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Assessing Uzbekistan's Reform Trajectory and Its Strategic Implications for EU–Uzbekistan Relations¹

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Introduction

This report provides an analytical overview of Uzbekistan's evolving political, societal and economic situation, taking into account recent reforms along with *key strategic priority areas* in EU-Uzbekistan relations. It looks at a range of specific policy areas, which both concern the domestic situation of the country, along with broader regional and international dynamics linked to society at large, connectivity, critical minerals, energy, security and trade. Drawing on ENC data, legal policy documents, datasets, expert consultations and interviews, the report also examines the foundations of governance reform, economic liberalisation, and state capacity-building under President Shavkat Mirziyoyev and the recent international engagement of the EU in the region. Particular attention is given to the interaction between political control and economic openness, the role of institutions in sustaining reform momentum, and the implications of Uzbekistan's development trajectory for regional integration and EU engagement in the international arena.

The report provides a summary of key areas of priority for EU-Uzbekistan relations, based on ENC's working areas and data in order to support the European Parliament's assessment of the country within the larger context of diplomatic and business relations, along with societal developments and domestic reforms.

Economic Reform and Liberalisation

Since 2016, the new president of Uzbekistan Shavkat Mirziyoyev has implemented significant economic reforms which have assisted the liberalisation and opening of Uzbekistan's economy, while providing more favourable conditions for the country's private sector and foreign direct investment. [According to the World Bank](#), starting from 2017, Uzbekistan has averaged GDP growth of 5.3% annually as the country became "one of the world's top reformers, outperforming many lower-middle-income economies."

Despite being an ongoing process, the economic privatisation, currency deregulation and liberalisation of laws undertaken by the Mirziyoyev Administrations in 2017, 2019-2020 and 2025-2026 mark a significant departure from the highly authoritarian, unaccountable governance model and economic structures that characterized the pre-2016 era under former President Islam Karimov.

For example, since September 2017, the [Public Administration Reform](#) (PAR) has focused on professionalizing and partially decentralizing decision-making across Uzbekistan's public administrations. The government has introduced performance-based evaluation mechanisms for civil servants, expanded merit-based recruitment, and increased wages in key public-sector institutions to reduce incentives for rent-seeking. In addition, the 2017 decision to liberalise currency in Uzbekistan has had positive consequences in terms of allowing for the free conversion of the Uzbek sum, which has removed the primary barriers to foreign investment. By eliminating the problematic black currency market, one of the main obstacles towards investment and international trade was removed. Other noticeable reforms have included the 2019-2020 renewed tax code, which significantly reduced value added tax, along with corporate taxes, while simplifying taxation and administrative procedures for small and medium sized businesses. In line with such reforms, Uzbekistan has since made substantial investments in [digital governance](#), including the expansion of e-government platforms, one-stop service centers for businesses, and online public procurement systems. These recent measures have notably reduced administrative barriers, particularly for non-state enterprises and medium sized entrepreneurs, while also shortening licensing procedures. The unbundling and privatisation of State Owned Enterprises (SOE) through an estimated selling of more than 1.000 small and medium sized SOEs has also assisted in the efficiency, profitability and accountability of otherwise unmanageable state assets. The institutionalisation of such procedures have also been guided since 2024 by the National Investment Fund, which was established in order to manage state assets and facilitate further privatisation. Banking sector reforms have also attracted new forms of investment, since widespread reductions in state-financing has allowed for new international banking stakeholders in Uzbekistan's nascent market economy.

According to Uzbekistan's national statistics agency, in [2024 over 80.000 new enterprises and organizations](#) were registered across the country, underscoring the improvement in terms of business environment. Through the first eight months of 2025, [approximately 58.500 new companies](#) were registered. Foreign participation in the domestic market also reflects this dynamism: by mid-2025 there were over [16.685 companies](#) with foreign capital operating in Uzbekistan, with around [1.814 new foreign-invested firms](#) registered in the first half of the year.

Starting January 1, 2026, [Uzbekistan will implement the Start a Business in 15 Minutes](#) initiative, streamlining registration by combining key services, such as e-signature issuance, bank account opening, license applications, and VAT registration, into a single digital workflow, reducing the process from about a week to 15 minutes. The [Start a Business in 15 Minutes](#) initiative aims to consolidate key steps—such as issuing an electronic signature, opening a bank account, applying for licenses, registering VAT status, and enrolling directors into labor systems—into a single digital workflow, lowering both time and cost burdens for starting entrepreneurs. These measures dovetail with broader regulatory reforms, such as simplified employee registration and updated tax procedures that ease compliance and enhance predictability for small and medium enterprises and independent business people.

[Anti-corruption efforts](#) have also become more visible, despite the continued high discrepancy between communicated political desire to tackle corruption and the reality on the ground where *corruption continues to be common practice*. The establishment of specialized anti-corruption bodies, enhanced prosecutorial oversight, and public messaging around zero tolerance for corruption signal a degree of political commitment towards reform. This appears guided by a genuine desire for enhanced private sector investment and market-credibility. Early signs that Uzbekistan is taking initial steps toward asset declaration and financial transparency for public officials should be viewed positively if carried through with implementation and data-sharing internationally. As noted above, enforcement however remains selective, and corruption continues to be embedded within informal networks, particularly in major SOEs and regional administrations.

Despite recent positive developments for businesses operating in Uzbekistan, it is equally clear that barriers continue to exist in terms of day-to-day business practices. Some important areas which regularly hinder business developments include the dominance of state enterprises, which form clear monopolies in the country, along with unfair state subsidies which create uncompetitive environments for smaller-sized enterprises and foreign business. In addition, the need for clear certification, data transparency and rules based norms for business (e.g. Environmental, Social, Governance standards) are needed to support better frameworks for legal consistency and transparency for international investors. Despite [Uzbekistan's currency liberalisation](#), there are also issues arising from exchange rate volatility, payment discipline and the need for enhanced digitalisation across many sectors. [According to OSCE](#), reinforcing the legal framework through World Trade Organisation (WTO) and international trade agreements remains an important step to diminish regulatory complexity, tax burdens, customs issues, informal networks and corruption.

Regarding economic growth, according to the World Bank, throughout the first half of 2025, [Uzbekistan's GDP saw 7.2% growth](#), partly fueled by strong private consumption, rising real household spending and increased investment driven by Foreign Direct Investment (FDI) in key sectors, leading to a [26.2 % export](#) surge. Country nominal GDP reached [\\$159.2 billion](#), while GDP per capita has [risen](#) to \$3.647, up \$533 (17.1%) from \$3.113 in 2024, based on a population of 38.49 million. In addition, as of January 2026, Uzbekistan's [international reserves reached a record of US\\$66.3 billion](#), according to the Central Bank of Uzbekistan.

Job creation has remained sluggish, averaging just [1.1% growth over the past five years](#), while inadequate skill-development of employees in the country, along with labor migrants, remain a significant concern. Nevertheless, Uzbekistan has launched its National Development Strategy 2030, which sets the goal of achieving upper-middle-income country (UMIC) status by the end of the decade. The strategy prioritizes empowering citizens, improving living standards through sustainable economic growth, safeguarding the environment and natural resources, and strengthening people-centered public services. In parallel, the government is addressing certain migration challenges by expanding domestic employment opportunities and focusing on improving skills development, and creating conditions that reduce reliance on outward

labor migration, while supporting the reintegration of returning migrants, primarily from Russia.

