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NOTE

**ON UZBEKISTAN: POLITICAL AND ECONOMIC SITUATION,
EU-RELATIONS**

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I. GEOGRAPHY AND HISTORY

Uzbekistan occupies the heart of Central Asia and shares borders with the four other countries of the region. It also borders Afghanistan¹. The territory is bigger than that of each of the EU Member States, except France, Spain and Sweden. With its more than 26 million inhabitants, Uzbekistan is by far the most populous of the Central Asian countries².

Western Uzbekistan consists of lowlands which form part of the vast Turan Plain surrounding the receding Aral Sea and also stretching into Kazakhstan and Turkmenistan. Less than half a million people live in the western third of the country, the autonomous republic Qoraqalpoghiston (Karakalpakstan). Many of them are hard hit by the environmental catastrophe centred on the Aral Sea. Because of massive diversion of waters from its tributaries Amu Darya and Syr Darya into irrigation canals, the Aral Sea has shrunk by half. This, together with intense salinization and pollution with fertilizers and insecticides, has killed the fish-stocks that used to provide a source of livelihood for tens of thousands of people. Wide areas of what is still left of the sea are now contaminated with salty, lethal dust and the public health situation in the region is alarming³.

The bulk of Uzbekistan's territory is in Transoxania – the lands between Amu Darya (ancient name: Oxus) in the South and Syr Darya in the North. The Turan Plain covers a part of Transoxania and merges into the Kyzylkum desert. The Eastern part of the country is mountainous and includes portions of the fertile and densely populated Ferghana Valley.

Borders in the Ferghana Valley between Uzbekistan, Kyrgyzstan and Tajikistan have almost bizarre shapes. These and other borders in Central Asia were drawn by the Soviet authorities when they had established control over the lands which in the Russian Empire constituted the single governorate-general of Turkestan. Lenin favoured delimitation along ethnic lines, but highly complex settlement patterns made this extremely difficult. Other considerations also influenced the decisions, which were taken amid much controversy. The continued existence of large Uzbek minorities on the other side of all of Uzbekistan's borders is one of the lingering consequences of the way in which the borders were drawn.

A dualism between nomadic tribes on the steppes and settled populations in areas with more fertile soils long characterised the region. The Persian civilisation profoundly influenced the development of an urban culture, but for some time after the arrival of Alexander the Great, the Hellenistic world also reached into the region. In the 7th century A.D., Islam was introduced, initially through statelets in the Ferghana Valley of which Arabs had taken control. The level of sophistication that had been reached by the end of the 10th century A.D. is reflected by the fact that the brilliant physician and scientist-philosopher Avicenna came from Bukhara – an important city in Transoxania on the Silk Road.

¹ See the map in annex 1.

² See also annex 2: Basic Country Data

³ A short overview of this catastrophe and maps showing the disappearance of the Aral Sea are available at www.unep.org/vitalwater/25.html.

The ethnic composition of the population changed with the arrival of Turkic tribes, Arabs and Mongols. Djinghis Khan conquered the region in the 1220s and Samarkand later developed into the capital of the empire of Timur Lenk (Tamerlane). On his order, splendid mosques and other buildings were erected in this city. Turkic-Mongol tribes referred to as Uzbek (probably after the Khan Öz Beg, who ruled the Golden Horde 1312-41) arrived from north-western Siberia in the 15th century and put an end to the Timurid period.

In the 19th century, when Britain's and Russia's ambitions to continue the expansion of their respective empires brought them into the competition over Central Asia known as the Great Game, control of Transoxania was split between the three khanates of Bukhara, Khiva and Kokand. These khanates were ultimately defeated by Russia. Attempts to escape from Russian control were made after the Russian revolution, with some British support. What followed was instead integration into the Soviet Union, repression and modernisation of the Soviet kind, with forced secularisation, russification, collectivisation and massive introduction of cotton monoculture, but also major investment in the education and health care systems and limited industrialisation. The cultural elite were dealt a devastating blow during the Stalin era.

Uzbekistan's independence was a consequence of the general falling apart of the Soviet Union – not a result of any mighty nationalistic wave. The leader of the Communist Party of Uzbekistan, Mr Islam Karimov reportedly disagreed with the dissolution of the Communist Party of the Soviet Union and his stance on the August 2001 coup against the Soviet leader Gorbachev by conservative forces was unclear. It was only after this coup had failed and almost all other Soviet republics had declared themselves independent that Karimov let Uzbekistan follow. The Communist Party of Uzbekistan became the Popular Democratic Party and Karimov developed a commitment to the national project with remarkable ease and speed.

II. POLITICAL SITUATION

Internal political situation

After Turkmenistan, Uzbekistan is the ex-Soviet Central Asian republic in which the smallest changes have taken place since independence, in the political as well as the economic sphere. No election coming anywhere near to conforming to democratic standards has ever been held. The very modest progress towards media pluralism and a developed civil society that was still achieved in the first decade has during the last two years been undone and President Karimov appears to pursue totalitarian control.

