
**UZBEKISTAN'S ACCESSION TO THE WORLD TRADE ORGANIZATION: PROCESS,
EXPECTED ECONOMIC IMPACT AND COMPATIBILITY WITH EURASIAN
ECONOMIC UNION OBSERVER STATUS**

Soyibnazarov Nurmukhammad Abdunazar ugli
LL.M. alumnus, Pennsylvania State University

Abstract

The Republic of Uzbekistan applied to join the General Agreement on Tariffs and Trade, and subsequently the World Trade Organization (WTO), in 1994. After a decade of limited progress and fifteen years of dormancy, negotiations were revived in 2020 and accelerated sharply from 2023. By the thirteenth meeting of the Working Party on 27–28 July 2026, Uzbekistan had concluded nearly all bilateral market access negotiations and aligned hundreds of legal acts with WTO rules, while stating its aim to complete accession in 2026. This article reviews the history and legal mechanics of the accession, the objectives pursued by the Uzbek government and the economic effects expected by official and independent sources. It then examines a question of particular importance for Central Asia: the relationship between WTO membership and Uzbekistan's observer status in the Eurasian Economic Union (EAEU), granted in December 2020. Drawing on the accession experience of Kazakhstan and on WTO disputes involving the Russian Federation, including *Russia — Tariff Treatment* (DS485) and *Russia — Traffic in Transit* (DS512), the article argues that WTO membership and EAEU observer status are compatible, but that any move toward full EAEU membership would create a conflict between Uzbekistan's bound WTO tariffs and the EAEU common external tariff. The article concludes by identifying the principal risks of the near future, including adjustment costs for domestic producers, pressure on agricultural support and state-owned enterprises, and the constraints of a weakened WTO dispute settlement system.

Keywords: World Trade Organization; accession; Uzbekistan; Eurasian Economic Union; observer status; customs union; common external tariff; market access; trade liberalisation; Central Asia.

1. Introduction

The World Trade Organization has more than 160 members, which together account for the overwhelming majority of world trade. For a state which is not a party to it, a membership means binding commitments on tariffs and services, adoption of common rules on subsidies, technical regulation and intellectual property, and access to a rules-based system for settling trade disputes. In return, the acceding state obtains most-favoured-nation treatment from all members and greater predictability for its exporters and for foreign investors.

Uzbekistan is the most populous state in Central Asia, with a population of about 37.5 million and a young workforce. It is doubly landlocked, which makes transit through neighbouring states and access to predictable trade rules especially important. Since 2017, it has pursued wide-ranging economic reforms, including currency liberalisation, reduction of import duties, privatisation and the opening of its economy to foreign investment. Accession to the WTO has become the central external objective of this reform programme.

At the same time, Uzbekistan has deepened its relationship with the Eurasian Economic Union, a customs union of Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan, in which it has held observer status since December 2020. Four of the five EAEU members are themselves WTO

members, but the union's common external tariff and its legal order create constraints that do not always align with WTO commitments.

This article addresses four questions: how the accession process has unfolded; what Uzbekistan seeks to achieve through membership; what economic effects are expected; and whether WTO membership and the EAEU relationship are compatible. It concludes with an assessment of the risks the country faces in the near future.

2. The Accession Process, 1994–2026

Accession to the WTO is governed by Article XII of the Marrakesh Agreement, which allows any state or separate customs territory to accede “on terms to be agreed between it and the WTO.” In practice, the process follows three parallel tracks: a multilateral track, in which a Working Party of interested members examines the applicant's trade regime and drafts a report setting out its commitments; bilateral market access negotiations on goods and services with each member that requests them; and domestic legislative reform to bring the applicant's law into conformity with WTO agreements. When all three are complete, the accession package is approved by the Ministerial Conference or the General Council, and the applicant becomes a member thirty days after ratifying its protocol.

Uzbekistan's path through these tracks has been unusually long.

Period	Main developments
1994	Uzbekistan applies for membership; a Working Party is established
1998	Memorandum on the foreign trade regime submitted
2002–2005	First three Working Party meetings; process then suspended
2005–2019	Dormancy; the earlier policy favoured import substitution and state control of trade
2020	Negotiations revived; fourth Working Party meeting held in July
2023	Azizbek Urunov appointed Special Representative of the President on WTO issues and chief negotiator; pace accelerates
2024–2025	Several Working Party meetings a year; more than 40 bilateral negotiation rounds in 2025; bilateral talks with the European Union completed in October 2025
Early 2026	Bilateral negotiations reported complete with 33 of 34 members; target of the 14th Ministerial Conference in March 2026 not met
27–28 July 2026	13th Working Party meeting; 31 of 34 bilateral agreements submitted to the WTO Secretariat; Uzbekistan reaffirms aim to accede in 2026

