


# Uzbekistan In Global Markets: Current Status and Trends in Foreign Economic Activity

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**Abstract:** One of our priorities in the economic sphere is to further strengthen the economic ties of our country with foreign countries and increase its international prestige, accelerate the attraction of investments, and further develop the tourism industry by promoting the economic potential of our country abroad. The economic development strategy of Uzbekistan is aimed at creating a diversified and competitive economy, the maximum use of national resources using innovative technologies and new methods of market management. The country’s foreign economic activity, especially in the field of foreign trade, has a direct impact on the standard of living of the population as a result of reforms.

The socio-economic reforms carried out in our country are aimed at ensuring long-term sustainable economic growth by increasing production efficiency in all sectors and sectors of the economy. The country has taken a number of positive steps to improve investment policy and attract foreign investment. The bulk of foreign investment is directed to the development of enterprises in the real sector and their technical and technological modernization.

**Keywords:** Economy, development, foreign economic activity, foreign trade, investment, competition, export, import, foreign countries, FDI, privatization, liberalization, green energy, digitalization, WTO, reforms, foreign policy.

**Introduction:** Today, reforms in our country are being implemented primarily in response to global economic changes, including slowing growth in some regions, commodity price volatility, digitalization, and the transition to green energy. The path we have chosen has proven stable and viable in the context of slowing global economic growth following the global crisis. The foreign policy reforms implemented in our country in recent years serve to strengthen peace and stability in the region, expand our country's potential on the international stage, and develop comprehensive and mutually beneficial ties with foreign countries.

In recent years, on the initiative of our esteemed President Shavkat Miromonovich Mirziyoyev, important and relevant reforms and transformations have been consistently implemented in the socio-political, economic, cultural, educational and other spheres of life in Uzbekistan.[15]

In recent years, under the leadership of President Shavkat Mirziyoyev, the Republic of Uzbekistan has been consistently implementing profound reforms in foreign economic activity. These reforms include liberalizing the energy sector (bringing tariffs closer to market levels), privatizing large state-owned

enterprises, improving the investment climate, digitalizing trade, and preparing for WTO accession (target date: March 2026).

In his Address to the Oliy Majlis and the People of Uzbekistan on December 26, 2025, the President emphasized: "Over the past nine years, we have come a long way in terms of development, restored our economy, expanded market relations and social protection, and strengthened the rule of law... 2026 will be a year of decisive and strict change in all areas." Despite global challenges such as energy shortages and geopolitical instability, Uzbekistan's foreign policy remains constructive and open, promoting the strengthening of mutually beneficial ties with leading partners—China, Russia, Kazakhstan, Turkey, the EU, and the Persian Gulf countries.[5]

Economic openness, innovation, improved business environment, digitalization, and investor protection directly impact foreign economic policy. International experts (IMF, World Bank, OECD) highly praise the consistency and dynamism of reforms, noting Uzbekistan's unprecedented attractiveness for foreign investment and business. By 2025, foreign direct investment inflows exceeded \$39–40 billion (according to various estimates), aimed at modernizing production, energy, technology, and creating high-productivity jobs.[14][5]

According to preliminary data from the National Statistical Committee of the Republic of Uzbekistan, in 2025, the country's foreign trade turnover reached a record \$81.2 billion, an increase of 20.7% compared to 2024. Exports grew by 24% to \$33.8 billion, while imports increased by 18.5% to \$47.4 billion. Trade relations are maintained with 210 countries, indicating a significant expansion of the geography of foreign economic ties. The main contributors to export growth were industrial goods, agricultural products, services (including tourism and transport), and precious metals (gold at approximately \$9.9 billion).[6]

The chosen path of sustainable development is demonstrating its effectiveness: by the end of 2025, real GDP growth in Uzbekistan exceeded 7% (according to estimates by the International Monetary Fund (IMF) - more than 7%, according to national sources and the Center for Economic Research and Reforms (CERR) - about 7.5%), which is supported by active investments, growth in household consumption and export potential.[6]

## LITERATURE ANALYSIS

The current stage of globalization, characterized by crisis phenomena in the global economy such as slowing growth in some regions, commodity price volatility, digitalization, and the transition to green

energy, is significantly influencing the nature and forms of foreign economic relations between countries. Along with the rapid development of developed and some developing countries, the differentiation of international flows of services, capital, labor, and information products between countries within a relatively small group of states is increasing. While developing countries have strengthened their position in the international system over the past decade, developed countries, relying on their scientific and technological advantages, are driving innovation in production and remain leaders in the global economy, which allows them to have unilateral advantages in international trade in goods and services.[1]

The theory, known as the Heckscher-Ohlin trade theory, places emphasis not on the cost of production but on the resources that go into that cost, as countries tend to export goods that use resources they have in abundance.