Patronage is used to secure loyalty within the elite and its business interests are protected in different ways. Often prohibitive import tariffs shield domestic producers from import competition and very tight regulation of economic activities often make it extremely difficult for independent entrepreneurs to develop their businesses. It is widely believed that the authorities' frequent crackdowns on local businessmen who they accuse of belonging to radical Islamist organisations in reality sometimes serve the purpose of doing away with competition (actual or potential). Preventing accumulation of financial resources can also help to forestall the emergence of independent political

actors. The latter aim is pursued by the regime also through the creation of an very difficult climate for non-governmental organisations (NGOs) of any kind and the chasing out of international governmental and non-governmental organisations with which domestic NGOs could interact.

The constitution, adopted in 1992, provides for a presidential system. Referenda were held in 1995 and 2002 to extend President Karimov's term in office. The 2002 referendum also concerned reorganization of the parliament. Like all elections, both referenda led to an overwhelming endorsement of Mr Karimov's rule and policies – according to the official results. Setting up a political party on ethnic or religious grounds is prohibited. In the 1990's, the political movements Birlik (Unity) and Erk (Freedom) were virtually eradicated. In early 2005, the leaders of the *Serquyosh Uzbekistonim* (My Sunny Uzbekistan) political initiative were condemned to long prison sentences. They had striven to open a dialogue on reform with the government.

In spite of the destruction of a staggering 26 000 mosques during the Soviet era⁴ and many decades of attempts to push back the role of Islam in the Uzbek society, Sunni Islam remains a defining element for Uzbek culture. Notwithstanding his given name, President Islam Karimov continues much of the Soviet policy also when it comes to religion. Mosques have to be registered and are supervised. Missionary work and the teaching of religion in private are reportedly forbidden⁵.

Also before the mass killings in Andijon in May 2005 (dealt with below), the Uzbek regime was widely perceived as particularly repressive. Systematic torture of detainees and prisoners, cases of prisoners dying in mysterious circumstances, extraction of confessions under duress and the practice of incarcerating political opponents in psychiatric institutions are all part of the picture. Human rights defenders are persecuted⁶.

President, government, parliament and *mahallahs*

The President is directly elected. Mr Islam Karimov⁷ won flawed elections in 1991 and 2000. The next presidential election is due to be held in 2007. Mr Karimov is not eligible for a new term, but will perhaps find a way to remain in power.

There is much speculation among analysts over who and what will come after Mr Karimov. In this context, his daughter, Gulnora Karimova, is often mentioned. She has served as a counselor in the Uzbek embassy in Moscow and is a very influential businesswoman focused on deals with Russian companies. Power struggles within the ruling elite are also considered possible.

⁴ Figure quoted in Petra Steinberger: *Fundamentalism in Central Asia. Reasons, reality and prospects*, included in *Central Asia. Aspects of Transition* (ed: Tom Everett-Heath).

⁵ I Rotar: *Religious Groups: Islam and Karimov*. Transitions Online (TOL) 10 March 2005. A recent evaluation of religious freedom by the NGO Forum18: www.forum18.org/Archive.php?article_id=777

⁶ The International Federation for Human Rights has information on recent cases, see: www.fidh.org/rubrique.php3?id_rubrique=287

⁷ An official biography and eulogy is available at <http://www.gov.uz/en/section.scm?sectionId=1746>.

The President appoints the judges of the Supreme Court and the judiciary is by no means independent.

The government executes the policies defined by the President and his office. Prime Minister is Mr Shavkat Miromonovich Mirziyoev. The rubberstamp parliament is since the 2002 referendum divided into two chambers. The upper chamber consists of 84 representatives of the country's 12 *viloyat* (provinces), the Qoraqalpaghiston autonomous republic and the capital Tashkent, plus 16 members appointed by the President. The lower chamber has 120 directly members. Elections were last held in December 2004 and January 2005. The OSCE noted that 'the absence of a diverse and genuinely independent mass media prevented any meaningful political debate'⁸. Five parties, all of which are pro-government, are represented in the parliament.

Among the territorially defined government institutions, the most local ones, called mahallahs, are the most noteworthy. They are based on a specific law from 1993 and cover the whole country, each typically comprising between 500 and 1 000 households. Mahallah means neighbourhood or community and for many centuries, local fora or communities called mahallahs have existed in Uzbekistan. Traditional mahallahs took different shapes and could have many functions. Some survived the Soviet era and were integrated in the new system. In urban areas, many new mahallahs have been set up. The current mahallahs constitute a system for administrative outreach and social control. The promotion of this system as a revival of the traditional mahallahs exemplifies the regime's efforts to strengthen its legitimacy in the eyes of its subjects by evoking Uzbek history and portraying itself as a promoter of a national project⁹.