Long standing problems such as child and forced labour in the country's cotton industry finally came to an end in 2022 as the [Cotton Campaign](#) in tandem with International Labour Organization (ILO) announced the end of its pledge, signed by 331 brands and retailers, to boycott Uzbek cotton on account of forced labor. Whereas the implementation of the National Development Strategy remains to be tested fully in terms of actual implementation across all sectors of the economy, the impact of the past decade of reforms along with the ILO-supported Cotton Campaign has yielded noticeable improvements in the functioning of the market economy along with the abolition of any involuntary adult and child labour across industry and agriculture. In addition, the period between 2020 and 2025 has seen a new growth in private-led initiatives of public-policy support, lobbying (e.g. industry advocacy) and free-enterprise support to develop sustainable and market-oriented policy planning.

Political Reform, Judicial Independence and Rights

In terms of political reforms, Uzbekistan lacks genuine judicial independence and true political and competitive openness, despite having taken the first significant step towards market liberalisation and societal change. It is however important to note that such economic reforms (e.g. privatisation and liberalisation) cannot not be seen as entirely separate from Uzbekistan's societal transition towards a more open society. The decision to allow for private market enterprises, decentralisation and foreign currency, along with visa-free-travel, has had a substantial effect on Uzbek society in terms of shaping multiple new centers of decision-making based on private capital and investments. In terms of openness, such market reforms have provided an important and necessary first step towards a more market-driven and pluralistic society, which prioritises more centers of decision-making, freedom of expression and de-centralised engagements between the private sector, a growing middle class, and government entities. This - in turn - is noticeable across social media, traditional media and NGO environments across the country, along

with the new prominence and growth of private sector associations and businesses.

An important measurement criteria of Uzbekistan's political developments can be seen when monitoring the country's media and civil society environment, along with its levels of judicial independence and electoral freedoms. As noted above, between 2016 and 2025, the country saw a noticeable level of media liberalisation along with societal openness to pursue freer forms of expression. The country's [media sphere has changed](#) significantly over the past decade, which has been marked by the emergence of new online private outlets and independent bloggers who actively cover political, economic, and social developments in the country and internationally. Despite the fact that [censorship remains present](#) in Uzbekistan, according to Freedom House and Reporters Without Borders, it is noteworthy that previously blocked international media platforms have [re-entered the Uzbek media landscape](#). These include BBC Uzbek, Voice of America (VOA) Uzbek, Eurasianet and Radio Free Europe/Radio Liberty along with hundreds of social media influencers that were largely unimaginable under the previous, tightly controlled media environment of Islam Karimov.

Despite such positive developments it should however be noted that the Reporters Without Borders Press Freedom Index ranked Uzbekistan as “non-free” in 2024 and 2025. The country remains placed [148th out of 180](#) with limitations and targeted censorship of over 1.000 online materials deemed “extremist and terroristic” in nature and liable to criminal charges. Uzbekistan's Constitution officially prohibits censorship, however, there is credible evidence from civil society organisations and media that self-censorship is regularly practised, while legally the country also defines media charges vaguely, according to international standards, to include defamation and insulting the president and nefarious categorisations under the banner of national security. As a result, Uzbekistan's media landscape today reflects a hybrid model: more open and pluralistic than in the past, yet still constrained by state oversight and unresolved institutional controls and targeted censorship.

In terms of judicial independence and electoral freedom, it is generally accepted that Uzbekistan falls below the standard of having a well-functioning independent judiciary and free and fair elections, despite significant reforms undertaken in recent years by the Mirziyoyev

administrations. According to Uzbekistan's constitution, the judiciary legally separates courts from other branches and the 2017 reforms prohibit political involvement with the establishment of the Supreme Judicial Council. However, challenges exist regarding executive influence and there are continuous concerns with regards to full transparency and informal ties and security service involvement, according to leading international organisations and experts. Since 2017, several positive developments have been observed in terms of the government of Uzbekistan undergoing an important political reform process, which has included the banning of extrajudicial courts and installing a more transparent system of checks and balances. The most important sign of positive developments regarding Uzbekistan's rule of law can be seen in the [2025 WJP Rule of Law Index](#), which ranks Uzbekistan as among the minority of countries that saw its rule of law score increase.

With regards to electoral freedom, the government has undergone institutional reforms and allowed for a multi-party system with pluralistic parties that represent different views and policies. However, those parties remain relatively small and uncompetitive, while state financing for the main party is unequal and transparency regarding the registration process and electoral processes remains questionable, [according to existing reports](#) by international institutions and electoral-monitoring-missions on the ground.

Concerning minority rights, one [important factor continues to be the status of Karapakistan](#) and other minority groups in the country, including levels of permitted religious freedom. The government of Uzbekistan upholds the constitutional secular-standard, which ensures the safety and equality of all citizens, regardless of religious background and ethnicity. Yet there are multiple reports which showcase the stigmatisation and persecution of religious groups and residents of Karapakistan, which have raised concerns for human rights groups. This remains a sensitive subject, however, for policy makers in Uzbekistan, due to the equally valid reports regarding increasing radicalisation across the country, due to foreign religious influence and various forms of violent secessionism. Many organisations have recommended improving levels of transparency and removing any barriers to on-the-ground research regarding these topics, as well as increased levels of international cooperation to ensure more inclusiveness in decision making and higher standards with close international oversight.

With regards to increased standards, it is noticeable that [Environmental, Social, and Governance \(ESG\)](#) is increasingly shaping Uzbekistan's reform trajectory, particularly in relation to foreign investment, market access, and regulatory convergence on EU environmental, social-labor rights and governance. Since 2016, ESG considerations have been largely absent, but the period between 2022 and 2025 showcase a growing recognition by business and government officials of Uzbekistan about the direct relevance of ESG-standards for the well-functioning of economic competitiveness, foreign investment and domestic social stability (e.g. pollution and labor standards). The elimination of systemic forced and child labor in the cotton sector in 2022 marked a critical turning point, while environmental and social challenges persist, particularly in water management, mining, and energy-intensive industries. Domestic and foreign business efforts to change legislation, improve transparent governance, support renewable energy expansion, and strengthen labor oversight, all indicate the gradual growth of a market-driven governance framework for improved labor, environmental and social standards.

The EU plays a central role in anchoring Uzbekistan's ESG convergence through regulatory alignment and concrete foreign investments. Through the [Enhanced Partnership and Cooperation Agreement \(EPCA\)](#) and [Global Gateway](#) instruments, the EU integrates sustainability, labor rights, environmental protection, and governance standards into trade, investment, connectivity, and critical raw material cooperation. This approach positions ESG compliance as a prerequisite for durable access to European markets and long-term investment, especially in sectors such as energy, mining, and manufacturing. While governance enforcement remains uneven and highly centralized, EU engagement provides both technical support and external discipline, reinforcing institutional reform and encouraging Uzbekistan's transition from "ESG signaling" toward credible and systematic implementation.

To sum up Uzbekistan's economic and political reform process, it is important to note that the country's developments are a form of *controlled liberalisation* as opposed to *full democratic transition*. The Mirziyoyev administrations have expanded 'limited political openness' while preserving a highly centralized executive system. The private sector has gained considerable importance, while judicial independence continues to showcase consequential limitations, which are likely overcome through continued and enhanced international trade partnerships, open-markets

and capacity building efforts on-the-ground for political parties, business, media, civil society, judges and independent oversight bodies. Within the relative context of Central Asia, Uzbekistan's past decade under President Mirziyoyev should nonetheless be considered a significant and transformative process of opening markets, liberalisation and - gradual - societal change.

EU-Uzbekistan and Regional Relations

When former President Islam Karimov passed away in 2016, Uzbekistan and Kyrgyzstan were engaged in longstanding border disputes. In the years that succeeded, improved regional cooperation and integration took a significant foothold. In 2023 both countries reached [a comprehensive agreement to demarcate their borders](#), marking an important step in overcoming unresolved issues inherited from the Soviet period.