Two features of this record stand out. On the one hand, the long suspension after 2005 reflected domestic economic policy, not opposition from WTO members: the previous government relied on import substitution, currency controls and state direction of exports, which were difficult to reconcile with WTO disciplines. On the other hand, the acceleration since 2020 is a direct consequence of the reforms begun in 2017. In 2025 alone, the government adopted 30 regulatory acts, including four laws, prepared further drafts and submitted 65 notifications and documents to the WTO Secretariat; by July 2026 it reported having aligned some 190 legal and regulatory acts, largely in the sanitary and phytosanitary and food-safety areas.

The remaining issues raised by members at the 13th meeting concern currency regulation and payments, import rules, trade facilitation, investment, competition policy, technical barriers to trade,

the reform of state-owned enterprises and agricultural support. These are the areas in which the final Working Party report will set out Uzbekistan's specific commitments.

3. Purpose and Intentions of Accession

The Uzbek government has presented WTO accession as an integral part of its reform programme rather than as an end in itself. Its stated objectives fall into four groups.

Export growth and market access. The President of Uzbekistan stated in 2023 that accession was “the only way” to double the country's exports of goods. As a non-member, Uzbekistan cannot rely on bound tariffs or most-favoured-nation treatment in its partners' markets and is exposed to discriminatory measures against which it has no multilateral remedy. Membership gives its exporters legally secured access and the right to challenge measures that violate WTO rules.

Anchoring domestic reform. WTO commitments are binding and enforceable. By accepting them, the government locks in the liberalisation which began in 2017 and makes reversal more costly. In December 2024, the President described accession as “a thoughtful and far-sighted choice, and an integral part of the reforms.” His statement that “from now on, no one will have exclusive rights” signals the intended effect on domestic monopolies and preferential regimes.

Investment climate. Foreign investors value the predictability that WTO rules provide on customs procedures, technical regulation, intellectual property and transparency. Accession is expected to reinforce the growth of foreign direct investment that Uzbekistan has experienced since 2017.

Integration into the multilateral system. As a doubly landlocked state, Uzbekistan depends on the transit regimes of its neighbours. GATT Article V on freedom of transit and the Trade Facilitation Agreement give members legal rights in this respect that a non-member does not enjoy. Membership also gives Uzbekistan a voice in the rule-making of the multilateral trading system.

4. Expected Economic Impact

Quantitative estimates of the effect of accession are limited, and those available should be read as indicative. The Center for Economic Research and Reform (CERR), a government-affiliated think tank, presented the most frequently cited estimate in December 2023. According to its director, Obid Khakimov, “with trade liberalization, it is possible to achieve economic growth at the level of 0.4–0.5%, and welfare at 0.9–1.0%.” The estimate does not specify the time horizon over which these gains would accrue.

The same briefing summarised the reforms that preceded accession. Uzbekistan's GDP grew from USD 53 billion to USD 82 billion in the six years to 2022; inflows of foreign direct investment rose from USD 3.3 billion in 2017 to USD 9.8 billion in 2022; and exports increased from USD 12.6 billion to USD 19.3 billion over the same period, while the range of exported products doubled and the number of destination countries rose from 139 to 164. Intra-Central Asian trade grew 2.6 times between 2016 and 2022.

These figures suggest that much of the reallocation associated with liberalisation is already under way, and that accession will consolidate rather than initiate it. The expected effects can be grouped as follows:

- **Trade.** Lower and bound import tariffs reduce costs for producers who rely on imported inputs, while secured market access benefits exporters of textiles, agricultural products, chemicals and metals.
- **Investment.** Greater legal predictability should support foreign direct investment, although experience elsewhere shows that new foreign-owned enterprises typically take one to three years to establish.



- **Competition.** Domestic firms in previously protected sectors will face stronger import competition; productivity gains are expected, but some less competitive firms may close.
- **Institutions.** Commitments on transparency, customs valuation, technical regulation and intellectual property require administrative capacity and improve the business environment independently of tariff effects.

The distribution of these effects will be uneven. Consumers and exporting sectors are likely to gain early, while import-competing sectors bear adjustment costs. WTO rules allow some protection during this transition: as the chief negotiator has explained, a developing member may apply safeguard measures for “up to eight years, and under special conditions — up to ten years,” provided it demonstrates serious injury to domestic industry.