Violence, opposition and prospects as regards stability

The killing of hundreds of people in the city of Andijon in May 2005 shocked the world and raised the questions what actually happened, why and what this huge tragedy could signal about the stability of the political and economic system in Uzbekistan. Attempts to establish the actual course of events were made by the Human Rights Watch¹⁰, the OSCE's Office for Democratic Institutions and Human Rights (ODIHR)¹¹ and the Office of the UN High Commissioner on Human Rights (UNHCHR)¹², in this order. Since the Uzbek regime closed off Andijon, the reports were mainly based on interviews with refugees.

The night before the mass killings, inmates were liberated from a prison in Andijon, apparently by gunmen who broke into it. Other government buildings were attacked, probably with the aim of stealing weapons. The Andijon region administrative office was invaded and starting in the morning, thousands of demonstrators - men, women and children - gathered on the central Babur Square. There were some weapons on the scene

⁸ The full report is available at www.osce.org/documents/odihr/2005/03/4355_en.pdf

⁹ President Karimov's *mahallisation* policy is discussed in *Central Asia. Aspects of transition*. (ed: Tom Everett-Heath), in the chapter *The Uzbek Mahallah: between state and society*. In a special report from Human Rights Watch in 2003, mahallahs were depicted as government instruments of repression (www.hrw.org/reports/2003/uzbekistan0903).

¹⁰ <http://hrw.org/reports/2005/uzbekistan0605/>

¹¹ www.osce.org/documents/odihr/2005/06/15233_en.pdf

¹² Apparently not available on the UNHCHR's website - the author of the present note can send a copy.

and hostage-taking occurred. Intervening security forces fired indiscriminately and without prior warning at several occasions. In the evening, groups of demonstrators, some of them using hostages as shields, moved from the square along streets where they were ambushed and showered with bullets by security forces shooting from positions on the streets, in or behind armoured vehicles, as well as from windows and rooftops of buildings. Hundreds were killed, the great majority of whom were with great likelihood unarmed civilians.

According to the *official* version¹³, terrorists with foreign backing and bases in neighbouring Kyrgyzstan crossed the border and attacked the prison as well as military units and security institutions during the night. They then called up a great number of civilians with the aim of projecting an image of a popular uprising and equipping themselves with human shields. President Karimov, who was in the area, took the decision to resolve the situation in a peaceful way, through talks. When the talks failed, the terrorists were given an opportunity to leave in three directions towards the border of Kyrgyzstan. Security forces merely protected the population against possible attacks but the terrorists fired at them. Hostages were also shot and in the chaos that developed, the terrorists killed dozens of the peaceful citizens who they had used as human shields. 'So called human rights organisations' collaborated with the terrorists and reporters of foreign news media systematically spread lies.

Uzbekistan has categorically rejected all calls from the international community for an independent international investigation. A big show-trial took place in the autumn of 2005. A resident of Andijon and mother of four, Ms Mahbuba Zokirova, did, however, during that trial testify that soldiers opened fire at people without warning¹⁴. Other trials, to which observers were not admitted, followed.

The uprising and mass killings in Andijon were preceded by weeks of peaceful protests against a trial of 23 businessmen and the suppression by the authorities of cross-border trade with Kyrgyzstan, on which many residents depended for their livelihood. It should be noted that in late 2004 and early 2005, new legislation hitting cross-border traders, the blowing up by the authorities of bridges over the Shakhrysay River separating the region from Kyrgyzstan and actions against bazaars, including bulldozing, had caused much unrest in towns in the Ferghana Valley, and also beyond, in late 2004 and early 2005. This, rather than terrorism, strongly appears to be the context in which the uprising must be seen¹⁵.

Terrorism is, however, not an unknown phenomenon in Uzbekistan. Between 1999 and 2001, the Islamic Movement of Uzbekistan (IMU), strongly believed to have links to al-Qaeda, carried out attacks in this country and in Kyrgyzstan. When the US-led coalition invaded Afghanistan in the autumn of 2001, IMU militants fought alongside Taliban forces. The IMU leader Juma Namangani probably got killed in an air-raid and the IMU took a very hard blow. Recent increased violence in Tajik and Kyrgyz areas in the Ferghana Valley have, however, prompted speculation that the IMU is again becoming significant.

¹³ www.uzbekistan.be/press-releases/andijan/2005%2009%2022.html

¹⁴ Parts of the testimony are available at www.rferl.org/reports/centralasia/2005/10/41-271005.asp

¹⁵ These developments are described in the International Crisis Group briefing *Uzbekistan: the Andijon uprising*, <http://www.crisisgroup.org/home/index.cfm?id=3469&l=1>

A series of explosions and attacks on police checkpoints in Tashkent and Bukhara, which would have killed tenths of people, were reported in March 2004. The then British ambassador to Uzbekistan, Mr Craig Murray, claims that he went to what was said to have been the scenes of these explosions and made observations which were completely incompatible with the reports (in one place finding no sign of any physical damage at all)¹⁶.

