

Impact Factor:

ISRA (India) = 4.971
ISI (Dubai, UAE) = 0.829
GIF (Australia) = 0.564
JIF = 1.500

SIS (USA) = 0.912
PIHII (Russia) = 0.126
ESJI (KZ) = 8.716
SJIF (Morocco) = 5.667

ICV (Poland) = 6.630
PIF (India) = 1.940
IBI (India) = 4.260
OAJI (USA) = 0.350

SOI: [1.1/TAS](https://doi.org/10.15863/TAS) DOI: [10.15863/TAS](https://doi.org/10.15863/TAS)

International Scientific Journal Theoretical & Applied Science

p-ISSN: 2308-4944 (print) e-ISSN: 2409-0085 (online)

Year: 2020 Issue: 05 Volume: 85

Published: 18.05.2020 <http://T-Science.org>

QR – Issue



QR – Article



Fazilat Ilkhomovna Nurmetova

Andizhan State University

Teacher at the Department of “Theory of Civil Society”

Republic of Uzbekistan

FROM THE HISTORY OF UZBEKISTAN AND SOUTH KOREAN’S ECONOMIC RELATIONS (2000-2020)

Abstract: The article states that the Uzbek-South Korean economic relations have reached a new level, in particular, the Joint Statement of the Heads of State on the comprehensive deepening of the Strategic Partnership, the Memorandum of Cooperation between the Ministry of Employment and Labor and the Ministry of Human Resources, 2018-2020. Intergovernmental Agreement on Loans from the Fund for Economic Development and Cooperation and the Fund for Reconstruction and Development of Uzbekistan Export-Import Bank of Korea, an agreement on financial cooperation relations have been analyzed using scientific publications and Internet services.

Key words: Uzbekistan, South Korea, economic cooperation, development, reforms, agreement, credit, agreement, joint venture.

Language: English

Citation: Nurmetova, F. I. (2020). From the history of Uzbekistan and South Korean’s economic relations (2000-2020). *ISJ Theoretical & Applied Science*, 05 (85), 75-78.

Soi: <http://s-o-i.org/1.1/TAS-05-85-17> **Doi:**  <https://dx.doi.org/10.15863/TAS.2020.05.85.17>

Scopus ASCC: 1202.

Introduction

During the years of independence, Uzbekistan has paid special attention to ways to stabilize the macro economy, to carry out structural changes in the economy, to build enterprises capable of producing competitive goods and to allocate the necessary investments. At the same time, one of the main directions of the foreign policy of the republic is the establishment of international relations with countries around the world. Following this goal, “we will continue the large-scale work started to intensify the foreign policy of Uzbekistan, the path of open, pragmatic and well-thought-out foreign policy that meets our national interests. We will further strengthen cooperation, long-term and multifaceted partnership with all countries, far and near. I would like to draw your attention to the following priorities in this regard. The second priority is to further develop political, trade, economic, investment, transport and communication, cultural and humanitarian ties with South Korea, Turkey, the United Arab Emirates, the European Union and Asia” The President of the Republic of Uzbekistan Mirziyoyev’s address to the Oliy Majlis on January 24, 2020 [1].

METHODS

It should be noted that the first economic cooperation between Uzbekistan and South Korea began in 1992. The establishment of diplomatic relations between the two countries in March of this year was one of the achievements in foreign policy [2, p.328]. Today, Uzbekistan has established extensive cooperation with this country in the fields of investment, trade, high technology, culture and humanitarian spheres, and this process is still ongoing. Negotiations with the chairman of the South Korean corporation DAEWOO Kim U Jung on the establishment of a joint venture in Uzbekistan at the direct initiative of the first President Islam Karimov marked a new stage in the development of the automotive industry, which is an integral part of the economy. “UzDAEWOOavto” plant, which started operating in the country, was awarded the ISO-9001 certificate in January 2000. The agreement to build a joint Uzbek-Korean car plant “UzDAEWOOavto” in Asaka in cooperation with the world-famous South Korean corporation DAEWOO was of global significance [3, P.520]. In August 2001, a new line was built at the “UzDAEWOOavto” plant to produce

Impact Factor:

ISRA (India)	= 4.971	SIS (USA)	= 0.912	ICV (Poland)	= 6.630
ISI (Dubai, UAE)	= 0.829	PIHHI (Russia)	= 0.126	PIF (India)	= 1.940
GIF (Australia)	= 0.564	ESJI (KZ)	= 8.716	IBI (India)	= 4.260
JIF	= 1.500	SJIF (Morocco)	= 5.667	OAJI (USA)	= 0.350

a new Matiz car that fully meets international standards, is comfortable in all respects has advanced design and technical advantages [4, P.445].

RESULTS AND DISCUSSIONS

It should be noted that in 2003, another line was built and production of Lacetti began, and in 2004 the plant produced 70,070 cars. At the same time, in October 2007, a joint venture GM Uzbekistan was established on the basis of “UzDAEWOO” in cooperation with General Motors. As a result, Asaka began to produce world-famous Chevrolet cars - Captiva, Epica, Takuma. This production process has accelerated in recent years. In particular, in 2010 the production of Chevrolet - Spark, and at the end of 2012 - the production of a new Chevrolet - Cobalt [6]. Thus, a solid foundation of the “UzDAEWOOavto” joint venture has been laid in the country. “UzDAEWOOavto” became the first car manufacturer in the CIS to use the International Quality System.

