

India-Uzbekistan Relations

Background

Relations between Uzbekistan and India have their roots deep in history. There are frequent references to Kamboja in Sanskrit and Pali literature, which is stated to include parts of present-day Uzbekistan. Sakas participated in Mahabharata on the side of Kauravas. Ancient trade route Uttarpath passed through Uzbekistan. In later years, Fergana, Samarkand, Bukhara in Uzbekistan emerged as major towns on the trade routes linking India with Europe and China. At various times the Saka / Scythian, Macedonian, Greco-Bactrian, Kushan Kingdoms included parts of both India and present day Uzbekistan, and at other times they were part of neighbouring empires. Buddhism is said to have travelled to China through Uzbekistan and Central Asia. Amir Timur was born near Shahrisabz and Babur came from Fergana in Uzbekistan. Indian merchants based in Samarkand and Bukhara were an integral part of local economy. Interactions over thousands of years contributed to close cultural linkages in architecture, dance, music and cuisine. Mirza Ghalib and Amir Khusro are notable Indians of Uzbek parentage. Indian movies have traditionally been popular in Uzbekistan.

India had close interaction with the Uzbek SSR during the Soviet times. Indian leaders often visited Tashkent and other places. Prime Minister, Shri Lal Bahadur Shastri passed away in Tashkent on 11 January 1966 after signing the Tashkent declaration with Pakistan.

In August 1991, as the events leading to the disintegration of the USSR unfolded, President Islam Karimov, then Chairman of the Supreme Soviet of Uzbekistan, was visiting India. Uzbekistan became independent on 01 September 1991.

Political Relations

Consulate General of India in Tashkent was formally inaugurated on 7th April 1987. Following Uzbekistan's independence, it was upgraded to the level of Embassy through the signing of a Protocol on Diplomatic and Consular matters on 18th March 1992.

The subsequent period has been characterized by frequent high-level exchanges. Prime Minister Narasimha Rao visited Uzbekistan in 1993 and Prime Minister Dr. Manmohan Singh on 25-26 April, 2006. President Karimov paid State visits to India in 1994, 2000, 2005 and in May 2011.

On 06-07 July 2015, Prime Minister Narendra Modi visited Tashkent to discuss bilateral issues. He visited Tashkent again on 23-24 June 2016 to attend Summit Meeting of the Shanghai Cooperation Organisation (SCO) during which India signed Memorandum of Obligations for obtaining status of the Member State of the SCO.

Minister of State for External Affairs Shri M.J. Akbar visited Uzbekistan from 30 October to 01 November as special envoy of the Prime Minister to express condolences and pay respects at the grave of President Islam Karimov in Samarkand.

On 09 June 2017 India became a member of the Shanghai Cooperation Organisation, of which Uzbekistan is a founding member. The Regional Anti-Terrorist Structure of the Shanghai Cooperation Organisation (SCO-RATS) is headquartered in Tashkent. On 15 June 2017 the flag of India was raised at the SCO-RATS Headquarters in Tashkent. India has been actively participating in SCO and SCO-RATS events in Uzbekistan and other SCO countries. MoS (Law and Justice), Mr. P.P. Chaudhury led a delegation to the SCO Justice Ministers' Meeting in Tashkent in October 2017.

A high level multi-sectoral delegation led by Mr. Abdulaziz Kamilov, Minister of Foreign Affairs of Uzbekistan visited India from 21-23 August, 2017. The delegation included H.E. Mr. Elyor Ganiev, Minister of Foreign Trade and senior officials from several Ministries and State industry associations. Foreign Minister Kamilov called on Hon'ble Vice President of India. He also met with External Affairs Minister Smt. Sushma Swaraj, National Security Advisor Shri A.K. Doval, Minister of State for Commerce & Industry (Independence Charge), Ms. Nirmala Sitharaman, Minister of State for External Affairs Shri M.J. Akbar, besides other engagements. During the delegation's visit, an Uzbek-India Business Forum was held on 22 August 2017. Twenty-two contracts, worth more than US\$80 million, and 20 investment agreements, worth over US\$70 million, were signed at the Forum. The delegation visited the National Museum in Delhi and saw the special gallery dedicated to Central Asia. An agreement was reached on transfer of the copies of manuscript "Diwan-i-Babur" to Uzbekistan.