The international radical movement *Hizb ut-Tahrir* (Party of Liberation) is banned, but seems to have many sympathisers in the Ferghana Valley. It advocates the replacement of secular governments in Muslim countries by a caliphate modeled on the early Islamic state. It denies favouring violent means, but is in western countries often accused of supporting terrorism at least implicitly¹⁷.

The risk of terrorism in Uzbekistan is widely believed to increase, not decrease, because of the government's actions. Generally poor living conditions, tight restrictions that in many ways hinder people from striving to improve their lives, rampant corruption and repression give plenty of ground for frustration and anger. As there is virtually no room for dialogue and expressions of dissent, people looking for the introduction of new standards of public morality and social change are pushed towards clandestine organisations and radicalisation is likely. Under such conditions, also groups with very distorted ideas about Islam may have a chance to attract members and terrorist recruitment could be facilitated.

Analysts deem it likely that tensions which are currently kept under control with repressive measures sooner or later will lead to new uprisings and violent developments. Oxford Analytica concludes that 'Uzbekistan is heading towards an economic and social collapse'¹⁸. Terrorism is a potential threat and strife within the ruling elite could also develop. Destabilisation of neighbouring countries is a risk.¹⁹

International relations

Since Uzbekistan gained independence in 1991, its foreign and trade policies have been shaped in particular by the twin ambitions to strengthen sovereignty and to counter challenges to the current political, economic and social order in the country, maintaining heavy state intervention and control. Changing external conditions - in particular the US-led invasion of Afghanistan and the 'war against terrorism' after 11 September 2001, as well as the 'colour revolutions' 2003-05 - have prompted wholesale realignments and given Uzbek foreign policy an opportunistic and rather inconsistent appearance.

¹⁶ 'A brutal reminder'. FT Magazine, 28 May 2005. Mr Murray had by then been recalled from Uzbekistan and left the British Ministry of Foreign Affairs because of deep disagreement with the British and American policy on Uzbekistan. He now publishes critical material on Central Asian regimes and western governments policies towards them and runs the website www.craigmurray.co.uk. Mr Murray gave testimony in the EP's Temporary Committee on the alleged use of European countries by the CIA for the transportation and illegal detention of prisoners.

¹⁷ How Hizb ut-Tahrir presents itself can be seen at <http://www.hizb-ut-tahrir.info/english/about.htm>

¹⁸ www.oxan.com/display.aspx?ItemID=DB126355

¹⁹ See e.g. Chris Patten: *Saving Central Asia from Uzbekistan*, www.iht.com/articles/2006/03/21/opinion/edpatten.php.

Uzbekistan is a member of the Russia-led, but largely ineffective Commonwealth of Independent States (CIS)²⁰. In June 2006, it rejoined the Collective Security Treaty Organisation. It is also a member of the Shanghai Cooperation Organisation (SCO), which has set up an anti-terrorism centre in Tashkent. As the only country in Central Asia, Uzbekistan was a member of the GUUAM Group (also consisting of Georgia, Ukraine, Azerbaijan and Moldova), but left this group in June 2005. The announcement came after the killings in Andijon, but its background was the 'colour revolutions' in Georgia, Ukraine and Kyrgyzstan and a choice to seek a more cooperative relationship with Russia.

Relations with neighbouring countries

Uzbekistan's relations to each of its Central Asian neighbours are generally tense and sometimes openly hostile. Increased activism of Islamists in the Ferghana Valley is, however, driving the Uzbek, Kyrgyz and Tajik regimes to develop an interest in intelligence-sharing and other security cooperation.

As mentioned, Uzbekistan alleges that terrorists they claim were responsible for the Andijon incident operated from Kyrgyzstan. Hundreds of people fled over the border after the killings and the Uzbek regime put Kyrgyzstan under hard pressure to send them back. A small number were deported, in spite of strong counter-pressure on the Kyrgyz authorities from the international community to reject the Uzbek demand. Some 450 registered refugees were flown to Romania. Uzbekistan for some time cut off gas supplies.

In 1999, hostage-taking in Kyrgyzstan by the IMU resulted in the bombing of Kyrgyz territory by Uzbekistan and incursions by the Uzbek army. Furthermore, Uzbekistan cut off gas supplies and Kyrgyzstan responded by refusing to supply water.

Tajikistan was during the first years under Soviet rule an autonomous republic within Uzbekistan and its independence is still not fully accepted by Uzbekistan. A number of cooperation agreements were signed on 3 March 2003, but as illustrated e.g. by reports of arrests of alleged spies on both sides of the borders in June 2006, there is still much tension.