Uzbekistan also played an important diplomatic and coordinating role in [helping to resolve the Kyrgyzstan–Tajikistan border dispute](#) by encouraging high-level dialogue, participating in trilateral negotiations, and supporting the signing of a historic tripoint border agreement alongside Kyrgyz and Tajik leaders. This helped legally define the point where all three states' borders converge and paved the way for a peaceful settlement of longstanding territorial uncertainties and disputes.

In addition, Uzbekistan also initiated consultative meetings with neighboring countries, which significantly [deepened cross country cooperation](#) by taking a 'leadership role' in supporting regional integration amongst the five central Asian Republics. In recent years, these efforts have gone further, including proposals to create a regional community and broaden cooperation beyond the traditional Central Asian "C5" (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan) to a ["C6" that now also includes Azerbaijan](#). Tashkent has positioned itself as one of the main drivers of this process, reflecting Uzbekistan's increasingly active and cooperative role in regional diplomacy, as a centrally-placed geographic stakeholder in Central Asia. In terms of EU-Central Asia regional cooperation, a noteworthy consequence of the 2025 *EU-Central Asia Summit* was the annual institutionalisation of the *EU-Central Asia Summit* with the support of the International Institute for Central Asia (IICA) and the European Neighbourhood Council (ENC) known as the

[Central Asia - EU Think Tank Forum](#). This initiative which gathered leading think tank institutions from Europe and Central Asia will be repeated annually and serves as a key 1.5 track diplomacy initiative with policy research and advice for regional relations and EU-Central Asia developments, while supporting the Summit's (EU Commission and EU Council Presidents in addition to the leaders of all Central Asian Republics) clear priorities of people-to-people contact, university exchange and think-tank cooperation. In line with these developments, Uzbekistan has undergone significant policy changes in terms of prioritizing a more open foreign policy, while diversifying its traditional relations beyond Moscow to include new important trade, security, infrastructural and energy ties with European, Chinese and American counterparts. Such developments are particularly noteworthy in its relationship with the EU, where relations have undergone a qualitative transformation with Uzbekistan emerging as the EU's most advanced partner in terms of trade and legal-institutional processes in Central Asia along with Kazakhstan. The EU ranks as Uzbekistan's [third-largest trading partner](#), representing 10.4% of its total trade in 2024, while it also remains its second-largest export destination, accounting for 7.2% of Uzbekistan's exports. The [EU - Central Asia Summit](#) held in April 2025 in Samarkand marked a strategic turning point, elevating regional engagement from technical cooperation to high-level political partnership and setting the stage for more binding commitments. President Shavkat Mirziyoyev's subsequent [visit to Brussels](#) further consolidated this shift, translating summit-level political momentum into concrete outcomes with the signing of the [EPCA](#) on 24 October, 2025 and the [conclusion of the WTO negotiations](#). Together, these milestones reflect a transition toward a legal and institutionalised relationship anchored in shared interests spanning across policy-areas of connectivity, economic reform, sustainability, and regional stability, while positioning Uzbekistan as a key interlocutor shaping the EU's broader Central Asia strategy.

The EPCA officially replaced [the 1996 Partnership and Cooperation Agreement](#), while reinforcing bilateral relations and transforming engagement from political dialogue and technical assistance into a structured, legally binding framework governing trade, investment, regulatory convergence, security and large-scale projects. It [establishes a comprehensive and modern legal framework](#) governing EU-Uzbekistan relations across political, economic, and security dimensions. The EPCA supports Uzbekistan's reform agenda by opening "new horizons for collaboration in cybersecurity, counter-terrorism, border security, and

preventing hybrid threats”, as well as cooperation on the rule of law, human rights, and civil society engagement. Importantly, it also supports and expands cooperation in foreign and security policy and provides a comprehensive framework to deepen cooperation on climate action, [“welcoming Uzbekistan's decision to join the Global Methane Pledge” and revitalising the Aral Sea region.](#)

From a trade perspective, [the EPCA establishes a foundation for deeper market access](#), reduction of non-tariff barriers, simplified border procedures and enhanced predictability for European economic operators. Provisions on customs cooperation, technical regulation, sanitary and phytosanitary standards, intellectual property protection, and public procurement directly affect supply-chain viability and concrete business-to-business needs. It also deepens the existing ties on “digital and sustainable transport connectivity under Global Gateway Strategy and on CRM’s”. The agreement also reinforces Uzbekistan’s gradual transition from preferential access under GSP+ toward a more comprehensive trade governance model consistent with WTO principles. Regulatory alignment under the EPCA supports Uzbekistan’s WTO accession bid while offering European firms greater legal certainty, dispute-settlement mechanisms, and protection against arbitrary enforcement. In this regard, the EPCA acts as a cornerstone of Uzbekistan's continued economic reform and international integration strategy. The agreement consolidates Uzbekistan’s pivot toward a rules-based economic model aligned with EU standards and accelerates regulatory convergence in areas critical for foreign investment and supply-chain integration. It strengthens legal certainty for European investors, supports institutional modernization, and reinforces Uzbekistan’s ambition to position itself as a regional connectivity, industrial, and logistics hub within the *Trans-Caspian Transport Corridor* (TCTC), also referred to as the *Middle Corridor*, and as part of efforts to develop regional integration in Central Asia. The EPCA opened up new avenues for cooperation in critical raw materials, directly supporting Uzbekistan’s role in supplying inputs essential for the green and digital transitions. This [builds on the 2024 EU-Uzbekistan Memorandum of Understanding](#) on critical raw materials, anchoring such cooperation in a binding legal framework.

For the EU, the EPCA also delivers multiple strategic gains. It secures a reliable, reform-oriented partner in a geopolitically sensitive region and reinforces the EU’s geo-economic presence in Central Asia. The agreement

facilitates diversification of supply chains, improves access to a growing market of over [38.49 million people](#), and supports EU access to critical raw materials, connectivity, energy and climate goals under transparent and sustainable conditions.

Connectivity

Uzbekistan's double-landlocked geography has historically imposed high transport costs and constrained access to global markets, forcing reliance on neighboring states' (e.g. Russia) infrastructure, regulations, and political goodwill. For decades, this reality limited the country's trade competitiveness and economic integration, a challenge reflected in its weak logistics performance, limited international trade and high container prices throughout the mid-2000s. This trajectory has started to change over the past decade with the invasion of Ukraine providing a pivotal moment for Uzbekistan to reposition itself as a strategic asset within the context of 21st century geo-economics and corridor-competition. Through economic liberalization, *multi-vectoral* regional diplomacy, new trade agreements and infrastructure investment, Tashkent has sought to position itself as a central crossroads connecting Eurasia's major markets.

The focus on connectivity, in the case of Uzbekistan, should be understood through three separate directions:

The first direction of connectivity which Uzbekistan aims for is regional-connectivity, meaning providing logistical transport and infrastructure integration across all the five Central Asian Republics, placing Uzbekistan in the middle as a key linchpin for trade and exchange.

The second direction of connectivity is what is often referred to as the North-South-connectivity, which builds rail, road and other infrastructure from Russia and China down through Uzbekistan into Turkmenistan and Tajikistan with a further route through Iran, Afghanistan and Pakistan; the end goal being access to transport routes in the Arabian Sea.

The third direction of connectivity is the TCTC, spanning from the Caspian Sea to China. The TCTC includes two important sub-corridors, one of which travels cross-Caspian into Kazakhstan and another which enters Central Asia through Caspian ports in Turkmenistan only to continue into Uzbekistan through Bukhara and Samarkand.

