

EXPLANATION OF ECONOMIC RELATIONS BETWEEN UZBEKISTAN  
AND CHINA

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**Annotation:** This article analyzes the formation, stages of development, and current state of economic cooperation between the Republic of Uzbekistan and the People's Republic of China. It also highlights the prospects of trade and economic relations between the two countries, as well as key areas of cooperation in investment, transport and logistics, energy, and the digital economy. According to the research findings, the strategic partnership between Uzbekistan and China ensures mutual interests and serves as an important factor in strengthening economic integration within the Central Asian region.

**Keywords:** Uzbekistan, China, economic cooperation, trade, investment, logistics, export, import, the "Belt and Road" initiative.

**Introduction** In recent years, the issue of deepening economic cooperation with Asian countries, in particular the People's Republic of China, has become an urgent priority of Uzbekistan's foreign policy. China is one of the largest economic centers in the world today and is systematically expanding strategic partnership relations with Uzbekistan.

Uzbekistan's geographical location, natural resources, industrial potential and transport and logistics capabilities make it recognized as an important economic partner for China, and the Chinese market is also an important direction for Uzbekistan in expanding export opportunities and attracting modern technologies.

The purpose of this article. – To analyze the content of economic relations between Uzbekistan and China, to reveal their main directions and to assess future prospects.

The formation of Uzbekistan - China economic relations.

Diplomatic relations between Uzbekistan and China were established on January 2, 1992. Since that time, economic, trade, investment and cultural relations between the two countries have been developing step by step.

Since the late 1990s, Chinese companies have been entering various sectors of the Uzbek economy. First of all, cooperation was established in the energy, oil and gas production, transport and communications sectors. By the 2000s, trade volumes had increased sharply. In 2005, the "Agreement on Comprehensive Strategic Partnership" was signed between Uzbekistan and China. This document brought bilateral economic relations to a new level.

Stages of development of trade relations.

The volume of trade between Uzbekistan and China is increasing every year. In 2010, the volume of trade between the two countries amounted to 1.5 billion US dollars, and by 2024 this figure will exceed 14 billion dollars.

Uzbekistan mainly exports the following products to China:

- Cotton fiber and textile products;
- Non-ferrous metals;
- Natural gas;
- Chemical industry products;
- Fruit and vegetable products;

The following products are imported from China to Uzbekistan:

- Mechanical engineering and electrical products;
- Vehicles;
- Construction materials;
- Natural and chemical equipment;
- Finished consumer goods;

Today, China is one of Uzbekistan's largest trading partners. According to the Statistics Committee, in 2024, China will account for 22% of Uzbekistan's foreign trade turnover.

### 3. Investment cooperation

China is one of the countries that invest the most in the economy of Uzbekistan.

According to the results of 2023, the volume of Chinese investments exceeded \$ 11 billion.

The number of enterprises with Chinese capital has exceeded 2,000, operating in the following sectors:

- Oil and gas (CNPC, PetroChina)
- Energy (PowerChina, CGGC)
- Car tuning (BYD, FAW)
- Construction and infrastructure (Sinohydro, CRCC).

In particular, Chinese companies are participating in major projects such as the modernization of the Angren thermal power plant, the Jizzakh oil refinery. Construction and reconstruction of the Tashkent-Andijan highway.

Cooperation within the framework of the "One Belt, One Road" initiative.

China's One Belt, One Road initiative, put forward in 2013, has created great economic opportunities for Uzbekistan. Through this initiative:

- Transport logistics infrastructure is being developed;

Railways and highways are being modernized;

Transit potential is increasing.

The China-Kyrgyzstan-Uzbekistan railway project is one of the most important strategic routes connecting Central Asia with China. The implementation of the project will provide Uzbekistan with opportunities to reduce transport costs and enter European markets.

#### 4. Energy and technological cooperation

Chinese companies are actively participating in the energy sector of Uzbekistan. With the participation of CNPC, the Bukhara-Karshi gas pipeline, the Central Asia-China gas pipeline and other projects are being successfully implemented.

In addition, Chinese experience is being attracted in the construction of renewable energy sources (solar and wind power plants).

For example, a 100 MW solar power plant in Navoi region was built based on Chinese investment.

Also, cooperation has been established with companies such as “Huawei, ZTE, Alibobo Cloud” in the field of telecommunications and digital technologies.

#### 5. Positive results of economic and social cooperation.

Economic relations between the two countries have not only increased trade volumes, but also:

- Created new jobs;

- Modernized industrial enterprises;

- Improved the transport and logistics system;

- Promoted the development of the digital economy.

The influx of Chinese technologies is helping to increase efficiency in the production sector of Uzbekistan. At the same time, mutual demand exchange and scientific projects are also increasing.

#### 6. Problems and Development Prospects.

At the same time, there are some problems:

- Uzbekistan's trade in the trade balance is negative (imports exceed exports);



- It is necessary to increase the competitiveness of local manufacturers;
- The transport infrastructure in the logistics system is not sufficiently developed.

In the future, it is important to pay attention to the following areas.

- Increase the number of joint industrial enterprises;
- Strengthen technology transfer;
- Increase the volume of exports of agricultural products to the Chinese market;
- Expand clean energy projects.

Conclusion. Economic relations between Uzbekistan and China have reached the level of strategic partnership, contributing significantly to cooperation in the fields of trade, investment, transport, energy and digital technologies.

In the future, these relations will further expand within the framework of the “One Belt, One Road” initiative, strengthening Uzbekistan's position in the regional and global economic system.

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