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ECONOMIC AND ENERGY COOPERATION BETWEEN UZBEKISTAN AND THE EUROPEAN UNION: A WESTERN VECTOR IN FOREIGN POLICY OF UZBEKISTAN

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The foreign policies of Central Asian states increasingly feature a “Western vector” – a turn toward deeper engagement with Europe and the United States. In this context, the evolving relationship between Uzbekistan and the European Union (EU) provides a compelling case study of economic and energy cooperation. In recent years, Uzbekistan–EU ties have accelerated, marked by a new Enhanced Partnership and Cooperation Agreement (EPCA) and Uzbekistan’s entry into the EU’s Generalised Scheme of Preferences Plus (GSP+) in 2021. These developments occur against a backdrop of geopolitical shifts that encourage countries of Central Asia to diversify partnerships. This paper analyzes the trajectory of Uzbekistan–EU relations in the economic and energy domains, examining the milestones of the EPCA and GSP+, strategic cooperation areas (trade, green energy, critical raw materials, IT and digital connectivity), and the broader EU–Central Asia initiatives. The analysis highlights the opportunities these Western-oriented partnerships offer Uzbekistan, as well as the challenges that accompany deeper cooperation.

From Partnership to Enhanced Partnership: Uzbekistan–EU Relations in Context

Uzbekistan’s relationship with the EU has entered a new phase with the signing of the EPCA in October 2025^[1], a landmark treaty that upgrades and replaces the 1999 Partnership and Cooperation Agreement. The previous framework had become outdated amid new challenges and Uzbekistan’s economic growth. The EPCA is far more expansive in scope, encompassing 356 articles across nine sections and establishing a comprehensive legal foundation for long-term political dialogue and cooperation^[2]. Both sides hail the EPCA as a “landmark framework document” that elevates relations to a strategic partnership and fosters closer ties in trade, investment, sustainable development, and security^[3]. Notably, the agreement opens avenues for collaboration in areas like cybersecurity, counter-terrorism, digital connectivity, and critical raw materials – priorities reflecting shared modernization goals.

[1] <https://jamestown.org/uzbekistan-and-european-union-sign-cooperation-agreement/>

[2] <https://www.neglobal.eu/eu-uzbekistan-agreement-to-boost-trade-regional-integration/>

[3] <https://www.consilium.europa.eu/el/press/press-releases/2025/10/24/joint-statement-on-the-occasion-of-the-signing-of-the-eu-uzbekistan-enhanced-partnership-and-cooperation-agreement-epca-between-the-european-union-and-its-member-states-and-the-republic-of-uzbekistan/pdf/>

The strengthening of EU–Uzbekistan ties is part of a broader recalibration of Brussels’ approach to Central Asia. The EU has become more attuned to the specific needs of each Central Asian state, mirroring the flexible engagement strategies of China, Russia, and the United States in the region. In Uzbekistan’s case, the EU’s interest aligns with President Shavkat Mirziyoyev’s reformist agenda and “multi-vector” foreign policy, which welcomes Western partnerships as a balance to reliance on traditional powers. Indeed, Central Asian countries are increasingly open to diversifying their external links to avoid over-dependence on Moscow or Beijing. The EU is well-positioned to serve as a pivot for such diversification by offering cooperation in education, governance reforms, infrastructure, and investment. Uzbekistan has actively sought closer EU engagement, as evidenced by high-level visits and dialogues, culminating in the EPCA after negotiations launched in 2019 and initialed in 2022. This new agreement not only cements political trust built over years of dialogue but also carries practical significance: it pledges to streamline customs procedures, improve the investment climate, and consider visa facilitation – all steps aimed at making Uzbekistan a more accessible and attractive partner for Europe. In short, the EPCA marks the consolidation of Uzbekistan’s Western vector, anchoring its relationship with the EU in a forward-looking, institutionalized partnership.

Trade Expansion and GSP+: Economic Impacts of Western Engagement

A cornerstone of the burgeoning Uzbekistan–EU economic relationship is Uzbekistan’s participation in the EU’s GSP+ preferential trade regime since April 2021. GSP+ status grants Uzbekistan virtually complete duty-free access to the EU market for about 66% of tariff lines, in exchange for implementing 27 international conventions on good governance, human rights, labor, and environmental standards^[4]. This arrangement has already begun to reshape Uzbek–EU trade. Between 2020 and 2024, bilateral trade in goods nearly doubled, reaching about €4.8 billion in 2024. Uzbek exports to the EU have grown especially fast: in 2024 they totaled approximately €845 million, over three times the level in 2017. Key export commodities benefited by GSP+ include chemical products (notably uranium and fertilizers), cotton fiber, plastics, and textiles. By 2024, chemical exports – including 86% of Uzbekistan’s uranium output – dominated the country’s EU-bound shipments. On the import side, the EU has become a vital supplier of machinery, transport equipment, pharmaceuticals and other high-value goods, which together made up roughly three-quarters of Uzbekistan’s imports from Europe in 2024.

