# **European Parliament**

2019-2024



### Committee on International Trade

2022/2195(INI)

25.5.2023

# **OPINION**

of the Committee on International Trade

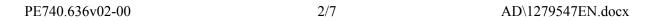
for the Committee on Foreign Affairs

on Uzbekistan (2022/2195(INI))

Rapporteur for opinion: Roman Haider

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#### **SUGGESTIONS**

The Committee on International Trade calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Welcomes the successful completion of negotiations on the EU-Uzbekistan Enhanced Partnership and Cooperation Agreement and expects that this agreement will contribute to Uzbekistan integrating further into the multilateral trading system, strengthen market economy mechanisms and increase foreign investors' confidence; believes that the agreement will ensure a better regulatory environment for economic operators in areas such as goods and services trade, state-owned enterprises, procurement and intellectual property rights; recalls that the rule of law, good governance, the implementation of shared values and the principles of democracy and respect for fundamental freedoms and human and social rights are the core basis for the Enhanced Partnership and Cooperation Agreement between the EU and Uzbekistan, which shapes bilateral relations;
- 2. Recognises the efforts made by Uzbekistan in implementing International Labour Organization (ILO) standards, notably as regards eliminating child labour and forced labour in the cotton sector; underlines the need for continued efforts in this regard; urges the Uzbek Government to work towards ensuring fair wages for cotton workers; recognises the adoption of Uzbekistan's new Labour Code, which came into force on 30 April 2023 and introduces innovations in labour relations and dispute resolution; urges the Uzbek Government to make data on child labour more transparent for all stakeholders and to allow the registration of non-governmental organisations working on the issues of forced labour, child labour and exploitation; calls on Uzbekistan to introduce broader reforms to empower civil society and develop effective institutions in order to provide transparency and accountability and consolidate progress across all parts of the cotton sector;
- 3. Recognises the growing strategic importance of Central Asia and the key role that Uzbekistan plays in regional cooperation and connectivity, in particular as part of the Global Gateway Initiative; believes that, under the Commission's policy of open strategic autonomy, the resilience of the supply chain will be strengthened by establishing a network of trusted stakeholders based on sustainable and mutually beneficial economic activity, as well as on regular diplomatic exchanges;
- 4. Stresses that the EU and Uzbekistan should use their economic and commercial cooperation to actively diversify Uzbekistan's industries to support an accelerated transition to renewable energy and increase efforts to guarantee energy efficiency under the Paris Agreement and to enhance the integration of energy markets in Central Asia with those of neighbouring countries and the EU by creating synergies between various energy policy strategies and infrastructure projects in the region, in line with the negotiations at the World Trade Organization on establishing rules and criteria for linking trade, climate and the environment; recalls that this should benefit citizens by mitigating energy poverty, guaranteeing a just transition towards zero emissions by 2050 and establishing a Central Asian climate-neutral region by that date;

- 5. Acknowledges the challenges that Uzbekistan is facing, in the light of the current geopolitical situation, as its government attempts to diversify its economic and trade dependencies on Russia and seeks to encourage greater cooperation with its European partners;
- 6. Stresses that connectivity and cooperation in the region should support reinvigorated efforts under the EU–Central Asia Platform on Environment and Water Cooperation in a complex and comprehensive manner; emphasises, in this context, the importance of the principles of social and environmental sustainability in the course of extracting or processing natural resources; reiterates that reinvesting revenue from natural resources is therefore crucial for the socioeconomic development of Uzbekistan and for ensuring that the country and its neighbours become resilient towards future global and regional challenges, by enabling the implementation of the UN 2030 Agenda with its 17 Sustainable Development Goals; believes that this is crucial to contribute to establishing sustainable circular economies in the country and the region;
- 7. Stresses that Uzbekistan also plays a crucial role in regional security and economic stability, especially in terms of the fight against illegal immigration, organised crime, terrorism and corruption;
- 8. Draws attention to the potential risks of Uzbekistan's possible assistance to Russia, as it may be aiding Russia in circumventing trade sanctions imposed by the EU; calls for careful monitoring of the situation;
- 9. Reiterates the importance of Uzbekistan's membership of the Generalised Scheme of Preferences Plus (GSP+), which contributes to economic growth and yields very positive results (exports to the EU increased by 34 % in 2021); recognises that accepting Uzbekistan as a beneficiary of the GSP+ reflects the recognition of reforms undertaken by the Uzbek Government; notes that, despite the progress that Uzbekistan has made in recent years, a number of concerns remain regarding the effective implementation of the 27 core international conventions; reiterates the need for effective implementation of the conventions, as well as compliance with reporting obligations under the GSP+ scheme; calls on the Commission to support and closely monitor the effective implementation of all 27 core international conventions under the GSP+ on human and labour rights, environmental regulations and good governance principles; calls for cooperation with Uzbekistan to develop efficient and reliable customs procedures that contribute to digitalisation and administrative simplification, which will positively contribute to increasing trade flows;
- 10. Stresses that, despite progress in eliminating forced labour, poor working conditions, low wages, full respect for workers' rights and the recognition of freedom of association, including the right to establish independent trade unions, remain major problems in Uzbekistan;
- 11. Notes that Uzbekistan can play an important role in diversifying regional and global supply chains by delivering minerals and metals to the benefit of domestic, regional and international industries, including the EU's industries, by ensuring partnership and mutual technological cooperation as benchmarks and support for the green transition;
- 12. Stresses that, owing to the lack of direct access to seaports, developing infrastructure

