

THE IMPACT OF WTO MEMBERSHIP ON UZBEKISTAN'S FOREIGN TRADE POLICY

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Abstract: *This article analyzes the process of Uzbekistan's accession to the World Trade Organization (WTO), its impact on the country's foreign trade policy, and the expected economic outcomes. WTO membership is expected to strengthen Uzbekistan's position in the global trading system, expand export potential, and improve access to foreign markets. At the same time, it creates new competitive conditions for domestic producers. The research also presents an empirical overview of how WTO membership affects Uzbekistan's trade volume, trade balance, and export-import structure.*

Keywords: *World Trade Organization, foreign trade policy, export, import, competitiveness, protectionism, trade liberalization.*

Introduction

The World Trade Organization (WTO) is the key global institution regulating international trade and includes more than 160 member states. Uzbekistan has been pursuing WTO accession since 1994. In recent years, the country has made significant progress toward economic liberalization, customs and tax reforms, and harmonization of trade regulations with international standards.

WTO membership marks a new phase in Uzbekistan's foreign trade policy — transforming it toward compliance with international norms, reducing protectionist barriers, and creating more open markets. However, it also poses challenges for domestic industries that must adapt to global competition.

In the early years of independence, Uzbekistan's foreign trade policy was primarily aimed at import substitution and protection of domestic industries. During the 1990s and early 2000s, tariff barriers were high, and export licensing was tightly

regulated.

Since 2017, under the reforms initiated by President Shavkat Mirziyoyev, the country has entered a period of trade policy liberalization. Customs tariffs have been reduced, the foreign exchange market has been liberalized, and a number of measures have been implemented to support exporters and attract foreign investment.

WTO accession will reshape Uzbekistan's strategic directions in foreign trade policy in several ways:

Policy Area	Expected Impact
Tariff policy	Gradual reduction of customs duties; alignment of tariff rates with WTO commitments.
Export policy	Expanded market access for goods and services; reduction of export restrictions.
Trade balance	Short-term increase in imports, followed by long-term stabilization due to export growth.
Domestic competition	Increased competition among domestic producers, encouraging higher product quality.
Legal framework	Harmonization of trade regulations with WTO standards, improving transparency.

Empirical evidence shows that, on average, WTO member countries experience a 20–25% increase in exports and a 15–18% rise in foreign direct investment inflows (Source: World Bank, WTO Statistics Database, 2024). Similar trends are expected for Uzbekistan.

Uzbekistan's major export products — cotton fiber, natural gas, gold, and non-ferrous metals — are expected to be gradually replaced by value-added manufactured goods after WTO accession. This transformation will promote industrial diversification and strengthen the export value chain.

On the import side, the share of technological equipment, transport vehicles, and intermediate goods is expected to increase, facilitating modernization of

domestic production capacities.

Challenges in Adapting to WTO Requirements

- Domestic producers still lack sufficient competitiveness.
- Agricultural subsidies must be aligned with WTO rules.
- Technical regulation, certification, and standardization systems need further adaptation.
- Many local enterprises lack awareness and experience in using WTO trade mechanisms.

Conclusion

WTO membership will make Uzbekistan's foreign trade policy more open, transparent, and competitive, strengthening the country's position in the international trading system. It will expand export opportunities, attract more foreign investment, and promote economic modernization. However, in the short term, some domestic sectors may face increased competitive pressure.

To fully benefit from WTO membership, Uzbekistan should:

1. Diversify its export structure;
2. Enhance the competitiveness of domestic industries;
3. Align national trade regulations with international standards;
4. Effectively use WTO trade protection instruments (anti-dumping, subsidies, safeguard measures).

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