

## **THE ROLE OF THE WORLD TRADE ORGANIZATION IN THE LIBERALIZATION OF FOREIGN TRADE OF THE REPUBLIC OF UZBEKISTAN**

**Abdunor Suyunov Miltikbaevich**

Head of the Faculty of "Customs" Customs Institute of the State Customs Committee of the Republic of Uzbekistan, PhD, Associate Professor

**Rushana Fakhreddinova Fakhreddin Kizi**

Cadet of the Customs Institute of the State Customs Committee of the Republic of Uzbekistan

**Razakov Zafarjon Toir O'g'li**

Cadet of the Customs Institute of the State Customs Committee of the Republic of Uzbekistan

**Abstract:** Each country, after gaining independence, is developing a number of reforms to achieve a sustainable national economy and to achieve these goals, state bodies are assigned a number of tasks on the basis of which it is envisaged to create conditions for achieving a favorable environment for development, both for the national economy and for integration into the world economy. As we know, after our country achieved independence, the first priority was to fill the domestic market with essential goods and restore the "market infrastructure". In order to achieve this, Uzbekistan has chosen to develop the national economy based on the principles of a market economy. Currently, this task is being replaced by others.

**Keywords:** World Trade Organization, foreign trade liberalization, foreign trade, market infrastructure, "Doing business", "Trading across border" criteria, "GSP+", mandatory documents.

Ensuring the acceleration of the growth of the national economy, supporting national entrepreneurs, attracting foreign investment, establishing mutually beneficial economic relations with partner countries, as well as establishing new economic cooperation between countries that are not currently permanent partners of our country, improving their positions in international ratings, such as the rating of the World Bank and the International Finance Corporation "Doing business", attracting tourists together with attracting foreign investment is an urgent task for our country. Special attention is paid to the liberalization of foreign trade. To achieve this goal, intergovernmental agreements were drawn up and signed to provide best-favored-nation treatment, as well as the creation of a free trade zone, which directly affect the country's tariff regulation. As a result of the signing of these agreements, the rates of customs duties are reduced, and in the case of a free trade zone, these rates are reduced to zero. Our state is committed to providing most-favored-nation treatment with 47 countries, as well as creating a mutual free trade zone with 10 countries.

In order to improve the investment attractiveness and strengthen the image of our country in the international arena, introduce new mechanisms for working with ratings and indices in state bodies and organizations, as well as implement the tasks defined in the Action Strategy for the five Priority Areas of Development of the Republic of Uzbekistan in 2017 — In 2021, as well as in order to achieve the KPI of development and support, the Republican Council for Working with International Ratings and Indices was established, which includes the heads of 35 state bodies, with the distribution of socio-economic and political-legal ratings and indices among the working bodies of the Council. The State Customs Committee of the Republic of Uzbekistan, along with other state bodies, is a member of the Council and is responsible for 4 areas of the rating and index, such as Trading across Borders, the Logistics Efficiency Index in the Customs direction, the Economic Freedom Index in the Freedom of Trade direction, the Global Competitiveness Index 4.0 in the Effectiveness of border control.

Evidence of the effectiveness of the ongoing reforms is shown in the occupied territories of the Republic of Uzbekistan. If according to the results of the ranking "Doing business 2019" Uzbekistan took 76th place, then

according to the results of "Doing business 2020" our country rises by 7 positions and takes 69th place, thereby entering the top 20 countries that have shown the greatest progress in improving the business climate. A particular improvement was observed in Trading across border indicator, rising to 152 place from 165 position. But if we compare these indicators with the results of other countries, this is not positive enough and requires further reform. So, when studying the criteria by which Uzbekistan took this place in this indicator 152 place, it is possible to identify the points due to which the growth rate of positions is moderately slow. Our country, in the course of the analysis of countries that took from 100 to 152 places in the International trade indicator in "Doing business 2020", shows distinctively high results in the evaluation criteria for the time spent on checking documents during export and import, making up:

Export time: border compliance -32 hours,

Time to import: border compliance -96 hours.

But despite this, according to the criteria, the cost of preparation of documents for export, which costs 287 US dollars, is also spent on the import of funds, which costs 287 US dollars for the preparation of documents, which slows down Uzbekistan from rising to a higher place in this rating.

Undoubtedly, it is worth paying attention to the goods for which our country is evaluated, as well as the documents that are required for export or import. The place in the "Doing business" rating of our country is determined when exporting cotton, and when importing car parts. These two types of goods require a number of documents:

Table 1.

