, 2011), meeting of the presidents of higher-educational institutions of the two countries under the Japanese government's program Global 30 at the University of Nagoya (Nov. 1, 2011), Uzbek-Japan scientific symposiums "Ancient civilizations and religions of Uzbekistan: in search of origins of Japanese culture" in Tokyo and Nara, dedicated to the 1,300th anniversary of the establishment of the city of Nara, the southern point of the Great Silk Road, etc.

Public friendship organizations in Japan, such as Japan-Uzbekistan Airways, with a frequency of twice a week between the Narita airport and the capital city of Tashkent, contributing to the further growth of Japanese tourists to Uzbekistan and from Uzbekistan to Japan.

In conclusion, I would like to emphasize that the high level of the bilateral cooperation in all fields, the warm and closely friendly relations between the people of our countries and the results achieved during this period of cooperation will be a strong basis for further development, expansion and strengthening of the strategic partnership between Uzbekistan and Japan.

Fukuoka-Uzbekistan, Central Eurasia-Gunma, Date-Uzbekistan and Nara-Uzbekistan, are active in the development of cultural and humanitarian cooperation between Uzbekistan and Japan and making a significant contribution to strengthening the dialogue between the two countries.

It is important to note that the ancient historical cities of Samarkand, Bukhara, Khiva, Shakhrisabz, Termez and Tashkent are centers of the Great Silk Road, as well as direct regular flights of Uzbek National Airways Co.'s Uzbekistan Airways, with a fre-

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