THE STATE OF DEVELOPMENT OF UZBEKISTAN'S FOREIGN TRADE

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Introduction Foreign trade is a fundamental driver of Uzbekistan's economic growth, facilitating global economic integration, attracting foreign direct investment (FDI), and fostering industrial modernization. In 2023, Uzbekistan's total trade turnover amounted to $60.8 billion, reflecting a 23.5% year-on-year increase (State Committee on Statistics, 2024). This growth is attributed to a series of trade liberalization policies, economic diversification, and strategic partnerships with key trading blocs. However, challenges such as high reliance on primary commodities (gold and natural gas constitute 47% of exports), limited technological exports, and logistical constraints persist. Addressing these bottlenecks is crucial to sustaining long-term trade expansion.

Objective and research tasks The objective of this study is to conduct a comprehensive assessment of Uzbekistan's foreign trade dynamics, identify structural inefficiencies, and project future trends based on macroeconomic indicators. The study aims to:

- Analyze trade volume dynamics from 2018 to 2024 and identify key drivers of change;
- Examine sectoral contributions to exports and imports, highlighting competitive industries;
- Assess the impact of tariff and non-tariff barriers on trade expansion;
- Evaluate regional trade agreements, such as Uzbekistan's accession to the EAEU observer status;
- Provide policy recommendations to enhance trade sustainability and diversification.

Materials and Methods. This study employs a mixed-methods approach, integrating quantitative data from the World Bank, IMF, and WTO trade databases with qualitative assessments from expert interviews and policy analysis. Statistical modeling, including trade elasticity calculations and regression analysis, is used to estimate the impact of exchange rate fluctuations and trade policy shifts on export performance.

Results. Empirical analysis indicates that Uzbekistan's trade structure has shifted towards greater regional integration. Exports to the CIS region increased by 18.7% in 2023, driven by enhanced trade relations with Russia and

Kazakhstan. Meanwhile, imports surged due to increased machinery and equipment procurement, accounting for 36.2% of total imports (Ministry of Investments and Foreign Trade, 2024). The government's initiative to establish free economic zones (FEZs) has accelerated non-commodity exports, with processed agricultural products witnessing a 21% increase. However, the persistent trade deficit (-$5.2 billion in 2023) underscores the need for a more balanced trade policy.

Conclusion. Uzbekistan's foreign trade trajectory is on an upward path, bolstered by economic reforms and regional partnerships. However, to mitigate external vulnerabilities, the country must prioritize industrial diversification, modernize transport corridors, and strengthen institutional trade frameworks. By leveraging digital trade platforms and expanding global market access, Uzbekistan can enhance trade resilience and achieve sustainable growth. The projected trade expansion of 6.8% in 2024-2025, coupled with strategic policy interventions, will be pivotal in solidifying Uzbekistan's position in the global economy.

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