Relations with Turkmenistan hit a low in December 2002, when the Turkmen secret services raided the embassy of Uzbekistan, claiming that Turkmen nationals involved in an alleged attempt to assassinate President Niyazov hid there. As with Kyrgyzstan, there are also arguments over water.

With its greater wealth, Kazakhstan can to some extent compete with Uzbekistan for regional leadership, but regional cooperation is anyway quite absent and Russia is the source of most of the initiatives launched. After Andijon, Kazakhstan sent back a few refugees to Uzbekistan. The Kazakh President Nazarbayev said during an official visit to Uzbekistan in March 2006 that the handling of the Andijon unrest was justified and that a different response to 'extremists' could have 'destabilised the whole region'.

²⁰ See Annex 3 for an overview of Uzbekistan's and its Central Asian neighbours' participation in regional and other cooperation.

In relation to Afghanistan, the Uzbek regime's main interest is to ensure that the country will not provide any breeding ground for islamists and terrorists. Uzbekistan supported the Northern Alliance in its war against the Taliban.

Relations with other countries and international organisations

In 1997, the persistence of the Tajik and Afghan conflicts convinced President Karimov that Russian support was his only option at that time. In the years that followed, several bilateral agreements were signed. At the same time, Uzbekistan wished to limit Russia's influence, in order to protect its independence. A US request, in connection with the war in Afghanistan, to be given access to an airbase in Uzbekistan therefore suited Karimov. He was also more than happy to see the US oust the Taliban. Having little choice and agreeing that the ousting of the Taliban was anyway a very good thing, Russia grudgingly accepted the basing of US troops in Uzbekistan. But Russia wanted the Americans out of what it perceives as its backyard once they had done their job. In the words of the Russian Deputy Foreign Minister and President Putin's Special Envoy to the Caspian region Victor Kylyuzhny, 'Guests should know that it is impolite to stay too long'²¹.

After Andijon, Russia firmly backed Karimov's version of what had happened. A Russian-Uzbek mutual defence agreement was concluded in the end of 2005. Having turned its back on the West and its investors, Uzbekistan is likely to rely principally on Russia for the great investments in the energy sector which are necessary to keep up and expand production. And much Russian interest exists.

Until 1994, relations with the USA²² were soured by Uzbekistan's failure to keep its promises on democratisation, respect for human rights and economic reform. Relations improved dramatically in late 1994 when the US State Department changed policy, arguing that Uzbekistan's anti-Islamic, anti-Iranian and anti-Russian rhetoric, and its large armed forces, made it a potentially vital ally. After the attacks of 11 September 2001, Washington committed itself to protecting the Uzbek regime against any 'islamist threat'²³ in return for the use of a former Soviet air force base.

In 2004, a US decision to withdraw aid because of the situation in the country was rapidly followed by a decision on additional military aid for a very similar, but slightly higher sum, suggesting differing views and a competition between the State Department and Pentagon. The USA did not impose any sanction following Andijon.

Uzbekistan was one of the most active participants in NATO's Partnership for Peace (PfP) programme in the region until the Andijon events. A civil emergency preparedness exercise called 'Ferghana 2003' was held that year. Rumours that special troops that participated in the mass killings had participated in PfP exercises and that they used equipment received from NATO countries remain rumours only.

²¹ Quoted in Lutz Kleveman: *The New Great Game. Blood and Oil in Central Asia* (London, 2003), p 191.

²² A detailed description of the shifting US-Uzbek relationship is given in Martha Brill Olcott: *Central Asia's Second Chance* (Washington 2005) (available in the EP library).

²³ The IMU was one of 27 'terrorist groups' named by President Bush on 24 September 2001.

In July 2005, the US military received an order to evict the Khanabad airbase, which it had leased since 2001. It left the base in the months that followed.

The European Bank for Reconstruction and Development (EBRD) held its 2003 annual meeting in the Uzbek capital Tashkent, amidst heavy criticism from human rights NGOs. In this connection, the Bank fixed political and economic conditions for continuing to agree to new lending operations²⁴. In April 2004 the Bank concluded that Uzbekistan would not satisfy these conditions and decided to minimize its cooperation with the Uzbek government, while keep working with the private sector.

The World Bank in July 2006 decided 'to engage the authorities on the need for greater openness and accountability and faster market-oriented reforms' and to provide 'limited new lending for global public goods and basic social services'²⁵.

III. ECONOMIC SITUATION

Uzbekistan is a major producer of gold and natural gas, a regionally significant producer of chemicals and machinery and one of the world's largest cotton producers. The land remains state-owned and more than 95 % of the agricultural production comes from irrigated lands.