The countries that have invested most significantly in Uzbekistan's connectivity are China, the EU and Russia. Other noticeable, but smaller infrastructure investors, include South Korea, Japan, Saudi Arabia, Türkiye, Qatar, United Arab Emirates (UAE).

China remains the leading foreign investor in the country through its Belt and Road Initiative (BRI) which includes major rail projects like the [China-Kyrgyzstan-Uzbekistan railway \(CKU\)](#). This multi-modal rail project spans across [523 kilometers](#), connecting Kashgar (China) with Andijan (Uzbekistan) and has an estimated expenditure worth [€4.01 billion](#) with on-going construction estimated to be finished by 2027. Once operational, this railway is expected to shorten transit distances substantially, handling up to [15 millions of cargo](#) annually and strengthen Uzbekistan's competitiveness as both an origin and transit country.

Russia also remains a very relevant foreign investor and provider of existing infrastructure and maintenance in Uzbekistan due to its existing and historical energy and transportation connections. More [than 3000 of Russian companies](#) operate inside of Uzbekistan with a high number of enterprises providing logistical services and energy-related contracts, including rail electrification support and modernized rail. In terms of nuclear energy infrastructure, Russia has been in discussions with Uzbekistan since 2018 for the construction of the [Rosatom-led Jizzakh nuclear power plant](#). This project, along with its significant infrastructure-logistics, remains in progress as of late 2025 with noticeable delays. Regarding traditional energy developments, linked to oil and gas, Russia's Gazprom and Lukoil are the major players in the context of maintenance, construction and logistical support across the country. Lukoil remains the largest Russian investor in the country with estimates ranging beyond €8.54 billion over multiple decades, in part due to its flagship projects like the [Kandym-Khauzak-Shady-Kungrad](#) and the [Kandym Gas Processing Plant](#), with a capacity of [8.1 billion cubic meters](#) per of natural gas per year. In addition, the Southwest Gissar and Gazprom's cross-border gas supplies major renovations on the Central Asia Pipeline (CAC) along with modernisation of Gazli storage facilities, which have contributed significantly towards Russia's [connectivity weight in Uzbekistan](#). Russia therefore continues to be a key energy provider in terms of end-product and infrastructure connectivity, as [Gazprom reported a 22% increase in gas exportation](#) to Kazakhstan, Kyrgyzstan and Uzbekistan in 2025.

The EU has become the most recent stakeholder in the development of Uzbekistan's connectivity. The TCTC has emerged as a key pillar of this strategy, offering Uzbekistan a politically stable and sanction-free pathway to European markets via neighbouring countries, the South Caucasus and Türkiye. The TCTC is best defined as a transport-led strategy based on soft-connectivity and hard-connectivity improvements focusing primarily on regional and East-West-bound connectivity. Physical connectivity remains the binding constraint, as the country is double landlocked and infrastructure improvements necessitate significant regulatory and physical infrastructural investments, as outlined by the European Commission funded 2023 European Bank of Reconstruction and Development (EBRD) study on [“Sustainable transport connections between Europe and Central Asia”](#). On-going assessments and concrete EU supported projects have received considerable funding from the EBRD and the European Commission in terms of low-interest loans and grants with [funds made available reaching €18.78 billion regionally](#) as of late 2025. This funding is part of the EU's larger Global Gateway Initiative, which supports the hard infrastructure developments and digital connectivity, along with regulatory support for open trade under funding instruments.

In the specific context of Uzbekistan, the EU supported private and loan-and-grant projects including rail interoperability, containerisation, digital and broadband infrastructure, multi-modal logistics centers, freight transport, energy infrastructure, road developments, and simplified border procedures. For example, both [Deutsche Bahn](#) and [Rhenus Logistics](#) have been particularly active in Uzbekistan in recent years in terms of signed Memorandums of Understandings as well as concrete projects as a result of their presence at both Investors Forums in [2024 \(Brussels\)](#) and [2025 \(Tashkent\)](#). Rhenus Logistics is in charge of the on-going heavy load and advanced containerisation project in the [Andijan Region and Samarkand](#), which is scheduled for completion in 2026, while other companies like [French Electricite de France](#) and [Volitalia](#) are developing hybrid and gas-fired infrastructural and storage energy projects in the country. The above developments directly correspond to key needs outlined by the EU and the EBRD in terms of connectivity-demand across the country, including the improvement of the Samarkand-Tashkent railway line and the development of multimodal logistics centres and A-class warehouse in Ferghana valley, tashkent region and along Samarkand, Bukhara and Navoi.

Uzbekistan's connectivity-approach therefore reflects a sequential logic: only through reliable transport, regulatory alignment and infrastructure facilitation will it be possible to deliver sustainable returns in terms of energy, industry, critical raw materials, processing and trade. The appeal of the EU-supported TCTC therefore lies in a clear strategy of enhancing both hard and soft connectivity in order to complement such new legal and infrastructural development with recently signed trade agreements and EU-Central Asian political engagement.

Economically, it provides access to European markets through a shorter and more predictable route, reducing transit risks and improving delivery timelines for time-sensitive and higher-value goods. Strategically, it aligns with Tashkent's multi-vector foreign policy by limiting overreliance on any single transit country and embedding Uzbekistan more deeply into a network of partners spanning from Western Europe to the Balkans, South Caucasus and Türkiye. From a broader regional perspective, such investments in logistics and infrastructure support new terminals, dry ports, and digitalized customs procedures with the aim of lowering bottlenecks along the route and enhancing trade, industrialisation and end-to-end logistics efficiency. The government has committed to a multi-year infrastructure modernization program linked to the corridor and has invested in overseas logistics assets. For example, it includes €15.36 million investment in construction of a logistics terminal at [Georgia's Poti Free Industrial Zone](#), to secure downstream access to Black Sea ports. In parallel, coordination with Azerbaijan, Georgia, and Türkiye has intensified, focusing on tariff harmonization, simplified border procedures, and improved ferry capacity across the Caspian Sea.

The effects of such projects are noticeable. Uzbekistan's growing dedication to connectivity is reflected in measurable improvements in its logistics performance: the country has climbed steadily in the *World Bank's Logistics Performance Index*, [rising from 129th in 2010 to 88th in 2024](#), signaling enhanced trade facilitation and transport efficiency. Equally significant is the fact that [cargo transportation along TITR](#), reached 2.3 million tons in the first half of 2025, a 7% year-on-year increase. This growth reflects a six-fold rise in freight volumes from 0.8 million tons in 2020 to 4.5 million tons in 2024, including a 62% surge in 2024 alone and a 2.7-fold increase in rail container traffic. Projections suggest volumes [could exceed 10 million tons](#) by 2030.

Containerized traffic, which constitutes only a subset of total TITR freight, has experienced particularly strong growth. Before the invasion of Ukraine, the amount of container traffic which transited through the TCTC cross-Caspian was fluctuating but measurably [was around 18.000 TEU](#) (pre-2022), whereas in 2026 the estimates have jumped to over 100.000 TEU. It is noticeable that funding for the TCTC and actual TEU-volume have already exceeded simulations by the EBRD, which in 2023 estimated that the TCTC would be at an [80.000 TEU capacity](#) in 2025-2026. According to the EBRD Study, the TCTC has a potential to reach a free-flowing transit time of 13 days between the EU and Asian hubs, provided that all hard and soft connectivity investments and projects are implemented, which could lead to an estimated maximum container volume of [865.000 TEU by 2040](#).