<b>Export:</b>	<b>Import:</b>
1. Export Declaration	1. Customs Import Declaration
2. Export contract	2. Certificate of Origin
3. Certificate of conformity	3. Commercial invoice
4. Invoice	4. Packing list
5. Packing list	5. Serial/ Code number
6. CMR	6. CMR
7. Certificate of Origin	7. Certificate of Conformity
8. Certificate of fumigation	
9. Phytosanitary certificate	

When comparing these indicators with Benin, which ranked the 110<sup>th</sup> place in the "Trading across border" criteria, having the same goods, which are evaluated in the international rating "Doing business", is ahead of Uzbekistan by 42 places. The reason for this is not only the cost of preparing documents for import or export, but also the distance to the post being taken into account, as well as the type of transport for moving goods according to the "Doing business" assessment Methodology. If we compare Benin and Uzbekistan by this indicator, the following results will come out:

Table 2.

<b>Characteristics</b>	<b>Export (Benin/Uzbekistan)</b>	<b>Import (Benin/Uzbekistan)</b>
<i>Product</i>	<b>HS 52</b> : Cotton	<b>HS 8708</b> : Parts and accessories of motor vehicles
<i>Trade Partner</i>	China / Russian Federation	France/ Russian Federation
<i>Border</i>	Port of Cotonou/ Beineu Border Crossing	Port of Cotonou / Yallama Border Crossing
<i>Distance (km)</i>	6/ 1515	6/ 60
<i>Domestic transport time (hours)</i>	3/ 52	2/ 2

Domestic (USD)	transport	cost	178/ 1065	261/ 58
-------------------	-----------	------	-----------	---------

In addition, 10 mandatory documents are required for export to Benin, and 8 types of documents are required for import. In this case, Uzbekistan also requires fewer documents. But in this case, the decisive reason for the predominance of the advantage of Benin in "Doing business" is precisely the vehicle by which the goods are transported, as well as the distance of the customs posts. As we know, river transport is a cheaper mode of transport than road transport, rail transport and air transport. Also, according to Table 2, if the customs posts are located at a close distance, then the Methodology for assessing the indicators of countries in "Doing business" costs for domestic transport and its cost are cheaper, which directly affects the costs of the entrepreneur.

Uzbekistan, as a country with an emerging economy, is implementing a number of reforms in preparation for joining the World Trade Organization. One of these reforms is the introduction of the system of extended trade preferences "GSP+" in our country. It is envisaged that this system will allow in the future to bring domestic products of more than 6 thousand names to the European market duty-free. In the textile industry alone, this will make it possible to increase exports by almost \$ 300 million a year. And since April 9 of this year, Uzbekistan has been a beneficiary country of this special system for promoting sustainable development and good governance ("GSP+") within the framework of the unilateral Universal System of Preferences ("GSP").

**GSP + status** This is an opportunity to support the country in its economic development and building a more sustainable future. The GSP + also gives the EU leverage and a duty to continuously monitor the effective implementation of the 27 relevant GSP + conventions. This monitoring will be based on an ongoing dialogue with the Government of Uzbekistan and other relevant stakeholders, including through in-person monitoring visits as soon as conditions permit, with a particular focus on the identified shortcomings.

The acceptance of Uzbekistan as a beneficiary of the GSP + reflects the recognition of the reforms undertaken by the Government, in particular, to improve the business climate, the judicial system, security services, working conditions, as well as administrative accountability and efficiency. This also indicates a consistent positive development in the socio-economic and labor spheres.

«In today's difficult situation, the main task should be the consistent continuation of the comprehensive reforms initiated in the country, our confident steps towards building a new Uzbekistan,» - President of the Republic of Uzbekistan Mirziyoyev Sh.M. in the Address to the Oliy Majlis. "Ensuring economic and political stability during the global crisis, solving existing problems on the ground, supporting the needy segments of the population, realizing the hopes and aspirations of our youth should be the priority task of leaders at all levels, starting with the President," the President of our country also states in this Address. Based on this, we can conclude that the ongoing reforms in all structures, in particular, in the customs administration of our country, will serve to achieve these goals.

## References:

1. Adress of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis
2. Economic reforms in Uzbekistan: achievements, problems, prospects - The Foreign Policy Centre
3. CEIR expert on the benefits of trade liberalization within the framework of the EAEU or WTO — Review.uz
4. Uzbekistan resumes WTO meetings-Gazeta.uz <https://www.gazeta.uz/ru/2020/07/08/wto/>
5. <https://www.doingbusiness.org/en/doingbusiness>
6. <https://www.doingbusiness.org/en/rankings>
7. <https://trade.ec.europa.eu/doclib/press/index.cfm?id=2263>- Uzbekistan joins EU's GSP+ arrangement