

## PROSPECTS OF ENERGY COOPERATION BETWEEN UZBEKISTAN AND JAPAN

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*The article highlights of the development trends of Japan's political and economic relations with Central Asia, in particular with Uzbekistan, Japan's energy diplomacy and investment policy in Central Asia, and the prospects for energy cooperation between Uzbekistan and Japan.*

The resource factor plays an important role in shaping Japan's policy in Central Asia in terms of energy security. The region is distinguished by the diversity of its natural resources. Central Asia has reserves of coal, oil and gas, uranium ores, ferrous and non-ferrous metals, as well as chemical raw materials.

In addition, the region plays an important geopolitical role as a “bridge” between East and West. Central Asia is located between Russia and China, South Asia, the Middle East and Europe, and is historically a region where the Great Silk Road passed.

The strategic and geoeconomic importance of the region for Japan is as important as other regions of Asia, including Southeast Asia. The amendments to Japan's Blue Book on Foreign Policy in 2022 are a key strategic conceptual document, according to which the Ministry of Foreign Affairs describes Central Asian diplomacy as follows: "For Japan, Central Asia is of great geopolitical importance, ensuring peace and stability in the region, supporting socio-economic development, development of investment activities are important areas of Central Asian diplomacy.

Japan recognized the independence of Uzbekistan on December 28, 1991. Diplomatic relations were established on January 26, 1992. The main documents regulating bilateral relations are the Joint Statement of the Republic of Uzbekistan and Japan of May 17, 1994. and the Joint Statement on Friendship, Strategic Partnership and Cooperation between the Republic of Uzbekistan and Japan of July 29, 2002.

Interparliamentary ties are actively developing through holding forums with the participation of the parliamentary friendship leagues "Japan Parliamentary League for Friendship with Uzbekistan" and "Democratic Party of Japan - Uzbekistan". Since 2002 political consultations are held on a regular basis between the foreign ministries of the two countries. Uzbekistan and Japan cooperate in solving various international problems and have similar views on many issues of world politics. Uzbekistan supports the entry of Japan into the permanent members of the UN Security Council.

Today, Japan's relations with Uzbekistan have reached the level of strategic partnership. Japan recognizes Uzbekistan as a regional state influencing the situation in

Central Asia. In relations between Tashkent and Tokyo, special attention payees to cooperation in the "Japan + Central Asia" format. Japan supports Uzbekistan's regional policy aimed at creating a reliable and close neighborly environment in Central Asia.

An important role in the development of trade and economic relations is played by the Uzbek-Japanese and Japanese-Uzbek committees on economic cooperation.

In the period from 1991 to 2007, Japan put forward the following initiatives:

- 1993 - The Initiative for the Inclusion of Central Asian Countries in the Organization for Economic Cooperation and Development - enabled the countries of the region to receive financial and other assistance, in particular the Official Development Assistance Program (ODA);

- 1997 - Eurasian diplomacy, which envisaged the intensification of economic and political cooperation between Japan, Russia and Central Asia. Three main principles: mutual benefit, trust and long-term perspective;

- 1998 - Program of Action on "Silk Road Diplomacy" aimed at supporting democratic reforms, promoting economic reforms, reconstruction of transport infrastructure and exploration of natural resources;

- 2004 - Central Asia plus Japan Initiative - regular meetings at the level of heads of ministries and departments to promote cooperation and regional interaction;

- 2006 - "Transformation of Central Asia into the corridor of peace and stability" - an approach to Central Asia taking into account the long-term perspective, supporting open regional cooperation, searching for a partnership based on common universal values.

In fact, these initiatives have been of great importance for the countries of the region, and, together with ODA assistance, currently amounting to about two billion dollars, have really contributed to the development of Central Asia.

In August of 2008. The intergovernmental agreement "On liberalization, mutual protection and promotion of investments" was signed, which entered into force on September 24, 2009. 10 joint ventures have been established in Uzbekistan, incl. one with 100% Japanese capital, and 11 representative offices of Japanese companies are accredited. The volume of mutual trade turnover between Uzbekistan and Japan is growing dynamically. As a result of 2014 bilateral trade amounted to 189.5 million US dollars.