Beyond the above mentioned physical infrastructure constraints, it is equally key to address the digital infrastructure as a decisive differentiator in terms of providing efficient connectivity. In this regard, there are bottlenecks linked to customs, digitalisation, data and legal frameworks which continue to pose a significant stumbling block. Digitalized customs, advanced cargo information, electronic permits, and real-time cargo tracking are essential to reducing uncertainty along a multi-jurisdictional route, [as the 2023 EBRD Study also showcases](#).

For companies, improved digital connectivity directly implies lower costs, higher reliability and lower risk. Decreased logistic uncertainty allows firms to move beyond price-based competition and integrate into time-sensitive and standards-driven value chains, particularly in textiles, agri-processing, electrical goods, and intermediate manufacturing. As delivery reliability improves, firms gain the capacity to sign longer-term contracts, attract foreign partners, and justify investments in upgrading production and compliance systems.

In terms of digital transformation, the [EU-funded Global Gateway](#) initiative has supported the expansion of secure internet access regionally, while also supporting significant areas of so-called [“soft-connectivity” including](#) “conditions for growth in the volume and quality of passenger/freight traffic, improvements to the transport-sector management system and improvements in training and capacity building for individuals employed in the transport sector”. For example, the EBRD Study outlines priority areas like tariff-setting mechanisms, quotas and permit systems, cabotage issues, SPS regulations, electronic single window system, transparency of

procurement and PPP systems, along with e-TIR and e-CMR as vital soft-connectivity reforms, which are needed in Uzbekistan. With regards to both digital and “soft-connectivity” reforms, it is noticeable that the EU has supported the [improvement of satellite-based connectivity](#), while committing [at least €40 million to finance both technical assistance for governance reforms and investments in digital infrastructure](#), complemented by contributions from Member States and international financial institutions.

Critical Raw Materials (CRMs)

Central Asia’s significant reserves of **Critical Raw Materials** (CRM) and **Rare Earth Elements** (REE) has positioned the region very strategically vis-à-vis Western industry and diversification away from traditional monopolies of rare earths in China. According to recent geological surveying, the combined region of Central Asia is estimated to possess [mineral reserves of](#) “38.6% manganese ore, 30.1% chromium, 20% lead, and 12.6% zinc, which establishes the region as a key supplier for the global energy transition.”

Within this context, Uzbekistan plays a particularly strategic role. According to the scientific journal *One Earth*, the country possesses [extensive reserves](#) of CRMs, such as titanium, iron ore, zinc, graphite, lithium, silver, copper, molybdenum, selenium, cadmium and rare earth elements. Uzbekistan [ranks](#) as the world’s [fifth-largest supplier of uranium](#) worldwide and ranking [11th in proven copper reserves](#). It has also commercially exploitable deposits of silver, molybdenum, selenium, titanium, cadmium, and lithium, critical resources for advancing low-carbon and clean energy technologies.

Such CRMs are typically used across critical-sectors for battery, defence, aero-space, renewables, and electronic-semiconductor production. The mining and processing of such critical resources are essential for the production of clean energy systems, including to render re-shored electric vehicle production more price-competitive, while they are also required for advanced electronics and energy storage solutions, along with research needs to experiment with multi-CRM fusion-solutions for semiconductors.

Despite Uzbekistan’s substantial mineral wealth, much of the CRM sector remains focused on extraction rather than downstream processing, while

many new critical mineral sources remain untapped and unmined. Processing infrastructure in Uzbekistan remains limited, and advanced refining technologies are often lacking, while legal frameworks present risks to foreign investors, resulting in lost economic value and continued reliance on non-EU external partners for higher-value stages of the supply chain. However, ongoing mapping and seismic research, increased openness to foreign investment, and growing interest from foreign firms are gradually improving the sector's prospects.

As of April 2024, the EU has strengthened its partnerships in Central Asia with the signing of key [Memorandums of Understanding \(MoUs\) on critical raw materials \(CRMs\) with Uzbekistan](#), launching a strategic partnership for sustainable value chains in critical raw materials to support green and digital transitions. The emphasis is on creating sustainable, diversified supply chains that reduce European dependence on single suppliers and encourage industrial modernization in Uzbekistan. As of early 2026, it is estimated that nearly 1,000 European companies operate across Uzbekistan, including in areas that concern extraction services, technology and mining, along with machinery and energy, which may assist in the creation of a foundation for deeper industrial cooperation, transportation and facilitation of CRM value chains.

Uzbekistan's [two major mining companies](#), the Almalyk Mining and Metallurgical Complex (AGMK) and the Navoi Mining and Metallurgical Combine (NGMK), produce key metals, copper, zinc, gold, and uranium. Both companies established cooperation with a number of foreign companies and financial institutions, including Chinese, European and Japanese stakeholders. French nuclear fuels company Orano, in partnership with Uzbek state-owned Navoiyuran through the Nurlikum Mining joint venture, will develop the [South Djengeldi uranium mine](#), expected to operate with peak production of 700 metric tons of uranium per year. Additionally, [German financial institutions KfW IPEX and AKA have committed €146 million](#) to fund a new copper smelting facility at Uzbekistan's Almalyk Mining and Metallurgical Combine, boosting domestic refining capacity and creating local jobs.

The first *EU-Central Asia Summit*, held in Samarkand during 2025, represented a major milestone and introduced an additional [€12 billion investment package with €2.5 billion](#) earmarked specifically for CRMs. The prioritisation of EU relations with Uzbekistan by both Commission

President Ursula von der Leyen and Council President Antonio Costa should be considered an important milestone in terms of political willingness to dedicate resources and time towards Uzbekistan's mineral and mining sectors.

Yet, despite significant interest and recent investments, several challenges remain in terms of deepened EU–Uzbekistan and EU–Central Asia cooperation on CRMs. The most noteworthy challenge remains the standardisation and heightening of Environmental, Social and Governance (ESG) standards, particularly with regards to regulatory frameworks that are required to ensure certification, transparency, training support, monitoring and risk mapping. These developments will help increase predictability and investor confidence, while equally providing a value-added for local populations in terms of heightened labor and pollution standards. ESG risks include water use, land degradation, energy optimisation and labor standards— all of which must be carefully managed to align CRM development with European sustainability norms and on-the-ground safety. A second important challenge remains regulatory frameworks and business environments linked to legal protection of companies, along with measures to guarantee transparency and reliability in terms of timely developments, resource estimations, reliable export routes, payments and irregularities. This hurdle continues to be addressed in accordance with legal harmonisation, institutionalised frameworks for public and private partnerships and stronger judicial laws to protect investments and foreign investors, along with management reliability of geological assessments, mines, regional connectivity and processing facilities.

Energy and Sustainability

Energy and resource management, including sustainable energy, constitute a critical dimension of Uzbekistan's foreign and domestic policies. As of 2023, the [country relies on](#) natural gas for 79% of its energy production, whereas 11.4% comes from oil and a remaining part is fueled by hydroelectricity and coal. The country's post-Soviet development model remains heavily dependent on energy-intensive industries and water-intensive agriculture, particularly cotton production. These structural characteristics have underpinned economic stability and export revenues but simultaneously generate long-term challenges related to economic

diversification, infrastructure resilience, environmental sustainability, and regional cooperation.

Under President Mirziyoyev, Uzbekistan has initiated a gradual shift toward energy diversification and climate-conscious development. The government has launched ambitious renewable energy programs, particularly in solar and wind power, attracting significant foreign direct investment from European, Gulf, and Asian partners. The on-going developments of large-scale renewable projects do not currently make up a significant part of the country's energy mix, but are intended to reduce carbon intensity, while lowering consumer prices and free-up natural gas for export and industrial upgrading. These initiatives align with Uzbekistan's broader goal of integrating into global green value chains and meeting international climate commitments.

