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HISTORY OF TRADE AND ECONOMIC RELATIONS OF UZBEKISTAN AND VIETNAM

Abstract: this article analyzes the history of bilateral cooperation between Uzbekistan and Vietnam in the field of trade and investment. Based on archival materials, the formation and development of trade and economic relations between the two countries was studied in chronological order. At the same time, the article shows the factors that influenced the growth and decline of trade between the two countries. The article makes an attempt to study the key factors that influenced the development of investment cooperation between Uzbekistan and Vietnam.

Key words: Uzbekistan, Vietnam, trade, investment, visit, factor, development.

Language: English

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Introduction

From the first steps of gaining independence, the Republic of Uzbekistan declared its openness to the world, its desire to take its rightful place in the world community, and its recognition and strict adherence to international principles. Implementing an independent foreign policy, Uzbekistan, on the basis of mutual respect and trust, concludes treaties and agreements on economics, culture, and education with many countries.

It should be noted that special attention is paid to foreign investment. From the first days of sovereign development, foreign investment has been attracted to the basic sectors of the economy and the processing industry. The main attention is to attract them on favorable terms and where it is really necessary for the republic [1, P.265].

Since 1991, the Republic of Uzbekistan has been carrying out the process of economic integration. This was facilitated, first of all, by the establishment of diplomatic relations. Based on the fact that diplomatic relations between Uzbekistan and ASEAN countries were established in 1992 (Vietnam, Thailand and the Philippines) and 1997 (Singapore), it can be stated that from this period bilateral economic relations between Uzbekistan and ASEAN countries began.

At the end of the 90s of the XX century, as a result of the adoption of a number of laws aimed at regulating and creating conditions for the participation of enterprises with foreign investment, joint ventures, international associations, as well as attracting foreign investment in the economy of the Republic of Uzbekistan, the issues of their foreign economic activity, establishing the production of competitive export products in the republic and selling them abroad [2, pp.75-76].

Literature review

Studying the history of bilateral cooperation between Uzbekistan and the countries of the Far and Near Abroad is a new direction in historical science. Over the years of independence, historical science has gained new opportunities to analyze Uzbekistan's participation in the international system. Currently in Uzbekistan, political scientists and historians are conducting a number of studies on issues of bilateral cooperation in Uzbekistan. Recently, the region of Southeast Asia has attracted particular interest. In this regard, research is being conducted in Uzbekistan on the history of interstate relations between Uzbekistan and ASEAN countries. However, today this area requires further study.

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	GIF (Australia)	= 0.564	ESJI (KZ)	= 8.100	IBI (India)	= 4.260
	JIF	= 1.500	SJIF (Morocco)	= 7.184	OAJI (USA)	= 0.350

Results

In the modern era, Vietnam is a dynamically developing country. Vietnam's accession to the WTO in 2007 played an important role in the process of Vietnam's integration with the world community. Vietnam's main trading partners are China (24.9%), USA (11.1%), EU (10.7%), South Korea (10.4%) and Japan. There are 135 industrial and export zones in Vietnam, which occupy a total of more than 27 thousand hectares. Foreign direct investment flows mainly into all sectors of the Vietnamese economy.

Annual income from agriculture accounts for an average of 25-30% of the country's GDP. Vietnamese rice is supplied to more than 70 countries around the world. Beginning in 2007, coffee exports began to exceed rice exports. At the same time, since that time, Vietnam has surpassed other ASEAN countries, including Thailand and Indonesia, in the supply of furniture products. Currently, Vietnam controls half of the world market for black pepper, which allows it to influence global prices to a certain extent [3, p.6].

On November 1, 1990, a meeting was held in Tashkent with the President of the Uzbek SSR I.A. Karimova with Deputy Chairman of the Council of Ministers of Vietnam Tran Duc Luong. At the last meeting, the parties discussed promising areas of cooperation, including on the basis of barter: cotton, fertilizers from Uzbekistan, meat, textiles, rice, electronics and other consumer goods from Vietnam [4, p.22].

During the negotiations, the Vietnamese side noted that as a result of the short supply of cotton from the Soviet Union, an acute situation had developed in the Vietnamese textile industry. In this regard, the Vietnamese side asked to consider the possibility of direct supplies of cotton from Uzbekistan and noted its readiness to pay for them both in the form of barter and in free convertible currency.