General (Dr.) V. K. Singh, Minister of State for External Affairs visited Uzbekistan as head of Indian delegation for attending the Conference on "Central Asia – Shared Past and Common Future: Cooperation for Sustainable Development and Mutual Prosperity" held on 10-11 November 2017 in Samarkand.

Shri Mansukh L. Mandaviya, Minister of State for Chemicals & Fertilizers led a pharmaceutical delegation to Uzbekistan from 20-23 February 2018. An India-Uzbekistan Business Forum was held on the sidelines of the visit. During the visit, a joint statement on cooperation with the Andijan region was issued. He visited the SEZs and pharmaceutical facilities in Andijan, Sirdaryo and Bukhara.

Minister of State for External Affairs, Shri M.J. Akbar visited Tashkent to attend the "Tashkent Conference on Afghanistan: Peace Process, Security Cooperation & Regional Connectivity", 27 March 2018. During the visit he met with Mr. Abdulaziz Kamilov, Uzbek Foreign Minister and Maj. Gen. Abdusalom Abdumavlonovich Azizov, Uzbek Defence Minister.

External Affairs Minister of India, Smt. Sushma Swaraj, paid an official visit to Uzbekistan on 4-5 August 2018. EAM met Foreign Minister of the Republic of Uzbekistan, H.E. Mr. Abdulaziz Kamilov for wide ranging discussions on bilateral and regional issues. External Affairs Minister called on Mr. Shavkat Mirziyoyev, President of the Republic of Uzbekistan, Mr. Abdulla Aripov the Prime Minister of the Republic of Uzbekistan, and Mr. Nurdinjon Ismailov, Speaker of the Legislative Chamber of the Oliy Majlis (Parliament) of Uzbekistan.

President of Uzbekistan, Mr. Shavkat Mirziyoyev, paid a State visit to India on 30 September-1 October 2018. The visit was his first visit to India since his taking over as President of Uzbekistan. First Deputy Chairman of Senate Mr. Sodiq Safayev, Foreign Minister Mr. Abdul Kamilov, Defence Minister Maj. Gen. Abdusalom Azizov, Trade Minister Mr. Khodjaev Abduhakimovich were among his delegation. India announced a line of credit of USD 200 million for construction of affordable housing and other social infrastructure projects. India offered to consider further credit of USD 800 million under Lines of Credit and Buyer's Credit mechanism of Exim Bank. A total of 17 Agreements/MoUs were signed concerning scientific and technical cooperation, agriculture, tourism, military education, justice, health and medical science, pharmaceuticals, space exploration for peaceful purposes and other areas. Agreements were also signed on establishment of cooperation between Andijan region and state of Gujarat, the cities of Samarkand and Agra, organization of a free pharmaceutical zone.

President Shavkat Mirziyoyev participated in the Vibrant Gujarat Global Summit in January 2019 as Guest of honour. An agreement on the long-term supply of uranium ore concentrate for India's energy needs between the Department of Atomic Energy and the Navoi Mining and

Metallurgical Combine of Uzbekistan was signed. Deputy Chairman of the State Investment Committee signed the framework agreement with the Eximbank worth US\$200 million for construction of affordable housing and other social infrastructure projects. India has also offered to consider further credit of USD 800 million under Lines of Credit and Buyer's Credit mechanism of Exim Bank.

The first "India-Central Asia" Dialogue with participation of Afghanistan took place in January 2019. Foreign Ministers emphasised the need to take measures for promoting mutual trade, strengthening cooperation in attracting investments, innovations and technology to the economies of the region, developing transit and transport-communication potential of Central Asian countries, increasing tourism, as well as implementing specific joint projects in the in the spheres of science, medicine, education and sports.

On 01 March 2019, Foreign Minister Abdulaziz Kamilov met with the External Affairs Minister, Smt. Sushma Swaraj, on the side-lines of 46th Session of the Council of Foreign Ministers of Member States of the Organization of Islamic Cooperation (CFM OIC) in Abu Dhabi. Both countries reaffirmed their common interest in ensuring regional peace and security.