Natural Gas Dependence and Energy Security Trade-offs

Currently, [Uzbekistan](#) mostly fully satisfies its electricity and heat demand from domestic energy resources and holds a substantial share of the installed capacity within Central Asia's unified power system. The electricity sector is centrally managed by the Ministry of Energy through state-owned entities responsible for generation, transmission, and distribution. However, much of the power infrastructure is outdated, with a majority of networks, substations, and transformer facilities exceeding 30 years in service life, contributing to rising transmission and distribution losses, particularly at the distribution level.

Uzbekistan's [power and heat supply relies](#) on major thermal plants such as Syrdarya and Talimarjan, supported by newer gas-fired combined-cycle units at Navoi and Turakurgan, are all primarily fueled by domestic natural gas. Gas is produced mainly in the Bukhara-Khiva, Ustyurt, and Kashkadarya regions and transported through the Uztransgaz network, with [international connections](#) via the Central Asia-Center and Central Asia-China pipelines linking to Turkmenistan and Russia. Most production serves domestic electricity, heating, and industry, while limited volumes are exported or transited, underscoring Uzbekistan's role as both an energy producer and a regional transit hub.

While domestic production has historically met internal demand, structural pressures are increasing. Mature gas fields are experiencing

declining productivity, while domestic consumption continues to rise due to population growth, industrial expansion, and limited energy efficiency. This has produced a growing tension between export-oriented energy strategy and domestic supply security. Seasonal gas shortages during winter months have become politically sensitive, periodically forcing [Uzbekistan to import gas from Russia](#) and Turkmenistan, an unprecedented development for a former net exporter. These shortages underscore that energy security in Uzbekistan is no longer guaranteed by resource endowment alone, but increasingly shaped by infrastructure constraints, pricing policy, and demand management.

Hydropower, Solar-Wind and the Energy–Water Nexus

Hydropower plays a strategic but underutilized role in Uzbekistan’s energy mix. While the country’s [hydropower potential is estimated at 27.5 billion kWh annually](#), only about a quarter is currently exploited. To address this gap, Uzbekistan plans [62 hydropower](#) projects between 2020 and 2030, including new construction and modernization of existing facilities. By 2030, total hydropower capacity is expected to reach nearly 3.8 GW, more than doubling electricity generation compared to 2019.

Central Asia is one of the [most water-stressed regions in the world](#), and Uzbekistan relies heavily on transboundary water resources for its agricultural and economic stability. Water governance represents one of Uzbekistan’s most sensitive strategic challenges. The Afghan large-scale irrigation project The Qosh Tepa Canal is northern Afghanistan designed to divert water from the Amu Darya River to irrigate up to 550,000 hectares of farmland, is another [substantial problem for the country and region](#). Initiated by the Taliban authorities, the 285-kilometre canal aims to boost agricultural production, food security, and economic self-sufficiency in Afghanistan. However, the project is being developed unilaterally and at scale, raising concerns for downstream states that depend on the same river system.

Uzbekistan lies downstream in the Amu Darya and Syr Darya basins and relies heavily on transboundary water flows. Approximately 77% of Uzbekistan’s total water intake comes from the Amu Darya, which is critical for irrigation, food production, and rural livelihoods. A sustained reduction in river flow could adversely affect crop yields, increase water scarcity, and exacerbate economic and social pressures.

Beyond the hydrological impact, the Qosh Tepa Canal [poses broader strategic and governance challenges](#) for Uzbekistan. Afghanistan is not part of established Central Asian water-sharing mechanisms, and the absence of a formal transboundary framework creates uncertainty over long-term water allocation. Combined with climate change, inefficient irrigation practices, and existing pressure on the Amu Darya basin, the project adds stress to an already fragile system, reinforcing the need for regional dialogue, multilateral engagement, and improved water-use efficiency to safeguard Uzbekistan's water security.

As a necessary result, Uzbekistan has made significant investments into other forms of renewable energy, focusing particularly on solar energy as well as wind farms. [Uzbekistan's renewable build-out includes: solar projects](#) under construction in regions such as Jizzakh and Bukhara totaling about 475 MW and [two large wind farms](#) in the Tamdyn wind corridor with roughly 2,300 MW of capacity, backed by private investors and international support. Such plants are aimed at incorporating a higher renewable energy mix into Uzbekistan's otherwise fossil-dependent energy dependence. Uzbekistan's recent re-engagement in regional Central Asian diplomacy has also opened new opportunities for energy and water cooperation, equally supported by the EU's strong focus on energy and water security. Enhanced coordination on electricity trade, grid balancing, and seasonal water management could improve system resilience and reduce conflict risks provided that the country supports continued connectivity initiatives both domestically and regionally. In addition, Uzbekistan's expanding renewable capacity also positions it as a potential regional hub for green electricity and balancing services taking into account its centrally-located geographical network capacities.

Nuclear energy

Uzbekistan is [positioning itself to become Central Asia's first nuclear power hub](#) as a response to rising electricity demand, heavy dependence on natural gas, and ambitious decarbonization goals. A key advantage is Uzbekistan's uranium sector which remains the world's fifth-largest producer with expanding production and long-term export agreements. Since 2018, Uzbekistan has pursued plans to construct its first nuclear power plant in the Jizzakh region in [cooperation with Russia's state-owned company Rosatom](#), centered on "two RITM-200N units are planned to be operational by 2029-30, and two much larger VVER-1000 reactors, each

capable of generating 1-gigawatt of power annually, [will go online](#) in the mid-2030s". In addition, [new agreements with China and France](#) expand cooperation on reactor technology and uranium production, integrating Uzbekistan more deeply into the global nuclear value chain.

Despite these benefits, [experts](#) have noted that the construction of nuclear projects in Uzbekistan faces serious challenges. These relate to seismic risk, water scarcity, weak regulatory and institutional capacity, limited transparency and long-term radioactive waste management. Other concerns include growing geopolitical dependence on foreign technology and fuel suppliers, all of which raise questions about sustainability, safety, economic viability, and public trust. The political dimension of cooperation with Rosatom adds another layer of complexity, particularly for EU investors in connectivity throughout the region. While Rosatom's turnkey model, soft loans, and fuel guarantees are attractive, they risk locking Uzbekistan into a long-term technological and financial dependence on Russia amid geopolitical uncertainty. As [nuclear energy diplomacy is a key tool of Russian influence](#), heavy reliance on Russian-led nuclear development creates strategic vulnerabilities that need to be carefully managed.

Society: Demography, Information and Migration

Uzbekistan has one of the largest and youngest populations in Central Asia. A significant share of citizens are under the age of 30, which presents the country with a facet of demographic opportunities and challenges ranging from identity, urban-rural divides and religiousness to the role of women in society, migration and digital-information-integrity.

Rapid urbanization, globalisation and information-access is inevitably reshaping social structures across the entire region - often in similar ways to Europe or elsewhere globally. [Major cities such as Tashkent and Samarkand attract internal migrants from rural areas in search of work and better lives, while broadband internet access, new social norms and religious influences are reshaping society rapidly.](#) Informal employment remains widespread, particularly among youth and recent migrants, contributing to economic insecurity and perceptions of inequality.

[Traditional media, state television and print outlets remain influential, particularly in rural areas, but they often lack credibility among younger audiences who rely on digital platforms.](#)

[According to ENC data](#), a majority of youths use social media as their primary source of domestic news, whereas older generations continue to rely predominantly on television. This generational divide mirrors broader media consumption trends observed in Uzbekistan, where television remains the leading source of information overall (66.29%), despite its declining popularity since 2019. At the same time, internet and social media use and engagement with social networks are rapidly increasing, particularly amongst younger audiences across urban and rural settings.