There are other theoretical perspectives. However, among them, we can highlight those that, firstly, are widely accepted among scholars and practitioners, secondly, are distinguished by their pronounced macroeconomic simplicity, and thirdly, are the most generalized.[2]

It should be noted that international trade is the initial, coordinating, and reproducible foundation for all other forms and types of foreign economic activity. The effectiveness of such foreign economic activity as attracting foreign capital depends on its level. Legislative and other restrictions on trade are reflected in investment processes.

Foreign economic activity is the trade-related activity of companies from different countries, including international exhibitions, investments, and joint ventures, but the primary focus is international trade. To achieve this, companies move goods across customs borders, a process overseen by foreign economic activity specialists.

Foreign economic activity, or FEA, is an economic activity involving the export or import of goods and services—that is, trade between a national and a foreign representative. Trade encompasses not only the purchase and sale of goods but also the implementation of international projects, investments, and lending. Participants may include government agencies, commercial and state-owned enterprises, and individuals. FEA is regulated by customs legislation. As the economy grows, many companies enter the global market, signing contracts, purchasing equipment, and exporting products. [5]

The UNCTAD report highlights that for developing countries like Uzbekistan, integration into the digital

economy through FDI brings technology and innovation, but requires overcoming barriers: global investment in digital sectors has tripled to \$360 billion since 2020, but 80% in the Global South goes to 10 Asian countries with an infrastructure deficit (\$9 billion versus the required \$62 billion); recommendations include long-term strategies, balancing security and regulation to attract investment.[4]

## **METHODOLOGY**

To write this research article on foreign economic relations, all available literature on foreign economic activity was reviewed. Particular attention was paid to exploring current reforms in foreign economic relations. The literature review provided a comprehensive understanding of the topic. Methods of data grouping, synthesis, statistical analysis, and an analytical approach were used in developing the material. Reforms implemented within the framework of international cooperation with foreign countries were analyzed in detail. The results obtained are systematized and presented in tabular form for visual comparison. The empirical basis for the study was official data from the Agency on Statistics under the President of the Republic of Uzbekistan for 2024-2025, as well as the provisions of the current Law of the Republic of Uzbekistan "On Foreign Economic Activity," as amended.

## **RESULTS**

In accordance with Article 3 of the Law of the Republic of Uzbekistan "On Foreign Economic Activity":

Foreign economic activity refers to the activities of legal entities and individuals of the Republic of Uzbekistan aimed at establishing and developing mutually beneficial economic relations with legal entities and individuals of foreign countries, as well as international organizations.

Legal entities registered in the Republic of Uzbekistan, as well as individuals permanently residing in the Republic of Uzbekistan and registered as individual entrepreneurs, have the right to engage in foreign economic activity. State bodies of the Republic of Uzbekistan may carry out foreign economic activity, unless otherwise provided by law.[11][15]

The fundamental principles of foreign economic activity are:

- freedom and economic independence of subjects of foreign economic activity;
- equality of subjects of foreign economic activity;
- non-discrimination in trade and economic relations;
- mutual benefit in foreign economic activity;
- state protection of the rights and legitimate interests

of subjects of foreign economic activity.

Foreign economic activity may be carried out in relation to goods, works (services), any property, including securities, currency assets, electrical, thermal and other types of energy, vehicles, intellectual property objects that are objects of purchase and sale or exchange, with the exception of those prohibited by law from use in foreign economic activity.[10]

Main areas of foreign economic activity

The main areas of foreign economic activity are:

- international economic and financial cooperation;
- foreign trade;
- attracting foreign investment;
- investment activity outside the Republic of Uzbekistan.

International Economic and Financial Cooperation

International economic and financial cooperation is the implementation of foreign economic activity aimed at establishing and expanding mutually beneficial relations between entities engaged in foreign economic activity in the Republic of Uzbekistan and legal entities and individuals of foreign countries, as well as international organizations in the fields of production, finance, banking and insurance, education and training, tourism, healthcare, scientific and technical, cultural, environmental, humanitarian, and other areas in accordance with the procedure established by law.[10]

Risks in international trade are an integral part of foreign economic activity and include currency, political, commercial, transport, and other risks. Information support for the analysis of foreign economic activity involves the use of customs statistics, financial reporting, and marketing research. Methods and techniques for analyzing foreign economic activity include horizontal, vertical, factor, and comparative analysis. Analysis of export-import transactions allows one to evaluate the effectiveness of an enterprise's foreign economic activity and make informed management decisions. [12]

In January–November 2025, the country's foreign trade turnover (FTT) amounted to USD 72.8 billion, an increase of USD 13,018.4 million (21.8%) compared to the same period in 2024.