Bilateral relations are managed through a robust mechanism including an Intergovernmental Commission, which oversees trade and economic relations and Foreign Office Consultations. The last round of Foreign Office Consultations was held in March 2017 in Delhi. Uzbekistan and India have signed Agreements/MOUs/ Protocols/Joint Statements in areas such as trade, investment, education, civil aviation, tourism, science & technology, telecommunications, agriculture and IT.

Economic Relations

The trade relations between India and Uzbekistan are governed by the Agreement on Trade and Economic Co-operation, signed in May 1993 which contains features of trade agreements, such as mutual MFN treatment, etc. India and Uzbekistan also signed an Agreement on Avoidance of Double Taxation in 1993 and another for Bilateral Investment Promotion and Protection (BIPPA) in May 1999. India has proposed to terminate the BIPPA and sign a new Bilateral Investment Treaty (BIT) which is under consideration.

The bilateral mechanism of engagement in trade and economic relations is anchored by India-Uzbekistan Inter-Governmental Commission (IGC) on Trade, Economic, Scientific and Technological Cooperation at ministerial level and sector specific Joint Working Groups (JWGs) at official level. The 11th IGC was held in Tashkent in August 2018. The holding of 12th IGC in 2019 in New Delhi is under consideration.

India- Uzbekistan bilateral Trade:

Year	Imports from India (in US\$ million)	Exports to India (in US\$ million)	Total trade turnover (in US\$ million)
2012	163.4	37.8	201.2
2013	217.4	42.2	259.6
2014	249.0	67.0	316.0
2015	260.6	58.7	319.3
2016	318.1	51.9	370.0
2017	291.0	32.6	323.6
2018	261.3	23.3	284.6

(Source : Uzbekistan's State Statistics Committee)

India's export : Pharmaceutical products, mechanical equipment, vehicle parts, service, optical instruments and equipment.

India's import : Fruit and vegetable products, service, fertilizers, juice products, extracts and lubricants.

The major competitors of Indian consumer goods in the Uzbek market are China, Turkey, Russia, other CIS countries, Iran, etc. Uzbekistan follows the policy of "import substitution" and also encourages establishment of JVs which may earn foreign exchange to them.

Business Delegations: Official and business delegations from both sides visit regularly to enhance economic engagement and to participate in exhibitions/fairs to explore business opportunities on either side to boost bilateral trade.

Notable Indian Investments:

No major investment from India at present, though, according to Uzbek data, 161 companies with Indian capital are working in Uzbekistan, 65 with 100% investment.

Minda Group : Minda Group of India established a JV company 'UzMinda' in 2011 with an investment of about US\$ 5 million in Navoi Free Industrial Economic Zone (FIEZ) and is producing is producing automobile parts (driver information and security systems) for General Motors.

Polo Aquapark Park, Chirchik: Established by Fun and Food Village, Gurgaon, the water park came into operation in July 2011 at an amount of US\$ 4 million.

Nova Pharma: A Joint Venture (between an Indian and Uzbek entrepreneurs) based in Termez with an investment plan of US\$ 8 million in manufacturing of pharmaceutical and healthcare products. This company is considered as one of the most successful foreign companies operating in Uzbekistan.

Orion Medicity: Established in 2011 and is engaged in healthcare services. It is affiliated with 'MEDANTA THE MEDICITY', India. A medical Centre, VITAMED, was also opened in Tashkent as a franchisee of MEDANTA of India.

Shayana Farms: Owned by an Indian national, it is a pharmaceutical production company with a turnover of US\$ 30 million per annum. It opened a second unit (WellMed), with an investment of US\$ 4 million in March 2017.

Ramada Hotel: Started operation in Tashkent on 4th July, 2009. Owned by a Delhi-based businessman. The hotel has 120 rooms, an Indian restaurant, two business centres and all the other facilities available in modern hotels.

Serene Pharm is in the process of establishing a manufacturing unit in Tashkent.

Beta Drugs, an Indian manufacturer of high value added anticancer drugs, set up Indian-Uzbek JV "BETA UBK INTERNATIONAL PRIVATE LIMITED" in Bekabad, Tashkent to manufacture oncology tablets and capsules with Uzbek company Silujin.

There are two 100% owned Indian clinics in Tashkent (Medanta and Bravo Pharma) and an eye clinic (Vedanta) run by an Indian ophthalmologist resident in Uzbekistan. Medanta has 3 franchises in Tashkent, Bukhara and Fergana. A medical centre, VITAMED, was opened in Tashkent in association with MEDANTA of India.