5. WTO Membership and EAEU Observer Status

5.1 The nature of observer status

On 6 March 2020, Uzbekistan’s Cabinet of Ministers approved an application for observer status in the Eurasian Economic Union, and on 11 December 2020 the Supreme Eurasian Economic Council granted it. Observer status allows a state to attend meetings of EAEU bodies and to receive documents, but it does not make the state a member of the customs union. An observer does not apply the common external tariff, is not bound by the union’s technical regulations and does not receive members’ trade preferences. Uzbekistan’s trade with EAEU members continues to be governed mainly by the 2011 CIS Free Trade Area Agreement and by bilateral arrangements. It follows that observer status creates no legal conflict with WTO membership. Uzbekistan remains free to set its own tariff schedule and to bind it in the WTO.

5.2 Where conflict could arise: full EAEU membership

The position would change if Uzbekistan became a full member of the EAEU. A customs union is permitted under GATT Article XXIV, but its members must apply a common external tariff. If a state joins a customs union after binding lower tariffs in the WTO, the common tariff may exceed its bound rates. The state must then either obtain an exception from its customs-union partners or renegotiate its WTO schedule under Article XXIV:6 and Article XXVIII, offering compensation to affected WTO members.

The experience of Uzbekistan’s neighbours illustrates both paths:

Kazakhstan. Kazakhstan was already an EAEU member when it acceded to the WTO in November 2015. Its WTO commitments set bound rates below the EAEU common tariff on a large number of tariff lines. The EAEU accepted that Kazakhstan would apply its lower WTO rates on those lines for a transitional period, subject to measures preventing the re-export of goods imported at the lower rates into other member states. The arrangement shows that the two systems can be reconciled, but only through a negotiated exception that complicates the functioning of the customs union.

Russia — Tariff Treatment of Certain Agricultural and Manufacturing Products (DS485). In this dispute, the European Union challenged twelve measures concerning the tariff treatment that Russia’s customs authority was required to apply under the Common Customs Tariff of the EAEU, covering products such as paper and paperboard, palm oil and its fractions, and refrigerators. In its report circulated on 12 August 2016 and adopted without appeal on 26 September 2016, the panel found that eleven of the measures were inconsistent with GATT Article II:1(b) because they resulted in duties above Russia’s bound rates, in some cases whenever the customs value of an import fell below a break-even value. The panel held that Article II:1(b) prohibits exceeding a binding by even a de minimis amount, and that a member cannot offset duties above its bound rates

on some imports with duties below them on others. It rejected the twelfth claim, a general “systematic duty variation,” for lack of evidence. The case confirms that membership of a customs union does not relieve a WTO member of its individual tariff bindings, and that the common external tariff must be applied in a way that respects each member’s schedule line by line.

5.3 Transit and security exceptions

A second point of contact concerns transit. In *Russia — Measures Concerning Traffic in Transit* (DS512), Ukraine challenged Russian restrictions on the transit of Ukrainian goods to Kazakhstan and Kyrgyzstan. In its 2019 report, the panel held for the first time that it had jurisdiction to review a member’s invocation of the national security exception in GATT Article XXI, but concluded that Russia’s measures were justified by an emergency in international relations. For a landlocked state such as Uzbekistan, the case has two advisory notes: WTO membership gives legal protection for transit under GATT Article V, but that protection may be limited when transit states invoke security concerns.

5.4 Assessment

WTO accession and EAEU observer status are legally compatible. The real choice arises only if Uzbekistan seeks full EAEU membership. In that case, a state that has just bound lower WTO tariffs would face either a request for exceptions from EAEU partners, as Kazakhstan obtained, or renegotiation and compensation in the WTO. Sequencing therefore matters: completing WTO accession first, as Uzbekistan is doing, gives it a stronger position in any later negotiation with the EAEU, because its WTO commitments would form the baseline that any customs-union arrangement must respect.

6. Views of Officials and Experts

Public statements by officials and analysts show broad agreement on the direction of accession and differing emphases on its pace and on the EAEU question.

WTO leadership. WTO Director-General Ngozi Okonjo-Iweala, after meeting President Mirziyoyev in September 2025, said that Uzbekistan’s efforts were “driven by the President’s strong political commitment to market-oriented reforms,” and indicated that the accession could be concluded by spring 2026. At the 13th Working Party meeting in July 2026, the Working Party chair, Ambassador Choi Seong-yeon of the Republic of Korea, described the market access negotiations as “very close to conclusion.”