Of the total FTT, exports amounted to USD 30,894.8 million (an increase of 26.2%), while imports reached USD 41,885.4 million (an increase of 18.7%). This resulted in a negative balance of USD 10,990.6 million.

The Republic of Uzbekistan maintains trade relations with 210 countries. The largest volume of foreign trade turnover is recorded with China (20.1%), Russia

(16.2%), Kazakhstan (6.0%), Turkey (3.7%) and the Republic of Korea (2.2%). In the structure of exports, goods account for 72.6%, of which industrial goods - 11.3%, food products and live animals - 8.7%, chemicals and similar products - 6.0%, various finished goods - 5.0%.[16.2]

The country trades with other countries—selling goods and services (exports) and buying them (imports). In 2025, total foreign trade turnover rose to 51.4 billion, an increase of 20.45% compared to 2024—a significant increase.

Exports grew by 32.5%, from 17.3 billion to 23 billion. This is a strong result. Interestingly, non-gold goods grew even faster, by 39.79%, indicating the

development of real production, not just precious metals mining. Gold also accounts for a significant share, accounting for 36.7% of all exports, indicating the country's heavy dependence on it.

Imports also increased, but more modestly—by 12.2%, from 25.4 to 28.5 billion. The fact that imports are growing slower than exports is a positive sign. The balance is the difference between exports and imports. It's negative, meaning the country is buying more than it's selling. But the situation is improving: the deficit has narrowed from 8 billion to 5.5 billion. If gold is excluded from the calculations, the deficit is 8.3 billion—also better than a year ago (it was 10.2 billion).

**FOREIGN TRADE TURNOVER AND BALANCE OF THE REPUBLIC OF UZBEKISTAN  
(January-August, USD million)**

Table 1

Indicators	2024 year	2025 ear	Growth rate, in %	Compared to the total amount, in %
Foreign trade turnover	42 703,30	51 435,20	120,45	x
Export	17 344,00	22 981,50	132,50	100
Goods	17 919,30	22 981,50	128,25	
Services	4 411,80	5 707,90	129,38	24,8
Gold	4 987,10	5 707,9	114,45	36,7
Import	25 359,20	28 453,70	112,20	100
Goods	23 085,70	25 529,20	110,58	
Services	2 273,50	2 924,50	128,63	103,2
Balance	-8 015,20	-5 472,20	x	x
Goods	-179,30	3 160,20	x	x
Without gold	-10 153,50	-8 255,60	x	x
Services	2 138,30	2 783,40	x	x
Exports (volume excluding gold)	12 356,90	17 273,60	139,79	x

Trade in services (tourism, transportation, finance, etc.) shows a surplus—the country earns more from services than it spends. This surplus partially offsets the deficit in goods.

As of 2024, the Republic of Uzbekistan trades with 188 countries. The largest foreign trade turnover is with China (18.8%), Russia (18.2%), Kazakhstan (6.2%), Turkey (4.6%), and the Republic of Korea (3.1%).

Tashkent city accounts for a significant share of the republic's foreign trade turnover, accounting for 39.2%,

or \$16,749.8 million, while the Surkhandarya region accounts for the smallest share, at 0.7%, or \$279.9 million.

The volume of foreign trade turnover with other countries from January to August 2024, compared to the same period in 2023, decreased by 2.7%, accounting for 64.8% of the total foreign trade turnover.

Uzbekistan's main export partners in goods and services in foreign trade in January-November 2025

were Russia (13.0%), China (6.0%), Afghanistan (4.3%), Kazakhstan (4.3%), Turkey (3.3%), France (2.5%), the UAE (2.1%), the Kyrgyz Republic (1.8%), Tajikistan (1.7%), and Pakistan (1.0%). Their share in total exports reached 40.0%. In January-November 2025, 2,022.2 thousand tons of fruit and vegetable products were exported, and, compared to the same period in 2024, this figure increased by 6.3%, or 119.5 thousand tons.

Fruit and vegetable exports in the period under review reached USD 1,942.8 million (an increase of 36.8% compared to the same period in 2024). Fruit and vegetable exports accounted for 6.3% of total exports.