This generational divide creates parallel information ecosystems with limited overlap, increasing the risk of misunderstanding and mistrust. [Digital literacy gaps](#) are a major vulnerability. The basic digital skills gap in this vulnerable group is 32%, while media literacy remains uneven, making parts of the population susceptible to manipulated videos, conspiracy theories, and sensationalist economic or religious content. During periods of stress, such as [energy shortages in winter or price increases](#), online misinformation and Foreign Information and Manipulation Interference (FIMI) has repeatedly amplified public anxiety and criticism of authorities.

[Labor migration abroad](#) remains a defining social factor. Large numbers of Uzbek citizens work in Russia, Kazakhstan, Korea and other countries, including the EU, sending remittances that support household incomes and national consumption. [According to the International Organization for Migration \(IOM\)](#), internal labour migration in Uzbekistan remains substantial, as reflected in Q1 2025 data showing more than 62.000 internal movements, with urban centres, particularly Tashkent, acting as the primary destinations, while several southern and central regions experience persistent net outflows, indicating structural regional disparities in employment opportunities. External labour migration, although smaller in headcount in official migration statistics, plays a significant economic role, as remittances reached €2.82 billion in Q1 2025 and €12.63 billion in 2024, underscoring the importance of migrant workers.

[Based on IOM reports](#), migrant workers from Uzbekistan, both internal and external, tend to rely heavily on informal information channels, particularly

social networks, messaging apps, and word-of-mouth within migrant communities, rather than official state or host-country media, largely due to trust deficits and limited access to verified information. ENC data and the report further highlight that Central Asian migrant workers frequently face unfair treatment, including wage underpayment, excessive working hours, limited access to legal protection, and discrimination by employers and intermediaries, vulnerabilities that persist despite the significant economic contribution of migration, as evidenced above. In order to address these challenges, a new [Migration Agency of Uzbekisyan was established in 2024](#), focusing on supporting Uzbek nationals working abroad through legal assistance, facilitation of employment opportunities overseas, and the “expansion of access to skilled cross-border employment”.

As noted above, FIMI represents a growing risk for Uzbekistan, due to its geopolitical relevance, rising social media usage, lacking media literacy, large migrant population, and foreign influenced information space. FIMI efforts targeting Uzbekistan are rarely overt; instead, they typically blend into existing socio-economic and political debates. One key factor is the migrant information environment, which poses a substantial risk to information integrity. Uzbek labor migrants [consume Russian-language media and social networks](#) that may frame regional events, sanctions, or migration policies in highly politicized terms. These narratives can later circulate domestically through social media reposts or interpersonal communication, influencing perceptions of foreign policy alignment, economic dependence, and national sovereignty. Another factor is digital amplification of sensitive domestic issues. Content emphasizing corruption, inequality, ethnic identity, or governance failures may not be false in itself but can be selectively framed to undermine trust in reform processes or specific partners like the EU. In some cases, coordinated posting patterns and cross-platform dissemination suggest external amplification rather than purely organic debate.

Religion plays a central role in identity and social cohesion in Uzbekistan. The state-managed (secular) religious framework promotes a national, moderate interpretation of Islam aligned with Hanafi tradition, but online content and foreign labor migration continues to pose a threat to this model due to lacking information integrity and citizens engagement.

In response, Uzbekistan has intensified [measures against “religious extremism” and “terrorism.”](#) including raids of “suspected extremists, warning parents against sending children to Islamic schools abroad, and restricting imams from leaving the country”. The ongoing religious model therefore faces growing challenges from social change while often lacking the inclusiveness tools and preventive educational programs (preventive methods) to counter such issues. Young people increasingly access religious content online, including preachers and interpretations originating outside Uzbekistan, some of which reject the secular-religious mode, while instead promoting more conservative interpretations of Islam.

Cases of [Uzbek citizens joining extremist groups in Syria and Iraq](#) in the 2010s demonstrated how social marginalization, labor migration, and online propaganda can intersect to create a vulnerable environment for foreign recruitment and radicalisation. In response, the government has launched the “Mehr” repatriation program, returning women and children from conflict zones and emphasizing rehabilitation and reintegration rather than punishment. This policy shift reflects recognition that radicalization is a social process rather than purely a security issue, yet practical tools to moderate society through inclusion, mitigation and preventive-inclusive education remain in demand and provide an important scope for increased EU-Uzbekistan diplomatic and economic engagement along with more immediate crisis response.

Security Environment

[Uzbekistan’s security](#) environment is primarily regional and inward-looking, shaped in the past by nearby major powers, regional rivals and by concerns of internal stability and demographic changes linked to regional developments like water-access, instability in Afghanistan and foreign influence through for example religion. Since independence and particularly following the 2005 Andijan events, [Tashkent has oriented](#) its armed forces toward counterterrorism, rapid reaction, and domestic security.

Based on the report [“The Armed Forces of Central Asia,”](#) Uzbekistan’s armed forces prioritize swift-response capabilities and internal stability, with particular emphasis on counterterrorism operations and security along the Afghan border. As a result, key [rapid-response formations](#),

including drone units and the 17th Air Assault Brigade are concentrated in the Fergana Valley, while significant garrisons remain positioned around Termez to secure the Afghan frontier.

Uzbekistan does not officially belong to any formal binding military alliance, instead maintaining a non-aligned status with noticeable exceptions throughout its period of independence in the 1990s where it granted the US/NATO military facilities for its operations in Afghanistan between 2001 and 2005 at [Kharsi Khanabad Airbase](#) along with [logistics base for Germany in Termez](#) from 2001 until its closure in 2015. Unlike some of its other Central Asian neighbors, Uzbekistan [does not currently host permanent foreign military bases](#).

[Uzbekistan's most acute external security concern](#) remains Afghanistan and the possibility of militant and ideological-religious spillover, rather than interstate conflict. Substantial forces guard the Afghan border, while elite rapid-response units are positioned in politically sensitive regions such as the Fergana Valley and elsewhere. At the same time, Tashkent remains constrained due to its historical integration into the Russian defense ecosystem, relying on Russian equipment, logistics and technology for cost and compatibility reasons even as it selectively diversifies into drones and new technologies via partnerships with Türkiye and China.

In its [official defense doctrine \(updated in 2018\)](#) Uzbekistan frames its military and security policy as fundamentally defensive and non-aggressive. The doctrine explicitly states that Uzbekistan does not view any country as its enemy and commits to peaceful dispute resolution, respect for international law, non-interference in other states' internal affairs, and upholding existing borders. In 2012 Uzbekistan [withdrew from the](#) Russia-oriented Collective Security Treaty Organisation (CSTO). It has instead prioritised other "lighter forms of security alignments" including its longstanding (2001) membership in the Shanghai Cooperation Organisation's (SCO), while also hosting the SCO's Anti-Terrorist Structure (RATS) headquarters in Tashkent.

However, on 13 January, President Shavkat Mirziyoyev [instructed the Security Council](#) to revise Uzbekistan's key defense and security documents, including the 2018 Defense Doctrine and the 1997 National Security Concept, in response to ["rapidly changing content and scale of modern risks and threats, and the major challenges facing the defense and](#)

[security sectors.](#)” He emphasized that the new Defense Doctrine should preserve Uzbekistan’s non-alignment with military blocs, strengthen multilateral diplomacy, and focus on high technology, military self-reliance, and regional stability.