Total amount of financial and technical assistance to Japan amounted to more than \$ 3.4 billion. Thanks to Japan's financial and technical assistance, a number of socially significant and infrastructure projects have been implemented in Uzbekistan in the areas of health, education, energy, transport, telecommunications and other areas.

In the development of economic relations between our countries, the main task is to expand cooperation in the field of foreign trade, investment and finance. The volume of foreign trade does not yet correspond to the available potential, but it should be noted

that there is direct air communication between our countries twice a week. Of particular importance is the further development of cooperation in the energy sector and tourism.

A new priority direction in the development of economic cooperation between Uzbekistan and Japan is the sphere of innovation. Following the visit of Prime Minister Shinzo Abe to Uzbekistan in 2015, a lot of work was done to create the Japanese-Uzbek Youth Innovation Center with the participation of universities in both countries. This center opens unique opportunities for the development of mutually beneficial relations between our countries, taking into account the availability of rich resources of Uzbekistan and high technologies and innovative ideas of Japan.

Following the meeting of the Foreign Ministers of Central Asia and Japan in the spring of 2017, was adopted a "road map" for regional cooperation in the field of logistics and transport.

At the same time, Japan attaches great importance to Uzbekistan to implement its regional policy in Central Asia. For example, Uzbekistan accounts for 57% of Japan's aid to the region. Japanese companies are closely cooperating in the processing of mineral resources of Uzbekistan. It should be noted that as a result of measures taken by the governments of the two countries in the energy sector, the oil refineries in Bukhara and Fergana have been restored, and the Kokdumalak gas compressor station has been built.

The main areas of our economic cooperation are electricity, oil, gas, and chemicals. Supply of turbines and other energy technologies for Uzbekistan's energy systems is one of important area for Japanese business.

During his official visit to Japan, President of the Republic of Uzbekistan Shavkat Mirziyoyev also touched upon the issues of energy cooperation between the two countries. Currently, 11 Japanese companies have representative offices in Uzbekistan. To date, 65 billion yen has been invested in the development of Uzbekistan's energy sector through Japan's Eximbank.

Uzbekistan is an important transit center in the region, and special attention is paid to projects in the field of communications. Toyota Tsusho has signed a \$ 100 million loan agreement with the National Bank for Foreign Economic Activity to finance data transmission and Internet speed projects.

It is planned to use nuclear energy in Uzbekistan to meet the growing needs of the population and the country's economy in energy resources, to diversify the energy sector.

It is known that nuclear energy plays an important role in the Japanese energy sector. The transition to nuclear power in the late 1950s marked the beginning of a new phase in the history of Japan's energy sector. The long-term Japanese experience in the use of nuclear energy is important in the development of nuclear energy in Uzbekistan.

Taking into account the experience of Japan in the field of nuclear energy, the following proposals can be put forward for the development of Uzbek-Japanese energy cooperation:

First, training in the field of nuclear energy:

- Organization of trainings with the participation of experts in the field of nuclear energy in Japan, the exchange of experience and information;
- Advanced training and exchange of experience of nuclear energy specialists in Japan, organization of short-term training courses;
- Ensuring that young, talented professionals study at leading Japanese universities in nuclear energy;

Second, directing Japanese investments in Uzbekistan's nuclear energy sector:

- conclusion of agreements and contracts on modern technologies and equipment, equipping nuclear power facilities with advanced technologies, construction of relevant infrastructure facilities;
- Introduction of joint projects based on Japanese investment in the energy system of the country, the direction of financial support and grants from Japan.

Third, in cooperation with the Government of Japan, the preparation and implementation of projects of fundamental research, research, development and innovation in the development of nuclear science and nuclear technology in Uzbekistan;

Fourth, to establish regular cooperation and exchange of experience with Japanese nuclear energy research centers, institutes, nuclear technology laboratories, to form a joint expert group;

Fifth, to establish cooperation on the storage of nuclear materials and radiation sources, the introduction of Japanese experience in the disposal of radioactive waste;

Sixth, further development of cooperation between Uzbekistan and Japan in the energy, economic and oil and gas spheres, the introduction of Japanese experience and mechanisms, modern technologies in the use of natural resources;

Seventh, the development of cooperation in the development of renewable and alternative energy sources;

Development of cooperation in the energy sector of Uzbekistan on the use of modern energy-saving technologies of Japan.