

**THE DEVELOPMENT STRATEGY OF THE NEW UZBEKISTAN IS IN THE PROCESS OF IMPLEMENTATION BRINGING FOREIGN ECONOMIC ACTIVITY TO HIGHER PEAKS AND THROUGH THIS ACHIEVING SUSTAINABLE ECONOMIC GROWTH**

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**Abstract:** Measures such as further improvement of foreign economic activity and strengthening the integration of the national economy into international financial processes are of great importance in ensuring sustainable economic growth. The number of government programs adopted as part of the implementation of foreign economic activity in our country, the creation of economic benefits that can meet the requirements of competitive and international trade in the country, and the effective organization of export of these manufactured products are important tasks facing our country.

**Keywords:** international finance, raw materials, labor resources, society, law, capital, globalization, development, entrepreneurship, sustainable development, economic growth, export operations, tax incentives.

### **Introduction**

As we all know, on September 11, 2023, the decree of the president of the Republic of Uzbekistan on the strategy PD-158 "Uzbekistan-2030" [1] was approved and entered into force on September 12, 1 day after that. Among the important plans that are being planned to be implemented within the framework of this law, the issue of obtaining a place among the ranks of countries whose income is higher than the average through sustainable economic growth is highlighted.

It should be noted that strict steps have been taken in foreign economic activity over the past six years. In particular, in 2019, active changes began in the tax sector, while administrative costs for doing business began to decrease, there were significant changes in the direction of simplifying customs and definition procedures. The measures taken significantly facilitated the possibility of carrying out foreign economic activities.[3] the establishment of a system of joint search for new foreign markets by the government and entrepreneurs also paid off. Thus, in 2019-2022, our country's exports grew by an average of 12 percent per year. In order to support the activities of exporting enterprises, a number of fundamental changes were made to simplify the process of foreign trade, and more than 60 regulatory legal acts were adopted.

As can be seen from these indicators, the country's external operational activities are reaching new levels.

### **Literature review**

According to the decree of the president of the Republic of Uzbekistan No. 28.01.2022 PD-60 on the "Development strategy of New Uzbekistan for 2022-2026" [2] the 26th goal is to further improve the investment climate in the country and increase its attractiveness, take measures to attract 120 billion US dollars, including 70 billion dollars of foreign investment in the next five years, and within this goal are set as priorities:

❖ on the basis of the “bottom-up” principle, on the effective use of investments and the increase in export volumes, to establish a new system;

❖ To establish foreign economic relations between the regions of the Republic and business representatives of foreign countries, including the development of investment and foreign trade relations with the people's Republic of China of the Syrdarya region, the Russian Federation of the Surkhandarya region and the Indian business circles of the Jizzakh region.

Rector of Tashkent Institute of Finance, DSc. prof. T.Z. Teshabaev spoke at the international scientific and practical conference” strategic directions for the development of international financial relations in Uzbekistan on November 10, 2023 on the topic “Positive steps in the development of foreign economic activity in Uzbekistan”. [4]

#### **Research methodology**

In the process of scientific study, analysis and research of the topic, methods such as induction and deduction, systematic analysis and scientific abstraction were used in detail. In the article, conclusions were drawn on the role of the country's foreign economic activity in the economic development of the country, and in accordance with the conclusions, scientific proposals and practical recommendations were made.