GSP+ has clearly incentivized this trade upswing. Approximately 60% of Uzbekistan’s exports to the EU now enter under preferential or duty-free terms. In 2023, nearly half of all EU imports from Uzbekistan utilized GSP+ preferences, with an 84% preference utilization rate for eligible goods. This indicates that Uzbek exporters are actively taking advantage of the scheme, especially for products like chemicals and textiles, despite some recent dips in textile exports.

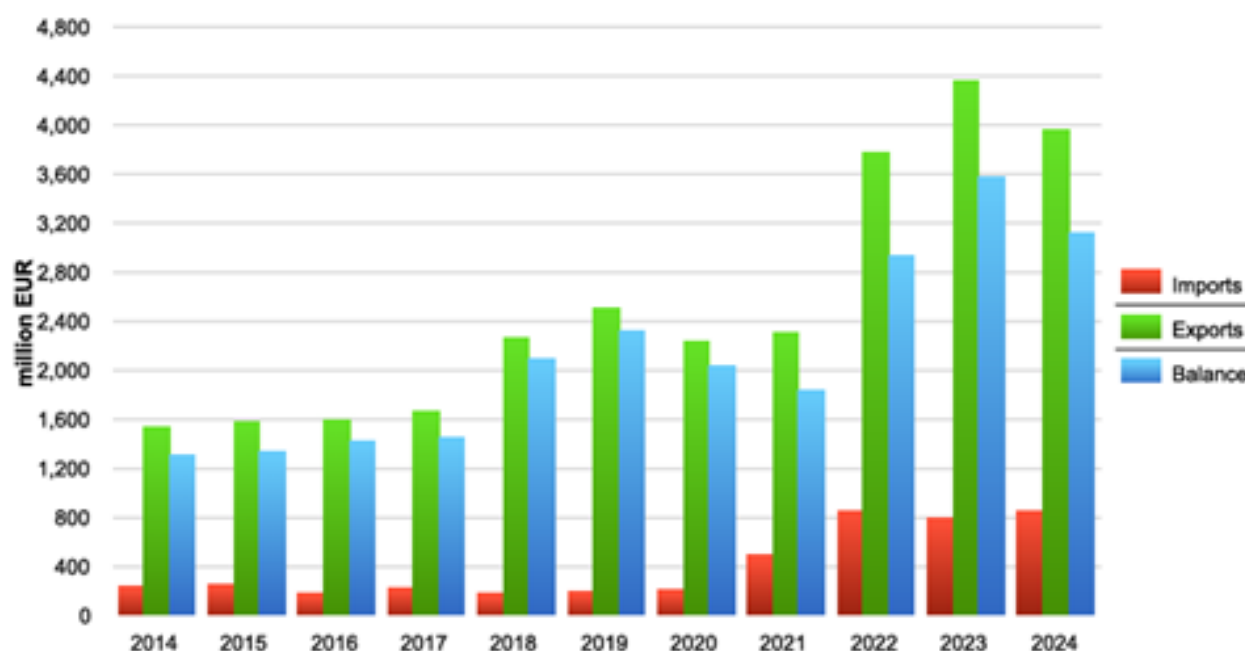
[4] <https://gsphub.eu/country-info/Uzbekistan>



European Union, Trade with Uzbekistan

Total goods: EU Trade flows and balance, annual data 2014 - 2024

Source: Eurostat, Comext - Statistical regime 4



Source: European Commission, Directorate General Trade and Economic Strategy

The tangible benefits of GSP+ can be seen in the diversification of Uzbekistan's export basket and the competitiveness gains for Uzbek products in Europe. For example, the EU now absorbs a sizable share of Uzbekistan's uranium and fertilizer exports, and even a modest 5% of its large textile exports – a figure poised to grow if Uzbekistan moves up the value chain in apparel manufacturing. Overall, the GSP+ arrangement has bolstered the private sector's growth and Uzbekistan's integration into global markets. It also comes with reform expectations: the EU's monitoring reports note progress in areas like labor rights but urge continued improvements in governance and human rights to ensure Uzbekistan's ongoing compliance with GSP+ conditions. In sum, trade preferences under GSP+ have been a catalyst for Uzbekistan's export expansion to Europe, paving the way for the deeper commitments formalized in the EPCA.

Strategic Sectors of Cooperation: Energy, Green Transition and Digital Connectivity

Economic ties between Uzbekistan and the EU are not limited to trade volumes; they extend to strategic sectors that align with global transition trends. Energy cooperation stands out as a priority. While Uzbekistan is a producer of natural gas and uranium, the focus of Uzbek–EU engagement is increasingly on sustainable energy and climate initiatives. The EPCA and recent high-level meetings have highlighted joint commitments to the Paris Agreement and the Global Methane Pledge, as well as collaboration on innovative water-energy projects to address environmental challenges like the Aral Sea's degradation.