and logistics corridors, in particular the Trans-Caspian International Transport Route, is crucially important for trade and for connecting Uzbekistan with the markets of potential trading partners; notes that efficient and sustainable links and networks between Europe and Central Asia through priority transport corridors, including air, sea and land transport, as well as digital, energy and interpersonal networks, will increase trade flows;

- 13. Welcomes the establishment of the first independent trade union in Uzbekistan in the cotton sector; calls on the Uzbek authorities, in line with the ILO conventions ratified by Uzbekistan, to promote the establishment of independent and alternative trade unions in all sectors of the economy;
- 14. Calls on the Uzbek authorities to ratify ILO Convention 155 on Occupational Safety and Health;
- 15. Calls for cooperation and EU support for green development and the further exploration of Uzbekistan's potential for building trade and economic relations with the EU.

### INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	25.5.2023
Result of final vote	+: 17 -: 6 0: 13
Members present for the final vote	Barry Andrews, Tiziana Beghin, Geert Bourgeois, Saskia Bricmont, Daniel Caspary, Markéta Gregorová, Roman Haider, Christophe Hansen, Heidi Hautala, Danuta Maria Hübner, Danilo Oscar Lancini, Bernd Lange, Margarida Marques, Gabriel Mato, Emmanuel Maurel, Carles Puigdemont i Casamajó, Samira Rafaela, Catharina Rinzema, Inma Rodríguez-Piñero, Katarína Roth Neveďalová, Helmut Scholz, Joachim Schuster, Dominik Tarczyński, Kathleen Van Brempt, Jörgen Warborn, Iuliu Winkler, Jan Zahradil
Substitutes present for the final vote	Reinhard Bütikofer, Enikő Győri, Sandra Kalniete, Seán Kelly, Liudas Mažylis, Pedro Silva Pereira, Witold Jan Waszczykowski
Substitutes under Rule 209(7) present for the final vote	Camilla Laureti, Eleni Stavrou

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

17	+
ECR	Geert Bourgeois, Dominik Tarczyński, Jan Zahradil
ID	Roman Haider, Danilo Oscar Lancini
NI	Enikő Győri
PPE	Daniel Caspary, Christophe Hansen, Danuta Maria Hübner, Sandra Kalniete, Seán Kelly, Gabriel Mato, Liudas Mažylis, Jörgen Warborn, Iuliu Winkler
Renew	Barry Andrews, Catharina Rinzema

6	-
NI	Carles Puigdemont i Casamajó
Renew	Samira Rafaela
Verts/ALE	Saskia Bricmont, Reinhard Bütikofer, Markéta Gregorová, Heidi Hautala

13	0
ECR	Witold Jan Waszczykowski
NI	Tiziana Beghin
PPE	Eleni Stavrou
S&D	Bernd Lange, Camilla Laureti, Margarida Marques, Inma Rodríguez-Piñero, Katarína Roth Neved'alová, Joachim Schuster, Pedro Silva Pereira, Kathleen Van Brempt
The Left	Emmanuel Maurel, Helmut Scholz

Key to symbols: + : in favour - : against 0 : abstention