Major Government of India projects

Jawaharlal Nehru India-Uzbekistan Centre for Information Technology (JNIUCIT): Under the MoU signed with Uzbek side in 2004, the JNIUCIT was established with GOI grant of Rs. 3 Crore. It was inaugurated by the Prime Minister of India, Dr Manmohan Singh, in 2006. In October 2011, under a Joint Action Plan formulated to further promote the activities of the Centre, MEA sanctioned Rs. 4.212 Crores to upgrade the Centre. Ten Uzbek Master Trainers were trained in CDAC, Pune and two CDAC experts were in Tashkent between 26 January and 26 July 2014 for the up-gradation work and conducting classes, workshops, etc. The up-gradation was completed in July 2014 and the Centre is functioning well. The Uzbek request for second up-gradation of the Centre is under consideration.

During the visit of the President of Uzbekistan to India (30 Sept-1 Oct 2018), a *Declaration of Intent* was signed between CDAC and Tashkent University of Information Technologies (TUIT), for cooperation in the area of capacity building in ICT sector, and to explore possibilities for accrediting Jawaharlal Nehru India Uzbekistan Centre for IT (JNIUCIT) at Tashkent as *Authorised Training Centre (ATC) of CDAC on commercial basis*.

India Uzbekistan Entrepreneurship Development Centre (IUEDC): The India Uzbekistan Entrepreneurship Development Centre was inaugurated on 24 December 2018 on the premises of the Chamber of Commerce & Industry in Uzbekistan. The inauguration ceremony held at the Chamber was attended by the Chairman, CCIU H.E. Mr. Adham Ikramov, Mr. Vinod Kumar, Ambassador of India to Uzbekistan, Mr. Sunil Shukla, Director, Entrepreneurship Development Institute of India (EDII), Mr. Sanjay Pal, Senior Faculty, EDII among other dignitaries, officials and the members of business community from both sides. The Centre has been established under a MoU signed between the Governments of both the countries with an objective to set up collaboration in exchange of experience in the field of Small and Private Enterprises (SMEs). The IUEDC is another significant step reflective of growing bilateral cooperation between India and Uzbekistan. It would provide an effective interface to the enterprises on both the sides enhancing bilateral economic activities and promote the spirit of entrepreneurship.

Diaspora

There are about 200 Indian nationals living in Uzbekistan on a long term basis, mostly in Tashkent. The community is a cosmopolitan mix from all parts of India, and enjoys a positive image. Majority own their own business/hold senior positions in multinational companies and in the pharmaceutical and hospitality business. As there is a great demand for Indian doctors, a number of doctors have recently joined local hospitals. As of now, a total of 30 Indian doctors and nurses are employed in Uzbek hospitals. There are some University and school teachers. Indian skilled workers, around 100 at present, also work in Uzbekistan mostly in the oil and gas sector.

Academic & Cultural cooperation

Uzbekistan has been sending candidates under the ITEC programme since 1993. Last year 142 candidates underwent training under ITEC in 2018. Uzbek students also regularly avail of ICCR and Kendriya Hindi Sansthan scholarships. 20 ICCR seats have been allotted for 2018-19. Indian faculty and scholars visit Uzbek institutions as guest lecturers and for research and conferences.

There is close affinity between the cultures of the two countries. Indian films, actors and songs are extremely popular across the country. After the first major co-production of *Alibaba aur Chalis Chor* in 1980, Indo-Uzbek jointly produced film '*Hoichoi Unlimited*' premiered in Uzbekistan on 31 March 2019.

There are regular visits of cultural troupes from both sides. The Lal Bahadur Shastri Centre for Indian Culture teaches Hindi, yoga, Kathak and table and holds cultural performances across Uzbekistan. Hindi is taught in several schools and universities in Tashkent. Mr. Khayriddin Sultanov, State Advisor to President and Mr. Ruslanbek Davletov, Justice Minister represented Uzbekistan at the concluding event, on 02 October 2018, of the week-long Mahatma Gandhi International Sanitation Convention. Government of Uzbekistan has agreed to release postage stamp of Mahatma Gandhi during this 150th birth anniversary year-long celebrations.

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