Our main partners for the export of goods and services in foreign trade turnover in January-August 2024 were Russia, China, Kazakhstan, Turkey, Afghanistan, France, and the Kyrgyz Republic. Their share of total exports reached 40.2%.[16]

Yarn (44.8%) and finished textile products (38.5%) also account for the largest share of textile exports. Thus, in January-August 2024, textile products were exported to 56 countries.

The volume of service exports for the period January-August 2024 amounted to 4,411.8 million US dollars, or 25.4% of the total volume of trade exports, an increase of 28.7% compared to the same period in 2023. The lion's share of service exports is made up of travel (tourism) (47.3%), transport services (37.2%), telecommunications, computer and information services (8.5%), and other business services (2.9%). At the same time, the largest share of other services (4.1%) is, respectively, insurance and pension services (1.1%), financial services (1.1%), construction services (0.7%), etc.[16].

**VOLUMES AND GROWTH RATES OF EXPORTS OF THE REPUBLIC OF UZBEKISTAN TO THE MAIN PARTNER STATES**

(January-August, over a period of years)

Table 2

Countries	Million US dollars		Growth rate in %		Place	
	2024	2025	2024	2025	2024	2025
People's Republic of China	1 370,6	1 247,5	78,8	91,02	2	1
Russian Federation	2 459,6	2 870,4	124,6	116,70	7	2
Türkiye	768,2	736,4	79,9	95,86	4	4
Kazakhstan	872,5	910,8	91,8	104,39	3	3
France	497,2	775,8	190,1	156,03	6	
Kyrgyzstan	365,8	560,4	74,4	153,20	7	

The People's Republic of China maintains its leading position as the largest export market, ranking first in 2025 with a shipment volume of \$1,247.5 million, despite a growth rate of 91.02%, indicating a slight decrease compared to the same period of the previous year (\$1,370.6 million in 2024). The Russian Federation rose from seventh to second place, increasing exports from \$2,459.6 million to \$2,870.4 million with a growth rate of 116.70%, indicating a significant strengthening

of its trade position.

Kazakhstan ranks third, with exports increasing from \$872.5 million to \$910.8 million, a growth rate of 104.39%, maintaining its stable position as a key regional partner. Turkey remains fourth, with exports reaching \$736.4 million in 2025 (versus \$768.2 million in 2024), a growth rate of 95.86%. France demonstrates the most impressive growth, increasing exports from \$497.2 million to \$775.8 million, a growth rate of

156.03%, although it remains in sixth place. Kyrgyzstan shows significant growth from \$365.8 million to \$560.4 million at a rate comparable to major partner countries such as China (30.5%), Russia (18.5%), Kazakhstan (7.2%), Turkey (3.9%), the Republic of Korea (3.6%), Germany (2.5%) and India (2.5%).

The volume of service imports from January to November 2025 amounted to USD 4,465.7 million, or

10.7% of the total, and increased by 31.0% compared to the same period in 2024.

The largest share of service imports was made up of travel (tourism) (52.1%), transportation services (19.5%), telecommunications, computer, and information services (10.6%), as well as other business services (6.5%) and other (11.3%).

**VOLUME AND GROWTH RATES OF UZBEKISTAN'S IMPORTS TO MAJOR PARTNER COUNTRIES  
(January-August, over a period of years)**

Table 3

Countries	Million US dollars		Growth rate in %		Place	
	2024	2025	2024	2025	2024	2025
People's Republic of China	6 648,30	11 474,60	101,6	172,59	1	1
Russian Federation	5 307,70	6 960,10	126,5	131,13	2	2
Türkiye	1 190,00	1 489,70	100,8	125,18	5	4
Kazakhstan	1 764,00	2 738,60	90,7	155,25	3	3
Republic of Korea	1 282,80	1 403,70	87,6	109,42	4	5
Germany	624,7	953,9	95,9	152,70	7	6