At present, the scope of cooperation between the two countries is mainly trade, investment, export-import, fuel and energy, chemistry, transport and logistics, automotive, mining, light industry, food, agriculture, information technology and telecommunications, medicine, tourism. There are 412 joint ventures with South Korean investors in Uzbekistan, as well as representative offices of 81 companies in the country. For example, the volume of investments in Uzbekistan amounted to 6 billion dollars. The Republic of Korea is one of the main foreign trade partners of Uzbekistan. South Korea accounts for 7.8% of the country’s foreign trade. In 2014, the bilateral trade turnover amounted to 2 billion US dollars [5, p.45].

It should be noted that the cooperation between the Republic of Uzbekistan and the Republic of Korea has expanded, and official Seoul has invested 7 billion soums in the Uzbek economy dollars. There are 461 enterprises with the capital of this country in the country, of which 386 are joint ventures, and 75 are enterprises established entirely with Korean capital. These enterprises are successfully operating in the fields of oil and gas, petro chemistry and chemistry, mechanical engineering, electrical engineering and textiles, information and communication technologies, transport and logistics, tourism. Relations in the energy sector, which is an important sector of the economy, are also developing rapidly from year to year. In 2016, the “Ustyurt” Gas Chemical Complex was built in cooperation with South Korea. 4 billion soums have been allocated for this large-scale project, which is a shining example of trade, economic and investment cooperation between our countries dollars were directed.

It is known that the Republic of Korea is one of the countries with internationally developed free economic zones, which has closely supported the

establishment and development of free economic zones in Uzbekistan, and this process is still ongoing. 20 enterprises with the participation of South Korea, China, Italy, Singapore, India, the UAE and other countries operate in the Navoi free economic zone. In addition, since 2008, “Korean Air” has been transporting cargo through Navoi International Airport, introducing advanced technologies and effective systematic control at the airport.

On November 22-25, 2017, President Shavkat Mirziyoyev paid a state visit to the Republic of Korea at the invitation of President Moon Jae In [5, P.128]. The high-level talks focused on a wide range of issues of cooperation, prospects for further development of interstate relations in political, trade, economic, financial, investment, scientific, technical, cultural, humanitarian and other spheres, as well as regional and international issues. The head of our state also met with the Speaker of the National Assembly and the Prime Minister of the Republic of Korea and took part in the Uzbek-South Korean business forum with the participation of leaders of leading economic and financial structures of the two countries. This historic visit has laid a solid foundation for the development of multifaceted ties. In his speech, the President noted that trade and economic relations between Uzbekistan and South Korea have been steadily developing, and modern conditions and opportunities for doing business have been created in our country. He noted that Uzbekistan is interested in further expanding cooperation with the business community of the Republic of Korea. The Republic of Korea proposed to establish a business center in Uzbekistan. Representatives of the South Korean financial and business circles praised the opportunities created for active business in Uzbekistan and expressed readiness to further develop cooperation [6]. During the visit, more than 20 interstate, intergovernmental and interagency agreements were signed.

In addition, 14 meetings at the level of heads of state have been held since the establishment of diplomatic relations between the two countries. In recent years, these dialogues have become more active, and friendly relations between the two countries have been reflected in the most important sectors of the economy. The Presidents continued the talks with the participation of official delegations of the two countries. During the talks, the sides also discussed issues of expanding cooperation in trade, economic, investment, cultural and humanitarian spheres [7].

It should be noted that today the strong relations between governments, ministries, departments, finance, banking institutions and business structures are steadily expanding. In particular, the Republic of Korea is one of the leading trade, economic and investment partners of Uzbekistan in the Asia-Pacific region. For example, in 2016, the volume of bilateral trade amounted to 1 billion. Exceeded the U.S. dollar.

Impact Factor:

ISRA (India)	= 4.971	SIS (USA)	= 0.912	ICV (Poland)	= 6.630
ISI (Dubai, UAE)	= 0.829	PИHИЦ (Russia)	= 0.126	PIF (India)	= 1.940
GIF (Australia)	= 0.564	ESJI (KZ)	= 8.716	IBI (India)	= 4.260
JIF	= 1.500	SJIF (Morocco)	= 5.667	OAJI (USA)	= 0.350

Uzbekistan's share in South Korea's trade turnover with Central Asia is about 50% [8].