Working conditions during the cotton harvest are hard and workers are reportedly exploited. Child labour is used²⁶.

After Uzbekistan gained independence, a high-inflation economy, lurching from crisis to crisis, emerged. Faced with this deterioration, the Government introduced tighter monetary policies, expanded privatisation, slightly reduced the role of the state in the economy and somewhat improved the environment for foreign investors. However, the state continues to be a dominating influence in the economy, and reforms have so far failed to bring about a series of structural changes.

Uzbekistan's monetary policy aims to maintain state control so as to channel credit towards favoured sectors, as well as to prevent the development of informal credit markets and tax evasion. Most trade is controlled by the state and political considerations play an important role in shaping trade flows.

Russia remains the largest trading partner, although its importance has declined. Exports to the rest of Central Asia are mainly accounted for by gas²⁷, which is usually paid for late. Outside the Commonwealth of Independent States (CIS), important export markets are the UK, Switzerland, South Korea, the United States and Germany, the first two being the initial destinations for cotton and gold sales.

²⁴ Consistent with article 1 of the agreement whereby the bank was set up. This article makes clear that the Bank has a political, as well as economic purpose.

²⁵ www.worldbank.org.uz/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/UZBEKISTANEXTN/0,,contentMDK:21008451~menuPK:294193~pagePK:141137~piPK:141127~theSitePK:294188,00.html

²⁶ The Institute for War and Peace Reporting (IWPR) has published a photo reportage, http://www.iwpr.net/index.php?apc_state=henprca&s=o&o=top_galleries_index.html

²⁷ A major contract to supply Russia with Uzbek gas was signed in December 2002.

Uzbekistan has not joined the CIS Customs Union between Russia, Kazakhstan, Kyrgyzstan and Belarus or the Common Economic Space project conducted by Russia, Belarus, Kazakhstan and Ukraine. Despite human rights concerns, the US has given Uzbekistan most favoured nation (MFN) status. Similarly, the EU ratified a Partnership and Cooperation Agreement (PCA) in 1999. Uzbekistan's restrictive trade arrangements make it ineligible for membership of the World Trade Organisation (WTO).

In the aftermath of 11 September 2001, the United States released a USD 200 million loan for the country's development. Following the war in Afghanistan, Uzbekistan's most backward regions also benefited from humanitarian aid sent to the region.

Largely thanks to high world market prices of Uzbekistan's main exports (cotton, gold and energy), economic growth in recent years appears to have been strong. The government puts it at around 7 per cent and the International Monetary Fund agrees. The official statistics are, however, very incomplete and unreliable. Some argue that the growth rate must be much lower. It is anyway far from obvious that ordinary citizens would benefit from the economic growth in any significant way.

IV. EU-UZBEK RELATIONS

Framework for the relations and main instruments of EU policy

A Partnership and Cooperation Agreement (PCA) between the EU and Uzbekistan²⁸ was signed 21 June 1996. It states that the relations should be based on democratic values, political dialogue and respect for the rule of law. The European Parliament deferred the giving of its consent to ratification until March 1999, considering that Uzbekistan did not fulfil the minimum conditions relating to respect for democracy and human rights²⁹. The agreement entered into force 1 July 1999. A cooperation agreement on the peaceful use of nuclear energy was concluded between Euratom and Uzbekistan in 2002.³⁰

The terrorist attacks against the USA on 9 September 2001 prompted increased attention to Afghanistan and its regime, with its Al-Qaeda links, and also to the Central Asian region, because of its potential for breeding radical islamism. As to the EU, Council conclusions of 10 December 2001³¹ set a new framework for relations with the region. This framework remains in place. The conclusions welcomed the cooperation of the countries there in the fight against terrorism, but noted that *'lasting stability and security in the countries of Central Asia can only be achieved through continuing reform'*. The Council declared that it *'attaches great importance to tackling the root causes of terrorism and conflict in the region by supporting efforts to improve governance and to reduce poverty'*. An earlier policy of reducing EU projects in the

²⁸ http://www.europa.eu.int/comm/external_relations/ceeca/pca/pca_uzbekistan.pdf

Democracy and human rights are referred to in the articles 2 and 68. Article 95 provides that if a party considers that the other party does not fulfil its obligations, it may take measures (including suspension of the agreement or a part of it).

²⁹ OJ C 175, 21.06.1999, p. 432.

³⁰ SEC (2002) 496 final.

³¹ http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/gena/DOC.69077.pdf

region, in the context of a new focus on the western-most of the TACIS beneficiary countries, was reversed.

In July 2005, the EU appointed a Special Representative for Central Asia, Mr Ján Kubiš³². He resigned one year later after having been appointed Foreign Minister of Slovakia. A new Special Representative, with the same mandate, is due to be appointed on 25 September 2006.

