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## **THE NEW DEVELOPMENT APPROACH THE SHANGHAI COOPERATION ORGANIZATION AND UZBEKISTAN**

**Annotation:** The New Development Approach is also well expressed in the plans and actions of the SCO as they have the principles of equality, mutual benefit and common development in common. The SCO member states all seek social stability and the development of their national economies.

**Key Words:** *Shanghai Cooperation Organization, The New Development Approach, Uzbekistan, security, economic.*

The SCO member states all seek social stability and the development of their national economies. They agree that the existing international political and economic order and the growing gap between the North and South should be regarded as a fundamental cause of international terrorism. In terms of economic cooperation, therefore, the SCO, like China, emphasizes common development which advocates further cooperation and exchanges with foreign counterparts on the basis of equality, mutual respect and benefit. The SCO offers considerable space for individual members to pursue their own policies for their own interests. It furthermore aims at the gradual implementation of joint activities, at a pace which is suitable for each member involved [1].

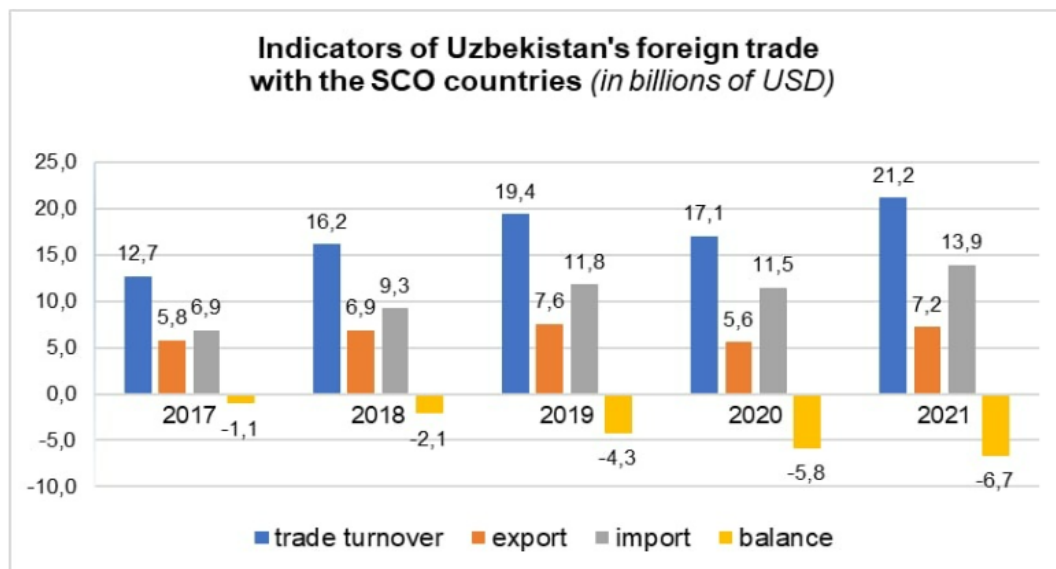
The national conditions among the SCO members differ considerably. China and Russia, for example, have a vast area of land, a huge population, and are permanent members of the Security Council of the United Nations. Other members like Tajikistan and Kyrgyzstan are much smaller in size, have a smaller population and are lagging behind in economic development. However, these differences do not prevent them from being good partners. This form of cooperation, which is further elaborated below, represents the equality and mutual respect that embody the style of cooperation in the SCO [2].

Cooperation in the economic realm While the SCO started as an organization focusing on security cooperation, it gradually moved to explore the possibilities of economic cooperation. On September 14, 2001, the heads of the six SCO member states met in Almaty to discuss regional economic cooperation. They signed a Memorandum stating the basic goals and directions of regional economic cooperation and thus launched the process of creating favourable conditions in the field of mutual trade and investments. China has always had a positive view of the economic cooperation within the SCO in a good coordination with all parties[4]. For China there are great benefits in preferential access to the Russian and Central Asian markets and natural resources but the country also sees it as a win– win cooperation. Compared to China, the other SCO members are rich in natural resources but lack consumer goods due to their long– term planned economies. Selling natural resources to China is an important step in boosting their economic strength. At the same time, the rapid growth of China's GDP is providing many opportunities for SCO countries to indulge in foreign investment, technology exchange and market expansion. Furthermore, China's development experience provides lessons for some of the SCO countries[5].

Foreign trade with the SCO countries occupies a significant place in Uzbekistan's foreign economic activity. In particular, Russia, China and the countries of Central Asia are

among the main trade and economic partners of Uzbekistan. Over the past 5 years, Uzbekistan's trade turnover with the SCO countries has grown in 1.7 times, exports in 1.2 times and imports in 2 times. At the same time, the share of trade turnover with the SCO countries in the total foreign trade turnover of the country also increased from 47.2% to 50.2% [6].

**Table 1**



Source : Ministry of Foreign Affairs' website <http://www.mfa.gov.cn> and General Administration of Customs' website. <http://www.customs.gov.cn>. Baidu.com.

In 2021, trade turnover with the SCO countries increased by 24% and amounted to \$21.2 billion, exports increased by 29% to \$7.2 billion and imports increased by 21% to \$13.9 billion. In 2021, the SCO countries accounted for 50.2% of Uzbekistan's total foreign trade turnover, 43.5% of total exports and 54.5% of total imports.

The share of the SCO countries in the total volume of exports (excluding \$4.1 billion gold in 2021) will grow to 57.8%, and in the total volume of trade turnover to 55.6% [7]. The largest shares of Uzbekistan's trade turnover within the scope of domestic trade with the SCO countries are accounted for by Russia – 35.7% and China – 35.2% as well as Kazakhstan – 18.5% and Kyrgyzstan – 4.5%. In terms of exports, the largest shares are on 5 countries: China – 34.9%, Russia – 28.8%, Kazakhstan – 16.3%, Kyrgyzstan – 10.9%, Tajikistan – 6.9%. The main volume of imports comes from Russia – 39.3%, China – 35.4% and Kazakhstan – 19.7%.

According to the results of January– July 2022, compared to the same period last year, Uzbekistan's trade turnover with the SCO countries increased by 25.3% and amounted to \$14.0 billion, exports increased by 24.4% to \$4.6 billion, imports by 27.3% to \$9.4 billion [8]. The negative trade balance also increased by 27.3% to \$4.7 billion. In conclusion. Such results were largely achieved due to the development of transit potential in the SCO space, the development of a coordinated transport management system across the territories of the SCO member states. This complex and capital– intensive work took at least a decade.

### References:

1. Charter of the Shanghai Cooperation Organization, 2002.
2. Xing Guangcheng and Sun Zhuangshi, Shanghai Cooperation Organization Studies (Changchun Publishing House, 2007), pp. 92– 93.