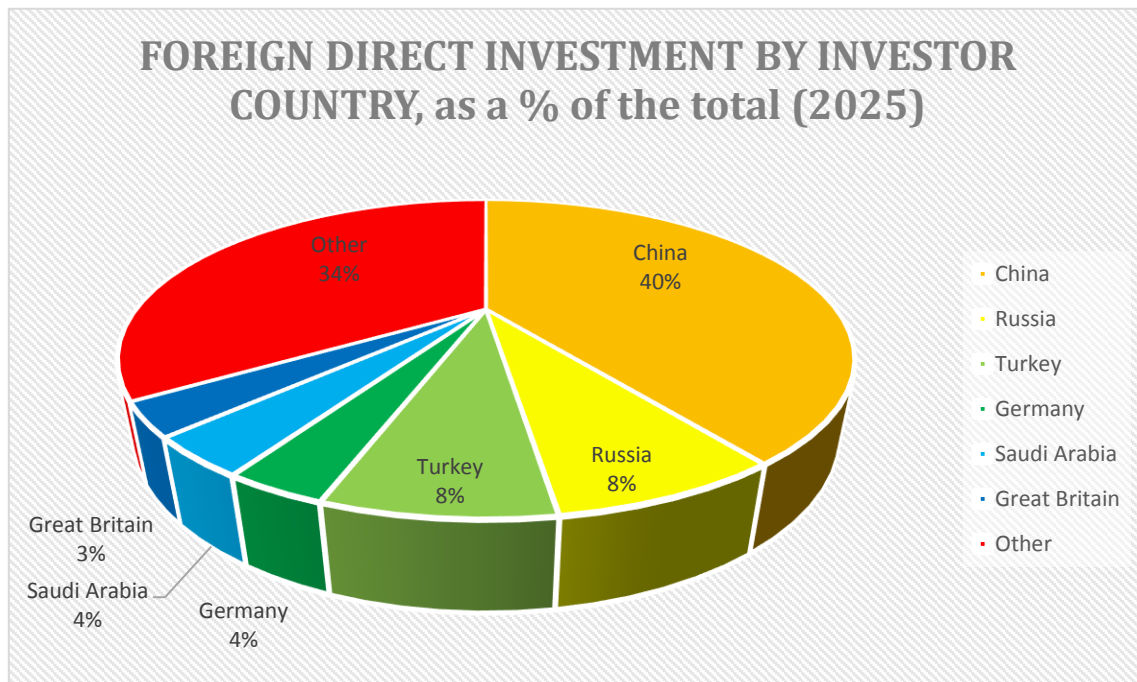
In January–August 2025, Uzbekistan's imports to key partner countries demonstrated significant growth compared to the same period in 2024. The People's Republic of China remains the leader with imports of \$11,474.6 million (an increase of 72.59%), confirming its dominant position as the main supplier of machinery, equipment, electronics, and consumer goods. The Russian Federation is in second place with \$6,960.1 million (an increase of 31.13%), primarily importing energy, metals, chemical products, and industrial goods.[16]

Kazakhstan ranks third with imports of \$2,738.6 million (up 55.25%), providing regional supplies of petroleum products, metals, and food products. Turkey rose to

fourth place with \$1,489.7 million (up 25.18%), supplying industrial goods, textiles, equipment, and construction materials. The Republic of Korea ranks fifth with \$1,403.7 million (up 9.42%), specializing in electronics, automobiles, and high-tech products. Germany rounds out the top six with \$953.9 million (up 52.70%), importing machinery, equipment, and premium cars.[16]

The bulk of foreign investment in fixed capital, that is, 58.6%, falls to four investor countries: China - 39.9%, Russia - 7.8%, Turkey - 7.7%, Germany - 3.5%, Saudi Arabia - 3.8% and Great Britain - 3.3%. The diagram below shows the weight of attracted investments by investor countries:[18]

Diagram



## CONCLUSIONS

In a historically short period, Uzbekistan has accomplished centuries of work to establish and develop international relations. Uzbekistan is known worldwide for its peaceful, good-neighborly, and mutually beneficial policies and activities aimed at mutually beneficial cooperation. It has earned a worthy place in the global community, and its position is strengthening year after year.

In recent years, the Republic of Uzbekistan has implemented numerous reforms that have contributed to improving the quality of life and the economy.

The "Uzbekistan 2030" Strategy is implemented through State Programs for each year, based on the names assigned to the years in the country. The Republican Commission for the Implementation of the "Uzbekistan 2030" Strategy is tasked with organizing the full, timely, and high-quality implementation of the Strategy, as well as preparing and coordinating the implementation of the corresponding annual programs for its implementation.[17]

Political, diplomatic, trade, economic, and cultural ties are being established with the world's leading industrialized countries. These established trade relations with other countries allow us to increase exports of our republic's products, which, in turn, allows us to join the ranks of developed countries.

As a result of the large-scale reforms implemented in our country to develop foreign economic activity and the close ties established with countries around the world, our export potential is growing. Furthermore,

the government's creation of a number of tax and customs incentives, the modernization of production, and the release of competitive products are creating the preconditions for our national products to gain a strong foothold in foreign markets.

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