OPENING STATEMENT BY DPM JAMSHID KHODJAEV AT THE 7th WORKING PARTY MEETING ON UZBEKISTAN'S ACCESION TO THE WTO

Your excellencies,

Dear Chairperson - Ambassador Yun,

Deputy Director-General Mr. Zhang,

Distinguished Delegates, Ladies and Gentlemen,

We are honored to be here today for this critical Working Party meeting on **Uzbekistan**'s accession to the **WTO**. I would like to express our gratitude for scheduling this meeting today, during this very busy period. We see the willingness to engage with us as testament to the collaborative spirit of this **Organization**, and to your commitment to advancing international economic cooperation.

Allow me to also warmly thank all **members**, and the **Secretariat**, for unwavering support for **Uzbekistan**'s accession process.

Uzbekistan places WTO accession at the top of its priorities. Indeed, **President** H.E. **Shavkat Mirziyoyev** discussed this issue in his recent meetings with the **WTO** Director General, as well as with several heads of states.

Furthermore, the new strategy "Uzbekistan – 2030," adopted in September, includes WTO accession as an official high-level development goal, for the first time. Accession is thus a critical part of the ongoing reforms that are fundamentally reshaping our economy and society.

Importance of the Working Party meeting

As we start **this second Working Party meeting of this year,** I cannot overestimate its significance. It is a crucial checkpoint, a moment to assess whether we are on the right track.

Following the 6th Working Party meeting, we **fundamentally transformed our approach**. We now commit the following: what we declare, we act upon and provide.

To facilitate this, **several institutional changes** have been made.

First, we reinforced the mandate of both the **Interagency Commission** and the **Negotiating Group**. In particular, the Interagency Commission has been granted absolute authority to take **WTO-compliant decisions**. The Commission now also includes a broader set of domestic stakeholders, including members of Parliament.

Second, the Office of the Special Representative of the President on WTO issues was established, with the sole mandate to lead and coordinate accession negotiations. On 1 June, Mr. Azizbek Urunov was appointed to this Office, concurrently serving as Chief Negotiator.

Third, **dedicated WTO divisions** have been established in **20** ministries and agencies. All twenty are represented at today's meeting.

Fourth, a **special department** has been established in the **Ministry of Justice**, tasked with ensuring the compliance of national legislation with WTO rules and norms.

Moreover, as from 1 July 2023, the development of legislation that does not comply with **WTO** standards is prohibited.

Oversight of this directive is entrusted to the Ministry of Justice and the Interagency Commission.

<u>In short</u>, we are back in **Geneva** with a **refreshed spirit**. The negotiating team is young and ambitious, deeply committed and ready to contribute with technical substance and constructiveness.

Meanwhile, we are not limited only to this team. The assistant of our President, **Madame Saida**, is also personally engaged. With her dedication, we developed an alliance of supporters in the Parliament. We have also establishing a special Committee to advance the abolition of the exclusive rights of state and other trading enterprises.

Canceling **17** types of **monopolies** are also foreseen in the **'Uzbekistan – 2030'** strategy to ensure a level playing field.

Homework done since the 6th Working Party meeting

These institutional changes have allowed the team to accelerate and deepen its work, since the sixth Working Party meeting.

Starting in June, Uzbekistan has **submitted the following documents to the Working Party**:

- Responses to Members' questions, supplemented with 10 precise commitments;
- A revised list of SOEs;
- A revised draft Subsidy Notification;
- A revised Legislative Action Plan and copies of enacted and draft legislation.

I am also delighted to note that Uzbekistan has submitted newly prepared Domestic Agriculture Support Tables for 2020-2022, where the total AMS has significantly decreased, by almost 50 percent, in comparison to the previous DS tables for 2016-2018.

This is a clear indication that Uzbekistan is embracing integration to global trade and agriculture sector reforms. Therefore, we are keen to exploring plurilateral agricultural negotiations based on the latest submitted tables.