In parallel with its membership in SCO, Uzbekistan has actively been diversifying its foreign security relations, namely through its inclusion in the [NATO Partnership for Peace \(PfP\)](#) since 1994 with a primary focus on training, exercises and technical exchange. It has also participated in minor cooperation on security matters through the Commonwealth of Independent States (CIS) while utilising bilateral strategic partnerships with Russia, China, the US and Kazakhstan to address specific security concerns.

In recent years, a new interest in regional security formats has surfaced with the Central Asia [C5/6+1 Format](#) proposing new forms of security-engagement with major global players, including the EU, India and the US. In terms of regional security integration, it is noticeable that Uzbekistan has been a quiet forerunner, together with Kazakhstan, in proposing increased regional-interoperability, intelligence exchanges, partnerships with major EU security-providers like France, UK and Italy, as well as pushing for integrated regional exercises and drills.

Within the context of increased EU-Central Asia connectivity, trade and energy relations, it is key to underline the importance of energy diversification, water management, technological support and protection of critical infrastructure as noticeable components of EU-Uzbekistan civilian and soft-security relations, which have direct positive consequences for the country’s fragile security landscape. In addition, it should be noted that countries like France have engaged further in high-level bilateral security discussions concerning technological know-how, energy independence, critical infrastructure, military equipment and intelligence cooperation since the invasion of Ukraine. On the level of EU–Central Asia cooperation, the security relationship has gravitated more toward border management assistance, counter-radicalization programs, law enforcement training, customs modernization, and crisis-management preparedness, along with support for critical infrastructure alignment and protected satellite connectivity.

Concluding Recommendations

Based on the ENC's consultations regarding Uzbekistan and EU-Uzbekistan relations, the following seven cross-sectoral recommendations, reflecting the main chapters of this report, should be taken into consideration in order to strengthen EU-Uzbekistan cooperation, institutional resilience, and long-term reform sustainability:

1. Economic Reform and Liberalisation

- The Enhanced Partnership and Cooperation Agreement (EPCA) and ESG standards should be used as cross-sectoral operational instruments rather than political signalling tools in order to support business exports and increase local stability and prosperity, along with environmental safety and security.
- The fullest extent of the EPCA should be used by the EU in order to enhance partnership between EU and Uzbekistan into new areas ranging from water-management, investments in industry and mining for processing, technological support and security.
- Additional attention should be paid towards supporting European investment into Uzbekistan, namely in terms of logistics, digital, technology, defence, energy, mining and manufacturing. Useful tools to accomplish these goals include multiple exchanges and visits by parliamentary delegations and business associations, including Members of the European Parliament (MEPs) from cross-sectoral sectors and parties.
- Closer integration of Uzbekistan's leading think-tanks with European think-tanks and university partners, including relevant industry associations and business-stakeholders, in order to support increased people-to-people engagement and research, also through the Erasmus and Horizon instruments.

2. Political Reform, Judicial Independence and Rights

- Regulatory convergence, labor standards, environmental safeguards, and governance benchmarks should be prioritised as a “rights based approach” that can be directly linked to domestic stability and reforms inside of Uzbekistan, since European-industries are less likely to create environmental damages, including pollution, labor protest,

and other negative effects for local populations, which remains an important tool for societal reform and economic stability in Uzbekistan.

- Due to Uzbekistan's recent transmission from fully centralised economy to open markets, with significant limitations in terms of democracy, media, and rights, it is strategically pertinent that the EU takes into consideration the local reality, while gradually prioritising ESG standards as a gateway to reform linked to foreign investments and local government considerations.
- The importance of support for stronger EU-Uzbekistan dialogue and actions on digital cooperation and digital sovereignty should be priorities, along with a stronger focus on EU-Central Asia technology cooperation in multiple industries, notably tech-sectors and the Digital Services Act (DSA).
- Reforms should be linked to concrete economic incentives, domestic stability, market access, investment guarantees, and technical assistance.
- Priority should be given to judicial predictability, state-owned enterprise reform, and the depersonalisation of enforcement mechanisms to ensure that economic liberalisation. This translates into durable institutional reform as opposed to executive leadership. In this respect, it is increasingly pertinent that EU-Uzbekistan businesses cooperation also strengthen advocacy, association and “capacity building for private sector decision making” to support a favourable business climate and judicial independence.

3. Connectivity

- Continued investment in the TCTC along with enhanced regional connectivity in terms of digital, energy and infrastructure.
- New and complementary research (adding to the existing EBRD impact assessment from 2023) to better quantify and determine the trade-advantages and business opportunities of a free-trade area or reduced tariffs amongst Central Asian countries, along with Azerbaijan and the Caucasus and Turkiye, along with spillover effects for the EU-Turkiye Customs Union and the European Single Market.

5. Critical Raw Materials (CRMs)

- Support EU–Uzbekistan cooperation on CRMs through ESG compliance, value-added investments, and downstream industrial development rather than extractive-only-export models, which give European industry a competitive advantage compared to other investors, along with more favourable conditions for local labor and environmental concerns.
- EU instruments should prioritise technology transfer, processing capacity, workforce skills, and environmental and local community protection, particularly water management and labor standards. This is both key for public diplomacy of the EU and its industries, but it also plays a significant role in terms of supporting stable societies and skill development and technological cooperation.
- Utilise EU Horizon Research consortia with leading university partners and European expertise in order to provide reliable impact assessments and geological conditions for extraction and processing, aligned with environmental and social standards.

6. Energy and Sustainability

- Continued support for Uzbekistan’s energy transition by prioritising renewable energy deployment, grid modernisation, and energy-efficiency reforms over long-term fossil fuel or nuclear dependency. This is both key in order to support low carbon emissions and sustainable solutions, while simultaneously favouring regional energy grid integration and independence from foreign energy providers.
- Focus on regulatory frameworks, financing mechanisms, and regional electricity integration that enhance resilience while addressing water–energy nexus risks. It is key to support Uzbekistan's grid-connection and interoperability to benefit from hydroelectric power generation from neighbouring countries to support full agricultural developments.
- Enhancing energy efficiency and water-management systems through increased support for Uzbekistan's agricultural sector particularly through European agricultural business solutions and expertise to maximise sustainable water usage.

7. Society: Demography, Information and Migration

- Strengthening cooperation surrounding the DSA, while supporting platform accountability, data transparency, and information-environment resilience without undermining freedom of expression. Particular attention should be paid to migrant information ecosystems and cross-border narrative spillovers that indirectly affect domestic stability, as well as support for national languages and AI-training in national languages to combat disinformation and foreign online interference. Supportive tools to combat FIMI with shared EU-Uzbekistan usage should also be prioritised.
- Support for skill-developments, digital literacy, reinforced border management and other soft and hard skills linked to management of migration.
- Lacking attention has been paid by the EU towards the question of religious tolerance in Central Asia and Uzbekistan. Increased inter-faith dialogue between Uzbekistan's religious authorities, governed by the secular state, and relevant associations, state-agencies and other groups in Europe as well as locally.

8. Security Environment

- Prioritise continued institutional resilience, border management, crisis preparedness, and information security.
- Support tech-and-defence-trade fairs or expositions in Uzbekistan and regionally with the ambition of supporting European private defence and tech-engagement along with Uzbekistani defence and tech-companies, also with the purpose of complementing critical infrastructure needs.
- New forms of cooperation involving the EU, Türkiye, and key Member States such as Germany and France, focusing on training, logistics, cybersecurity, border technology, and crisis-response capacity.
- Support for critical infrastructure development and protection of vital infrastructure fostering regional connectivity and spanning along the TCTC.