Memorandum of Cooperation between the Ministry of Employment and Labor Relations of the Republic of Uzbekistan and the Ministry of Human Resources Management of the Republic of Korea, Memorandum of Cooperation between the Ministries of Justice of the two countries, the Ministry of Foreign Trade and the Ministry of Trade, Industry and Energy of the Republic of Korea agreement, intergovernmental memorandum of cooperation on Uzbekistan's accession to the World Trade Organization, Cooperation Program between the Ministries of Foreign Affairs of the two countries for 2018-2020, Memorandum of Understanding on the Knowledge Exchange Program between the Ministry of Economy of the Republic of Uzbekistan and the Ministry of Strategy and Finance of Korea, Intergovernmental Agreement on Loans from the Economic Development and Cooperation Fund for 2018-2020 More than sixty documents have been signed between the Fund for Reconstruction and Development and the Export-Import Bank of the Republic of Korea, including an agreement on financial cooperation [9].

At the invitation of President of the Republic of Uzbekistan Shavkat Mirziyoyev, President of the Republic of Korea Moon Jae In arrived in our country on April 18, 2019 with a state visit. During the talks, the Korean leader said the following about strategic cooperation: "We consider Uzbekistan to be an important partner in South Korea's New North Policy aimed at intensifying trade and investment ties. During your visit to Seoul, we managed to strengthen the strategic partnership between our countries. This time, we intend to raise it to a special strategic level" said Prime Minister Moon Jae In. Presidents Shavkat Mirziyoyev and Moon Jae-in took part in the opening ceremony of the Uzbek-South Korean business forum at the Uzexpocenter. The forum was attended by heads of economic and financial structures of the two countries, leading businessmen, in particular, more than 350 representatives from 150 companies and organizations of the Republic of Korea. At the same time, the total volume of South Korean investments in the economy of our country amounted to 7 billion US dollars. The Korean National Petroleum Corporation, Eximbank, Kogas, Lotte Group, Samsung, Hyundai, Shindong Resources and many other leading companies are actively involved in the implementation of major investment projects in our country.

75 South Korean companies have been registered in our country, and in 2018, the Uzbek-

Korean Chamber of Commerce was opened in Incheon. He played an important role in supplying world-class Uzbek products to the South Korean market. South Korea also welcomed the ongoing reforms in Uzbekistan to liberalize the economy and improve the investment climate. This will increase the inflow of investments and high technologies into the country, produce value-added products and create permanent jobs. The business forum discussed issues of expanding investment cooperation between companies and organizations of the two countries, development and implementation of new projects, supply of goods and services [10]. The total cost is 12 billion. It was noted that more than \$ 1 billion worth of deals and agreements have been reached. They cover such priority areas as energy, oil and gas, chemistry, mining, machinery and electrical engineering, transport and logistics, textile and food industries, infrastructure, information and communication technologies, digital medicine. Of particular note are the agreements on the transfer of the free economic zone "Angren" to the management of the free economic zone "Incheon", the production of essential medicines in the "Bostanliq-farm".

On April 29, 2019, the Decree of the President of the Republic of Uzbekistan "On measures to further expand and strengthen cooperation between the Republic of Uzbekistan and the Republic of Korea" was signed [8]. In this resolution, the state visit of the President of the Republic of Korea Moon Jae In to the Republic of Uzbekistan on April 18-21, 2019 was one of the most important events in the history of Uzbek-South Korean cooperation and brought the two countries to a "special strategic partnership". The fruitful negotiations and events held in the atmosphere reaffirmed the importance of continuing the active political dialogue at the highest level, which will strengthen the mutual understanding between the two countries. Find a determining factor for the preservation of openness in our country.

CONCLUSION

In conclusion, as a result of more than 20 years of economic ties between Uzbekistan and South Korea, many enterprises have been established, which serve to accelerate the economies of the countries and will continue to develop in the future. The two countries are constantly expanding investment cooperation, developing and implementing new projects, gradually developing the supply of goods and services.

Impact Factor:	ISRA (India) = 4.971	SIS (USA) = 0.912	ICV (Poland) = 6.630
	ISI (Dubai, UAE) = 0.829	PИHИЦ (Russia) = 0.126	PIF (India) = 1.940
	GIF (Australia) = 0.564	ESJI (KZ) = 8.716	IBI (India) = 4.260
	JIF = 1.500	SJIF (Morocco) = 5.667	OAJI (USA) = 0.350

References:

- (2020). Retrieved from <https://www.gazeta.uz/01/24>.
- Juraev, N., & Fayzullaev, T. (2000). *History of Uzbekistan. The period of national independence*. Tashkent: Shark.
- (2000). *New history of Uzbekistan. History of independent Uzbekistan*. The third book.- Tashkent: Shark.
- Bobobekov, H., et al. (2007). *History of Uzbekistan. Brief reference*. Tashkent: Science.
- Juraev, N., & Zamonov, A. (2018). *History of Uzbekistan (Independence period)*.- Tashkent: Publishing and Printing House named after G. Gulom.
- (n.d.). Retrieved from <http://uza.uz/uz/politics/o-zbekiston-janubiy-koreya-strategik-sheriklik>.
- (n.d.). Retrieved from <http://www.uzembassy.kz/uz/article/ozbekiston-va-janubiy-koreya>.
- (n.d.). Retrieved from <https://lex.uz/docs/1081-438>.
- (n.d.). Retrieved from <http://www.uzembassy.kz/uz/ae>.
- (n.d.). Retrieved from <http://uza.uz/uz/relationsuzbkorea>.