While we provided the requested inputs to the best of our capacity, I must register our disappointment that they did not provide a sufficient basis to transform the **Factual Summary of Points Raised** to the Elements of a draft Report of the Working Party.

I hope that the additional elements we are providing today, will allow the Working Party to positively consider the upgrading and transition into the Working Party Report.

On bilateral market access negotiations, we have registered concrete progress since the last Working Party meeting.

First, Uzbekistan supplied its current applied tariff schedule in response to Members' requests.

In addition, we have provided revised market access offers to interested Members on a bilateral basis, which I trust have provided a good basis for further engagement.

Indeed, I am pleased to announce that Uzbekistan has concluded bilateral negotiations with 7 Members, including 5 since the last meeting. Mr. Urunov will report in more detail under the next agenda item.

We Did More - Additional work undertaken

In addition to the documents submitted to the Working Party, we took action in areas not previously raised by Members, but that are integral to our accession. For example:

- Amendments to the Law "On State Duty" to align state duty rates for resident and non-resident legal entities for state registration and acquisition of patents for intellectual property objects, in line with the national treatment principle;
- The phased introduction of independent market regulators in critical sectors of the economy, including electricity, natural gas, railways, civil aviation, airport services, roads, and telecommunications, in order to address the exclusive rights of SOEs;
- Actively addressing the conflicts of interest in public procurement, by prohibiting the participation of entities affiliated with SOEs, and instituting stringent disclosure obligations for beneficiaries. This reflects our commitment to join the Government Procurement Agreement.

Additional documents tabled for today's meeting

Advancing further, for today's meeting, the negotiating team has prepared additional negotiating inputs for your consideration. These include:

<u>First</u>, a list of **19 draft commitments that Uzbekistan is ready to undertake,** in addition to the ten submitted in the summer.

These draft commitments cover: the policies affecting trade in services; the framework for making and enforcing policies; the transparency, payments and transfers for current international transactions; customs valuation; SPS; and TBT measures.

These additional commitments are not just a box-ticking exercise, but a **pledge to ensure irreversible progress** in core WTO disciplines. I believe this is the right moment to do so, as the accession process will soon enter its 30th year.

By **challenging us to make further commitments**, Members can **contribute to our ongoing reforms**.

Second, we have also tabled the draft Action Plans for Trade Facilitation, TBT, SPS and TRIPS. These Action Plans address the gaps between **our national legislation and practices** and these key **WTO** agreements.

Third, we have also provided an updated Legislative Action Plan, reflecting the most recent developments – our team will present these changes under Agenda item 3.

Further work going forward, after this meeting

In terms of our future work, trade remedies, TRIMS, STEs spheres will be prioritized. We will develop **transparent rules** to regulate foreign trade, including customs administration and licensing procedures.

Another important front is **bilateral negotiations**, which have been progressing constructively. We therefore request members' further active engagement in the coming months.

In addition, we will be working hard to **further strengthen our capacities.** In this regard, I would like to wholeheartedly thank our partners - the **European Union**, the **United States**,

the United Kingdom, the Republic of Korea, Russia, and the WTO Secretariat for providing technical assistance. The EU project, in particular, has been critical to helping us fill gaps. Let me also specially acknowledge the dedication of the WTO Secretariat, under the leadership of the Director General and the accession team, to build our technical capacities.

I am confident that the concerted efforts of our government agencies, coupled with collaboration from our partners will lead to significant enhancements that will translate into concrete progress on our accession.

Conclusion

As I conclude my statement, please allow me to once again express my sincere gratitude for your support.

Today it is our strong desire to focus on substance and answer as many of your questions as possible. My team – both in the room and in Tashkent – is ready.

Let me further assure you that the next phase of our engagements will lead to further deepening of our accession process and greater progress on WTO compliance

I look forward to fruitful discussions and constructive engagement during the meeting.

Thank you Chair.