In December 1990, the government delegation of the UzSSR organized a visit to Vietnam. During this visit, the parties signed contracts for the supply of cotton fiber to Vietnam in the amount of 24,000 tons and counter-purchase from Vietnam of meat, rice, tea, knitted fabric and yarn, as well as consumer goods. During the negotiations, the Vietnamese side expressed interest in additional supplies of cotton fiber.

As a result, the republic's leadership decided to allocate an additional 15,000 tons of cotton for delivery to Vietnam. A study of the export potential of Vietnam shows that the greatest interest for Uzbekistan at that time was tea, rice, raw materials for light industry - yarn, knitted fabric and consumer goods (sewing, knitwear, shoes, carpets) [5, p.13].

The first official contact between the Republic of Uzbekistan and Vietnam in the economic sphere took place on December 12, 1995. In particular, during the visit of the Minister of Trade of Vietnam to Uzbekistan, issues of sending an official delegation of

the Republic of Uzbekistan to Vietnam were worked out. It should be noted that at this time Vietnam was one of the most dynamically developing countries in ASEAN. The small volumes of trade turnover between Uzbekistan and Vietnam in 1995 amounted to 282.1 thousand US dollars, which did not correspond to the existing potential. In this regard, the Republic of Uzbekistan proposed to increase the volume of trade turnover by exporting mechanical engineering, agricultural machinery, electrical and chemical industry products, as well as cotton fiber and other products to Vietnam [5, p. 13].

In 1995, the National Bank for Foreign Economic Affairs (MFEA) of the Republic of Uzbekistan prepared an Agreement "On Mutual Cooperation" with the largest commercial bank for foreign trade of the Socialist Republic of Vietnam, which was the country's state bank for the purchase of foreign exchange reserves, attraction of foreign investment and development of international trade, which had, among other things, close connections with the largest institutions in the world [6, p. 1].

In 1995, a delegation from the Ministry of Foreign Economic Relations of the Republic of Uzbekistan visited Vietnam. The main result of this visit was the elaboration and initialing of agreements, in particular "On the fundamentals of interstate relations", "On mutual protection and promotion of investments", "On the avoidance of double taxation", "On the development of tourism", "On scientific and technical cooperation" [6, p. 1].

During this period, trade and economic relations between Uzbekistan and Vietnam did not meet the existing potential of the two countries. The main reason for this was the lack of effective transport corridors, which negatively affected the development of trade and economic relations between the two countries.

In 1995, mutually beneficial traditional relations existed between Uzbekistan and Vietnam. At this time, the economies of the two countries were developing in the direction of renewal according to the market mechanism. At this time, in particular, the countries had both the conditions and needs to complement each other through trade and economic cooperation, and enterprises of the two countries sought to develop various forms of cooperation and exchange among themselves [7, p. 133].

An important step in strengthening bilateral trade and economic ties between Uzbekistan and Vietnam was the adoption in 2000 of the regulation "On the Inter-governmental Commission on Trade, Economic, Scientific and Technical Cooperation". As a result, the potential opportunities in trade and economic relations between the two countries have increased significantly, which was facilitated by the holding of 1 meeting of the joint Intergovernmental Commission on trade and economic cooperation between the two states [8, p. 55].

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In 2006, trade turnover between the two countries amounted to 6 million US dollars. Uzbekistan exported mainly raw silk, cotton processing waste and some types of equipment to Vietnam, and wood and wood and leather products, essential oils, and various consumer goods were imported from Vietnam [9, p. 17].

At this time, one of the promising areas, according to the Vietnamese side, was the supply of cheap rice, tea, natural rubber, textile products, as well as consumer goods, non-ferrous metals, engineering products, fertilizers, and raw materials for the silk industry to Uzbekistan. Vietnam also carefully studied the issue of cooperation on the acquisition of Tapoich aircraft [9, p. 18].