Renewable energy is a particularly promising field. Uzbekistan has set a goal to generate 25-30% of its electricity from renewables by 2030, and European partners are contributing through investments and technology transfer^[5]. The European Bank for Reconstruction and Development (EBRD), for instance, is supporting a pilot green hydrogen facility in Uzbekistan in partnership with a private Saudi investor (ACWA Power) and a state chemical company^[6]. Such projects aim to harness Uzbekistan's abundant solar and wind resources to produce green hydrogen, positioning the country as a future supplier of clean energy. More broadly, European companies and institutions are involved in financing solar plants and advising on energy market reforms under EU development programs^[7]. This cooperation not only advances Uzbekistan's energy security and sustainability, but also dovetails with EU efforts to diversify energy sources and suppliers in the wake of geopolitical disruptions to traditional oil and gas routes.

Another strategic dimension is cooperation on critical raw materials essential for the green and digital economies. Central Asia holds significant reserves of minerals like copper, rare earth elements, lithium, and uranium, which are critical for technologies such as electric vehicles and renewable energy systems. The EU, seeking to reduce its overdependence on China's near-monopoly in these supply chains, views Uzbekistan and its neighbors as potential alternative sources. Uzbekistan's large Almalyk mining complex, one of the world's major copper deposits, recently attracted €1.6 billion in commitments from European investors to boost output. Under the EPCA framework, the EU and Uzbekistan plan to coordinate on responsible sourcing of critical raw materials, integrating Uzbekistan into higher value-added segments of these global chains. This entails not only extracting minerals but also adhering to environmental and social standards, areas where EU technical assistance is valuable.

Digital connectivity and information technology (IT) have emerged as new frontiers of the partnership as well. The EU is supporting Uzbekistan's digital transformation through initiatives that improve broadband connectivity and e-governance, often under regional programs. At the first EU–Central Asia Connectivity Conference in 2022 (held in Samarkand), digital connectivity was highlighted alongside transport and energy links as a pillar of cooperation. The EPCA reinforces this by promoting collaboration in areas such as telecommunications, data protection, and innovation ecosystems. Likewise, cooperation in cybersecurity and e-governance is on the agenda, as Uzbekistan modernizes its IT sector and cybersecurity infrastructure with best practices shared by European counterparts. In practical terms, European-funded projects are helping Central Asian countries lay fiber-optic cables (for example, along the Trans-Caspian route) and develop digital skills, which will benefit Uzbekistan's bid to become a regional digital hub. These strategic collaborations – in green energy, raw materials, and digital development – illustrate how the Uzbekistan–EU partnership extends beyond trade into the realms that define a 21st century economy. They offer Uzbekistan opportunities for technological leapfrogging and sustainable growth, while providing the EU with new partners in achieving its green and digital transition objectives.

[5] <https://bipr.jhu.edu/BlogArticles/articleprofile/15-Uzbekistan-Will-Become-an-Energy-Supplier-for-Germany.cfm>

[6] <https://ip-quarterly.com/en/europes-growing-engagement-central-asia>

[7] https://international-partnerships.ec.europa.eu/countries/uzbekistan_en

Broader Regional Initiatives: Central Asia–EU Relations and Connectivity

Uzbekistan’s engagement with the EU is taking place alongside a broader intensification of EU–Central Asia relations. In recent years, Central Asia has gained strategic significance for Brussels, which is evident from high-level dialogues and investment initiatives. A milestone was the EU–Central Asia summit in Samarkand in April 2025, the first such summit bringing all five regional leaders and EU leaders together. At this meeting, the parties agreed to upgrade EU–Central Asia relations to a strategic partnership, underlining a long-term commitment to political and economic cooperation. The summit’s joint declaration – and a series of EU strategy documents – outline priority areas that echo the Uzbekistan–EU bilateral agenda: enhancing trade and investment, improving water resource management, jointly developing critical minerals, and expanding digital and transport connectivity^[8]. To back these goals, the EU announced a €12 billion Global Gateway investment package for Central Asia, on top of about €10 billion already allocated to connectivity projects in the region. This massive package is channeled into concrete initiatives: approximately €3 billion is designated for the Trans-Caspian Transport Corridor (the “Middle Corridor”), €2.5 billion for critical raw materials projects, and €6.4 billion for green transition (renewable energy infrastructure) across Central Asia. Such funding aims to make the EU a major player in Central Asian connectivity, providing an alternative to China’s Belt and Road Initiative and complementing national development plans.