Trade and aid

Uzbekistan is the second biggest trading partner of the EU in the region, after Kazakhstan³³. Uzbekistan's main exports to the EU are cotton, textile products and – especially since 1999 – gold.

TACIS aid to Uzbekistan is based on a regional strategy paper for the years 2002-2006³⁴. The spending rate of € 9.2 million per year has not changed after the Andijon events. Projects concern inter alia policy advice, poverty alleviation (including in the Andijon region), other social issues and to some extent also civil society development (the latter is, however, very difficult under the current circumstances and no NGO with even remotely political aims is included). Under the European Initiative on Democracy and Human Rights (EIDHR), a project aiming at improving the well-being of children from minority groups is conducted in the Ferghana Valley (in Uzbekistan as well as in Kyrgyzstan and Tajikistan).

In the framework of an inter-state programme, activities in relation to the TRACECA initiative (aiming to improve infrastructure for transports between Central Asia and the EU) and the Aral Sea have received support.

Current status of EU-Uzbek relations

In October 2005, the EU decided to impose an embargo on arms sales and a visa ban for 12 high-ranking Uzbek officials, including three ministers. These measures were adopted the following month, but on the same day as this happened, Germany received one of the 12 persons, the Interior Minister Mr Zokirjon Almatov, for hospital treatment. This prompted heavy criticism and the UN Special Rapporteur on Torture, Mr Manfred Nowak, called on the German authorities to prosecute Mr Almatov. Survivors of the massacre, supported by Human Rights Watch, tried, in vain, to convince the German federal prosecutor to open a criminal investigation on the basis of a German law allowing its courts to exercise universal jurisdiction.

Germany obviously cares about its relationship with the Uzbek regime, which includes the lease of an airbase in Termez, on the border to Afghanistan. A dozen German transport aircraft and helicopters are stationed there and support the German ISAF

³² http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=263&lang=en

³³ More details available at http://trade.ec.europa.eu/doclib/docs/2006/may/tradoc_113461.pdf

³⁴ http://www.europa.eu.int/comm/external_relations/ceeca/rsp2/index.htm

contingent in Afghanistan³⁵. Discretely, other major EU Member States also maintain a dialogue with the Uzbek regime and it is doubtful whether a consensus to continue the EU's sanctions policy after their current deadline, in mid-November 2006, will be achieved. A meeting of the EU-Uzbekistan Cooperation Council (ministers) may be held in the beginning of November 2006.

The EU has no Delegation to Uzbekistan, but a 'Europe House' is run by a contractor. The Commission Delegation to Kazakhstan manages Uzbekistan issues.

The European Parliament's views

The European Parliament adopted resolutions on Uzbekistan on 9 June³⁶ and 27 October 2005³⁷. The former resolution stated that *'EU cooperation can be provided only if based on a genuine policy of promoting human rights on the part of the beneficiaries'* (recital O) and that *'the Uzbek government, by continuing to refuse an international inquiry, is failing to meet even its most basic obligations under the PCA's human rights and democracy clause'* (paragraph 4). In the latter resolution, Parliament expressed its support for the sanctions.

In its resolution on the Annual Report on Human Rights in the World 2005 and the EU's policy on the matter, adopted on 18 May 2006³⁸, Parliament regretted that it took six months to enact the sanctions.

³⁵ A description and damning criticism of the German policy in relation to Uzbekistan was published by Spiegel Online on 2 August 2006,

<http://service.spiegel.de/cache/international/spiegel/0,1518,429712,00.html>

³⁶ <http://www2.europarl.europa.eu/omk/sipade2?PUBREF=-//EP//TEXT+TA+P6-TA-2005-0239+0+DOC+XML+V0//EN&L=EN&LEVEL=3&NAV=S&LSTDOC=Y>

³⁷ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2005-0415+0+DOC+XML+V0//EN&language=EN>

³⁸ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2006-0220+0+DOC+XML+V0//EN&language=EN>



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Department of Peacekeeping Operations
Cartographic Section