Uzbekistan’s chief negotiator. Azizbek Urunov, Special Representative of the President on WTO issues, stressed the country’s “full commitment to working intensively and constructively” with members and warned that “maintaining this pace is particularly important” for the 2026 goal. In earlier statements he cautioned against “unintended slowdowns,” noting that some members had been slow to review accession documents, and argued that “the number of countries interested in bilateral trade depends on the economy of the country that joined the WTO.” He has also emphasised that Uzbekistan “retains the right to protect certain sectors of the economy when certain difficulties arise,” within the limits of WTO safeguard rules.

Economic research. Obid Khakimov, director of the Center for Economic Research and Reform, has presented the accession as consolidating reforms already under way, with expected growth of 0.4–0.5% and welfare gains of 0.9–1.0% from trade liberalisation.

On the EAEU. When Uzbekistan applied for observer status in 2020, Umida Hashimova, an analyst writing for the Jamestown Foundation’s *Eurasia Daily Monitor*, observed that “EEU observer status falls far short of full membership, offering none of the economic benefits available to full members,” and that “Tashkent’s public discussions of EEU membership remain confined to the



economic sphere,” leaving long-term political questions unaddressed. Responding to domestic critics at the time, Prime Minister Abdulla Aripov rejected the argument that closer integration would compromise sovereignty, remarking that “political know-it-alls abound who say we would cede our independence.”

Taken together, these views suggest a consensus that WTO accession is the priority, and a more cautious, primarily economic approach to the EAEU, in which observer status provides a channel for cooperation without the obligations of the customs union.

7. Risks in the Near Future

Accession brings benefits, but it also carries risks that policymakers and businesses should anticipate:

1. **Adjustment costs for domestic producers.** Firms in sectors that have relied on high tariffs or preferential regimes will face stronger import competition. Less competitive enterprises may close, with regional employment effects, and small businesses may see lower profitability that slows reinvestment.

2. **Agricultural support and state-owned enterprises.** WTO members have pressed Uzbekistan to continue reforming its agricultural support policies and state-owned enterprises. Commitments on domestic support will limit the instruments available to the state in sectors such as cotton and grain, and transparency obligations will expose subsidies to scrutiny by trading partners.

3. **Implementation capacity.** Members noted at the 13th Working Party meeting that several key laws had been adopted more slowly than expected. Commitments that are adopted on paper but not applied in customs, technical regulation or courts may lead to disputes after accession.

4. **Price and currency effects.** Higher foreign demand for Uzbek agricultural goods could raise domestic food prices, and rising export revenues could cause currency appreciation that harms other exporters.

5. **Tension with deeper EAEU integration.** If political or economic pressure leads Uzbekistan toward full EAEU membership, the conflict between its WTO bindings and the common external tariff described in Section 5 would have to be managed through exceptions or compensation.

6. **A weakened dispute settlement system.** The WTO Appellate Body has been unable to function since December 2019 because members have not agreed on appointments. A panel report can be appealed “into the void,” leaving a dispute unresolved. Uzbekistan should consider participating in the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), which allows participating members to resolve appeals among themselves.

Conclusion

Uzbekistan’s accession to the WTO, begun in 1994 and revived in 2020, has reached its final stage. By July 2026 the country had concluded nearly all bilateral market access negotiations, aligned some 190 legal acts with WTO rules and reaffirmed its intention to complete accession in 2026. The process reflects a deliberate policy choice: accession is intended to anchor the reforms started in 2017, secure access to foreign markets for a doubly landlocked economy, and improve the climate for investment.

The expected economic gains are positive but moderate in the official estimate of 0.4–0.5% additional growth and 0.9–1.0% welfare gains, and much of the underlying liberalisation has already taken place. The benefits of accession will depend less on tariff reductions than on the quality of implementation: transparent customs administration, consistent technical regulation and reliable courts.



WTO membership is compatible with Uzbekistan's observer status in the Eurasian Economic Union. A legal conflict would arise only if Uzbekistan sought full membership, because the EAEU common external tariff could exceed its bound WTO rates. The experience of Kazakhstan and the *Russia — Tariff Treatment* dispute show that such a conflict can be managed, but at a cost. By completing WTO accession first, Uzbekistan preserves its policy autonomy and strengthens its position in any future negotiation with the EAEU.

The principal risks of the near future lie in adjustment costs for protected sectors, constraints on agricultural support and state-owned enterprises, gaps in implementation and the limits of a weakened dispute settlement system. Managing them will require targeted transition measures, investment in administrative capacity and participation in the interim appeal arrangement. If these conditions are met, WTO membership can serve as a lasting foundation for Uzbekistan's integration into the world economy.

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