As part of the 1st round of inter-Ministry of Foreign Affairs political consultations in 2007 in Hanoi, promising aspects of cooperation between the two countries in the trade and economic sphere were discussed. The delegation of the Republic of Uzbekistan organized a presentation of the economic, investment and tourism potential of the country. As a result, this allowed the Vietnamese side to familiarize themselves in detail with the conditions created by Uzbekistan. At the meeting, the Vietnamese side identified priority, from an economic point of view, transport routes to increase trade turnover and this contributed to the development of a new format of cooperation with Uzbekistan [8, p. 55].

The Vietnamese side also confirmed their readiness to share with Uzbekistan their positive experience in attracting foreign investment. In particular, Vietnamese business circles noted their readiness to develop bilateral relations with Uzbekistan in such areas as the chemical industry, cotton cultivation, nanotechnology, as well as cooperation in nuclear energy [8, p. 55].

In November 2007, the Deputy Minister of Industry and Trade of Vietnam, Le Zan Vinh, made an official visit to Uzbekistan. During the visit, the delegation got acquainted with the infrastructure of the Uzbekistan market and its investment climate and discussed the preparation of the second meeting of the Vietnamese-Uzbek intergovernmental commission on trade and economic cooperation.

In 2009, the second round of political consultations between the Republic of Uzbekistan and Vietnam took place in Tashkent. At the meeting, representatives of the two countries discussed the possibilities of creating joint ventures, including on the basis of the free industrial economic zone in the city of Navoi. In addition, the parties also considered the possibility of Uzbek products entering promising ASEAN markets through Hanoi [10].

In 2010, an Agreement was signed between the two states, which facilitated the Vietnamese company "Petrovietnam" to carry out geological exploration work in the Kossor investment block of the Ustyurt

region, and since 2012, the drilling of exploratory well No. 1 "Asia Zholbarsy" on this investment block.

In 2011, the Prime Minister of Vietnam Nguyen Tan Dung visited Uzbekistan. During the visit, documents were signed in such areas as trade, oil and gas sector, light industry, agriculture and others. It should also be added that following the results of the fifth meeting of the Joint Intergovernmental Commission on Trade, Economic, Scientific and Technical Cooperation, the parties reached an agreement on a radical expansion of bilateral economic and investment cooperation [1].

In January 2012, an Agreement was signed between NHC Uzbekneftegaz and Petrovietnam for the joint study of Paleozoic deposits in Uzbekistan, which included the Bukhara-Khiva region, and in July 2012, a second Agreement was signed to expand the contract area of the Kossor block to include the territories of the Malobaur block for geological exploration work.

During the period under review, 19 enterprises with the participation of Vietnamese capital operated in the Republic of Uzbekistan, including 3 with 100% foreign capital, the scope of which included textile production, trade, services.

In October 2013, the 6th meeting of the intergovernmental commission on trade, economic, scientific and technical cooperation was held in Hanoi. At it, the parties discussed issues of deepening and developing trade, investment and scientific and technical cooperation, the implementation of joint projects in the oil and gas, textile, tourism, leather, footwear and food industries, expanding interaction in the fields of agriculture, small and private entrepreneurship.

In 2014, the Chairman of the Board of Directors of the Bank for Investment and Development of the Vietnam (BIRD) Chan Bakh He, taking into account the investment opportunities of the BIRD (investment fund of 20 billion US dollars), discussed with representatives of Uzbekistan the financial conditions for joint financing of investment projects and the allocation of preferential loans for the development of the industrial infrastructure of Uzbekistan.

At the end of 2015, the volume of mutual trade reached 33.8 million US dollars, of which exports amounted to 5.9 million US dollars, imports amounted to 27.9 million US dollars. The main export items for that period were services (18.4%), machinery and equipment (1.7%), other goods (84.3%), and imports – machinery and equipment (30.5%), food products (24.1%), services (16.7%), chemical products (13.1%), other goods (15.6%) [12, p. 8].

Conclusion

Thus, it can be noted that from the moment it gained state independence, Uzbekistan began the stage of economic integration with the world community. After the establishment of diplomatic

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relations with ASEAN countries, including Vietnam, economic cooperation was established. Work was carried out aimed at establishing connections in the

field of investment. At the beginning of the 19th century, joint ventures with Vietnam had already begun to operate in Uzbekistan.

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