Central Asian states:
Basic country data

Annexe 2

	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan	source:
Population (million, 2005)	14.8	5.3	6.5	4.8 ³⁹	26.6	UNFPA
Ethnic composition (%)	Kazakh 44, Russian 36	Kyrgyz 65 Uzbek 14, Russian 12	Tajik 80 Uzbek 15	Turkmen >85 Uzbek 5, Russian <4	Uzbek 80 Russian 5, Tajik	various
Official language (and other)	Kazakh, Russian (Uzbek, Uighur)	Kyrgyz (Russian, Uzbek, Uighur)	Tajik (Russian ⁴⁰ , Uzbek)	Turkmen (Russian, Uzbek)	Uzbek (Russian)	various
Currency	tenge (KZT)	som (KGS)	somoni (TJS)	manat (TMM)	sum (UZS)	
President	Nursultan Nazarbayev	Kurmanbek Baikiyev	Imomali Rahmonov	Saparmurad Niyazov	Islam Karimov	
Next (and most recent) presidential election	Dec 2012 (Dec 2005)	July 2010 (July 2005)	Nov 2006 (Nov 1999)	possibly in 2010 (June 1992)	2007 (Jan 2000)	EIU and other
Next (and most recent) parliamentary elections	Sep 2008 (Oct 2004, Aug 2005)	Feb 2010 (Feb & March 2005)	2010 (Feb & March 2005)	Dec 2008 (Dec 2004)	2009 (Dec 2004 & Jan 2005)	EIU and other
GDP per head 2003 (USD, at purchasing power parity)	6 671	1 751	1106	5 938	1 744	UNDP
Real GDP growth rate (%) 2005	9.4	- 0.6	6.7	9.6 ⁴¹	7.0	IMF
Projected real GDP growth rate (%) 2006 and 2007	8.0 8.3	5.0 5.5	8.0 6.0	6.5 6.0	7.2 5.0	IMF
Transition indicator ⁴²	2.93	2.96	2.33	1.29	2.15	EBRD
Human development rank /177 countries studied	80	109	122	97	111	UNDP
Press freedom rank /167 countries studied	116	98	86	136	120	RSF
Corruption rank /158 countries studied	119	111	113	155	155	TI

Explanation of sources:

EBRD	European Bank for Reconstruction and Development, factsheet on the respective country, accessed at www.ebrd.com on 9 June 2006
EIU	The Economist Intelligence Unit, country reports published in 2006 (http://db.eiu.com/index.asp - not freely accessible outside the EP)
IMF	International Monetary Fund, World Economic Outlook, April 2006 (www.imf.org/external/pubs/ft/weo/2006/01/index.htm)
RSF	Reporters sans frontières, Worldwide Pressfreedom Index 2005 (www.rsf.org/article.php3?id_article=4110)
TI	Transparency International, Corruption Perception Index rank in 2005 (www.transparency.org/news_room/in_focus/2005/cpi_2005#cpi)
UNDP	United Nations' Development Programme, Human Development Report 2005 (http://hdr.undp.org/reports/global/2005/pdf/HDR05_HDI.pdf). See also Central Asia Human Development Report (http://hdr.undp.org/docs/reports/regional/CIS_Europe/CIS/Central_Asia_2005_en.pdf)
UNFPA	United Nations' Population Fund, State of the World Population 2005, www.unfpa.org/swp/2005/images/e_indicator2.pdf

³⁹ According to official statistics, the population exceeds 6 million.

⁴⁰ Language of inter-ethnic communication

⁴¹ According to official statistics, the growth rate was much higher still.

⁴² Scale, from 1 to 4.33, measuring economic transition. 1 indicates little or no progress, 4.33 means standards similar to advanced economies. Highest value: Hungary (3.93). Lowest value outside Central Asia: Belarus (1.81).

Central Asian states:

Membership of selected international organisations and participation in certain multilateral cooperation

	OSCE	CIS	CSTO	EAEC	CACO	CES	SCO	PfP	ECT	EBRD	WTO
Kazakhstan	X	X	X	X	X	X	X	X	X	X	
Kyrgyzstan	X	X	X	X	X		X	X	X	X	X
Tajikistan	X	X	X	X	X		X	X	X	X	
Turkmenistan	X	⁴³						X	X	X	
Uzbekistan	X	X	X	X	X		X	X	X	X	

OSCE	Organisation for Security and Cooperation in Europe; www.osce.org
CIS	Commonwealth of Independent States, www.cis.minsk.by ; in English: www.cis.minsk.by/main.aspx?uid=74
CSTO	Common Security Treaty Organisation (other members: Russia, Belarus, Armenia); www.kremlin.ru/eng/events/articles/2006/06/107615/107619.shtml
EAEC	(EurAsEc) Eurasian Economic Community (other members: Russia, Belarus); www.evrases.com , see also: www.kremlin.ru/eng/events/articles/2006/06/107585/107578.shtml
CACO	Central Asian Cooperation Organisation (other member: Russia). <i>CACO will be merged with EAEC.</i>
CES	Common Economic Space (other participants: Russia, Belarus, Ukraine)
SCO	Shanghai Cooperation Organisation (other members: Russia, China); www.fmprc.gov.cn/eng/topics/sco/t57970.htm
PfP	The Partnership for Peace Programme created by NATO; www.nato.int/issues/pfp/index.html
ECT	The Energy Charter Treaty (X indicates ratification); www.encharter.org/language.jsp
EBRD	European Bank for Reconstruction and Development; www.ebrd.org
WTO	World Trade Organisation; www.wto.org

⁴³ Turkmenistan was a member until August 2005. It then downgraded its participation to associate membership.