Uzbekistan stands to benefit significantly from these regional programs. It has no direct land link to Europe, so improved connectivity via neighbors is vital. The Middle Corridor – which connects Central Asia to Europe via the Caspian Sea, South Caucasus, and Black Sea – is a clear example. Uzbekistan, though landlocked, can access this corridor through new and existing routes across Kazakhstan and Turkmenistan to Caspian ports. The anticipated completion of the China–Kyrgyzstan–Uzbekistan railway will further plug Uzbekistan into east–west transit networks, enhancing its role as a transit and logistics hub in the heart of Central Asia. EU support for such infrastructure, including planned investments in rail modernization and border-crossing facilitation, dovetails with Uzbekistan’s goal of becoming a bridge between Europe and Asia. Additionally, regional initiatives like the Green Energy export corridor (a project linking Caspian renewable energy to Europe) could eventually include Uzbekistan’s renewable power if cross-border grids are developed. The EU-backed plan signed in late 2022 to transport Caspian Basin electricity to Europe (via Azerbaijan, Georgia, Romania, and Hungary) reflects a template that Uzbekistan could latch onto for exporting surplus solar or wind energy in the future.

Despite the optimistic outlook, there are challenges facing deeper Uzbekistan–EU and Central Asia–EU cooperation. One is ensuring sufficient European investment and follow-through. Central Asian leaders, while keen on a greater EU role, have historically been skeptical about whether the EU would “put enough money on the table” to rival China’s largesse.

[8] <https://www.rferl.org/a/eu-central-asia-summit-china-global-gateway-belt-road-bri/33369751.html>



The Global Gateway pledges are substantial, but their implementation will need to be timely and effective to convince regional partners of the EU's commitment. Another challenge lies in the reform and governance realm: initiatives like GSP+ and the EPCA tie economic benefits to Uzbekistan's adherence to international standards on human rights, labor, and the rule of law. Any regression in these areas could jeopardize hard-won gains in cooperation. The EU's latest monitoring noted some "worrying backtracking" in civil and political rights in Uzbekistan, signaling that political will is needed to sustain the partnership's momentum. Furthermore, the new geopolitical environment presents balancing acts for Uzbekistan. The country must maintain its multi-vector stance, expanding Western ties without antagonizing powerful neighbors. Russia's war in Ukraine has indirectly boosted EU–Central Asia engagement, as countries like Uzbekistan resist falling under excessive Russian influence; yet Uzbekistan also remains cautious not to violate Western sanctions or disrupt traditional economic ties with Russia. There are indications that a portion of the spike in EU–Central Asia trade may be due to sanction circumvention trade flows – a trend that could invite Western scrutiny and requires careful management through customs cooperation and transparency. Finally, the crowded field of external actors means Uzbekistan and the EU operate in a competitive environment. China's Belt and Road investments, Russia's lingering influence, and new players like Turkey and Gulf states all vie for economic footholds in Central Asia. The EU will need to carve out its niche, leveraging its strengths in technology, standards, and soft power, while Uzbekistan will need to demonstrate that it is a reliable and stable partner that can uphold commitments.

The case of Uzbekistan–EU economic and energy cooperation vividly illustrates the Western vector in the foreign policy. In the span of a few years, Uzbekistan has moved to institutionalize its ties with the EU through the EPCA, capitalize on trade privileges like GSP+, and embrace collaborative projects in sustainable energy, critical raw materials, and connectivity. These efforts align with Tashkent's broader strategy of engaging Western partners to complement its Asian alliances. The opportunities presented by deeper cooperation with the EU are significant: Uzbekistan can access the EU's vast market, attract quality investment and technology, and accelerate domestic reforms under the supportive framework of a strategic partnership. The EU, for its part, gains a foothold in a resource-rich and strategically located country, contributing to its goals of diversified supply chains and a stronger presence in Central Asia. At the same time, the partnership must navigate the inherent challenges and vulnerabilities of this Western vector. These include the necessity for Uzbekistan to maintain reform progress (to meet EU norms and GSP+ criteria), the task of managing complex regional geopolitics, and the need for the EU to deliver concretely on its promises to sustain Central Asian trust. The ongoing dialogue—bilaterally and through EU–Central Asia platforms—suggests that both sides are aware of these hurdles and the importance of addressing them. In conclusion, Uzbekistan's expanding cooperation with the EU in economics and energy represents a test case of Uzbekistan's multi-vector diplomacy in action: it highlights how shared interests in trade, sustainable development, and connectivity can drive a mutually beneficial partnership, while also underscoring the careful balancing and steadfast commitment required to realize the full potential of the Western vector in the region's foreign policy.



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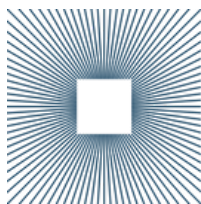
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