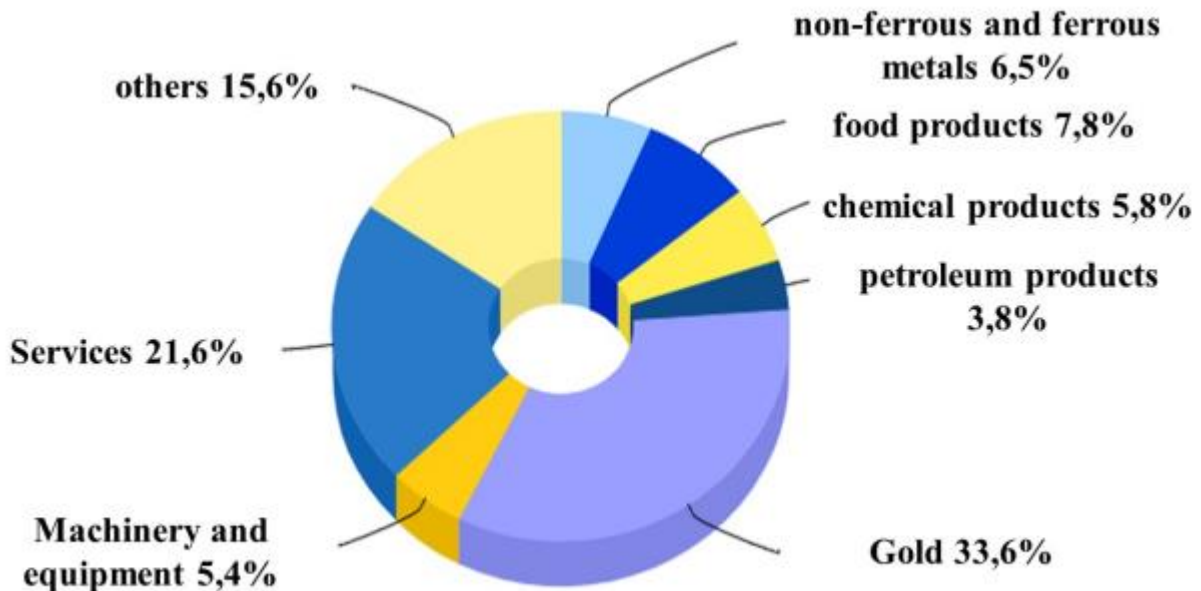
#### **Analysis and results**

In 2022, the number of participants in the foreign trade turnover of the Republic of Uzbekistan increased to 283 compared to 2021, having reached almost 31.5 thousand. As a result of measures implemented in the Republic in order to stimulate exports in recent years, optimize imports and, in general, ensure the balance of foreign trade in 2022, the Republic's foreign trade turnover amounted to 50.0 billion. To reach US \$ 7.8 billion compared to 2021. An increase in the US dollar, or 18.6 percent, was provided. This result is recorded as the highest in the history of the country.

Export volume in foreign trade turnover is 19,309.1 million. US dollars, an increase of 15.9 percent over the previous year. Currently, the Republic of Uzbekistan has trade relations with 204 countries of the world. A relatively significant contribution of foreign trade turnover falls on the Russian Federation (18.6 percent), the people's Republic of China (17.8 percent), Kazakhstan (9.2 percent), Turkey (6.4 percent), the Republic of Korea (4.7 percent), the Kyrgyz Republic (2.5 percent) and Germany (2.3 percent). In addition, during the strengthening of relations with neighboring countries, important measures are being taken to develop relations with these countries in the socio-economic, trade-industrial and cultural spheres. [4]

In 2017-2022, Uzbekistan improved its position to 31 points in the overall ranking of the International Economic Freedom Index, moving from 148th to 117th. Total investments in the economy in 2017 amounted to US \$ 14 billion, while in 2022 this figure increased 1.7 times to US \$ 24 billion. Today, more than 50 countries of the world invest in Uzbekistan in a sustainable way. They operate mainly in metallurgy, energy, chemical industry, Electrical Engineering, Mechanical Engineering, light industry tobacco of our economy. It should be noted that as a result of systematic work on promoting investment activities and supporting the implementation of projects, the development of international cooperation in the country, in the last five years, the growth of the country's economy has been achieved by 24 percent, the amount of foreign investments attracted by 3.5 times, the volume of exports by 1.6 times, The implementation of 59 thousand projects in the

last 5 years due to investments in the economy of our country has made a worthy contribution to the creation of more than 2.5 million new jobs. In achieving such positive results, first of all, the implementation of mutually beneficial cooperation relations with foreign countries, as well as the liberalization of the foreign exchange market, improved investment climate, legal protection of private property, reforms carried out to reduce the state share in the economy were important.



**Figure 1.**

**The volume of exports and the share of industries in it in January-October 2023.**

As a result of Uzbekistan's accession to the GSP+ program, exports to EU countries will increase from the current \$87 million to \$3 billion, including exports of finished clothing and knitwear from \$42 million to \$1.2 billion, exports of fruits and vegetables from \$20 million to \$900 million, and exports of leather and footwear from \$5 million to \$200 million and exports of other finished products. It is worth saying that cooperation with international trade organizations is not limited to the World Trade Organization and the European Union. Active constructive dialogues were established with the World Customs Organization, the Institute for the unification of international private law, the International Chamber of Commerce, etc. Today, Uzbekistan has signed trade agreements with 47 countries that provide the most favorable state regime. Bilateral investment agreements have also been signed with 49 countries. Our country gained observer status in the Eurasian Economic Union in 2020 and is preparing to join the Eurasian Development Bank. Uzbekistan currently has a free trade agreement with eleven countries. On November 1, 2021, Uzbekistan became the first country to join the expanded general benefits system, which allows the United Kingdom to zero import duty on more than 7,800 products produced in Uzbekistan. The strategy "Uzbekistan-2030" sets out the goal of taking a place among countries whose income is higher than the average through sustainable economic growth and increasing the export of finished products by 2 times in the next three years. In this process, it is important to become a member of the World Trade Organization, which allows you to establish a trade system with 164 countries of the world and create sustainable markets. Therefore, at present, systematic work on the effective completion of the process of joining this organization and negotiations with member states on access

to markets are underway. It aims to complete market entry negotiations with at least 10 foreign countries per year. There are attempts to adapt national legislation and law enforcement practices to the rules, norms and agreements of the World Trade Organization. Observing the current phase of the dialogue, it can be said that the current process is showing that it has entered the most active phase to achieve membership. This was a very important step after the longest negotiations in history for Uzbekistan's membership in this prestigious organization. We know that the cooperation relationship, which began in December 1994, is on the verge of completion. At this point, the question arises as to why such a long-term process arose. This can be attributed to the interventionist economic development strategy. And economic reforms and revitalization, which began in 2016, have also had its positive impact on our foreign policy.

### **Conclusion**

Based on the above, it is worth noting that from the production of a path that extends to the main goal in front of us, we must gradually specialize in the export of the services sector. If the comments and suggestions are put into practice, we will certainly be able to achieve sustainable economic growth. As a result, it is known to all of us that the standard of living of the population changes significantly in a positive way.

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