



4 DECEMBER 2016 PRESIDENTIAL ELECTION AND NEW FOREIGN POLICY OF UZBEKISTAN

On 4 December 2016, the Uzbek citizens went to the polls to elect the second President of the country. Shavkat Mirziyoyev, who has been the Prime Minister since 2003 and who has been the acting President after Islam Karimov's death on 2 September 2016, won the election.

According to the Constitution, any citizen of the Republic of Uzbekistan who is above the age of 35, who can write and speak the state language well and who has been a permanent resident in Uzbekistan for at least 10 years before the presidential elections can have the right to be a candidate for the presidency in the Republic of Uzbekistan. The same person can not be elected as the President of the Republic of Uzbekistan for more than two consecutive terms. The President is elected by the citizens of the Republic of Uzbekistan on the basis of general, equal and direct election with secret ballot for five years (Art. 90). According to the Law "On elections of the President of the Republic of Uzbekistan", candidates for the presidency may be nominated by the political parties registered in the Ministry of Justice six months before the election campaign starts. (Art. 24). There are only four legally registered political parties in the country each of which had their own candidates in the presidential elections. Shavkat Mirziyoyev of the Liberal Democratic Party of Uzbekistan, Sarvar Otamurodov of the Uzbekistan National Revival Democratic Party, Narimon Umarov of the Justice Social Democratic Party of Uzbekistan and Khatamjon Ketmonov of the People's Democratic Party of Uzbekistan were presented for the Central Election Committee as candidates.

The strongest of the presidential candidates was Shavkat Mirziyoyev. According to the Constitution, in case the President of the Republic of Uzbekistan fails to carry out his/her duties, the Chairman of the Senate of the Oliy Majlis of the Republic of Uzbekistan will be vested with acting duties and powers provided that the presidential elections will be held within three months in accordance with the Law "On election of the President of the Republic of Uzbekistan" (Art. 96). However, the Chairman of the Senate Nigmatulla Yuldashev, who was in charge of the Deputy Presidency was not volunteered to undertake this task. This allowed the Parliamentary General Assembly to make a decision to temporarily appoint Shavkat Mirziyoyev as the acting President. During this period, Shavkat Mirziyoyev was able to implement some decisive solutions that directly gave attention to the values and needs of the citizens. For example, at the beginning of the cotton harvest, he banned the government's forced labor in cotton harvesting; allowed some of the famous artists, who were popular among the public, but who were previously removed from the scene, to return to the stage; fruit and vegetable exporters were giving 50% of their foreign exchange gains to the Government in the form of taxes but Mirziyoyev reduced this ratio to 25%; people were allowed to share their complaints directly with the Presidency through internet; the Presidential street in Tashkent, which had been closed for public use to preserve the security of Islam Karimov was opened to traffic; two major road projects were initiated in Tashkent, and all roads in the city were decided to repair complete-

ly. In addition, the Governor of Djizak Province, the Attorney General of this Province, some District Mayors and the President of Uzbek Energy Inc., Iskandar Basidov, were dismissed on the grounds that they did not respond to the needs of the public. All these decisions have made it possible to reinforce Shavkat Mirziyoyev's image of a strong political leader who cares about the priorities of the citizens and helped him to be ahead of his competitors.

According to the results of Uzbekistan Central Electoral Commission, 87.73% of the 20,461,805 registered voters, namely 17,951,667 voters, voted in the election. The candidate of the Liberal Democratic Party of Uzbekistan, Shavkat Mirziyoyev, was elected as the second President of the country winning 88.61% of total votes (15,906,724). According to the election results, the distribution of votes is as follows: Sarvar Otamurodov (National Revival Democratic Party) 2.35% (421,055); Narimon Umarov (Justice Social Democratic Party of Uzbekistan) 3.46% (619,972); Khatamjon Ketmonov (People's Democratic Party of Uzbekistan) 3.73% (669,187). The elections were monitored by a total of 37,600 observers consisting of the ones from the international organizations and local observers. International organizations such as the SCO, CIS, OSCE Office for Democratic Institutions and Human Rights and local observers, who monitored the election, declared that the presidential elections were held in a legitimate, free and democratic environment.

Shavkat Mirziyoyev's security and foreign policy choices can be obviously seen in his official speeches. On September 8, 2016, in his official speech at the Parliamentary General Assembly, he stated that the security and foreign policy perspectives of Islamic Kerimov would never be conceded, that no military-political alliances would be established, no military bases of foreign forces would be allowed in the country, and no Uzbek troops would be deployed outside the country. In this regard, it can be assumed that Shavkat Mirziyoyev will not be actively involved in the regional integration initiatives under Russia's leadership in the short term and will continue to develop close relations with neighboring countries on the basis of bilateral cooperation agreements. For example, on November 29, 2016, Uzbek Defense Minister, Kabul Berdiyev, visited Russia and held bilateral talks with his counterpart Sergei Shoigu. At the end of these talks, two important agreements were signed: 1) Agreement on the Development of Military-Technical Cooperation; 2) Cooperation Plan Between Military Institutions for 2017. In addition, Russian Defense Minister, Sergei Shoigu, confirmed that Russia would continue to implement the program of ensuring modernization in the Uzbekistani Armed Forces by 2020 providing the Forces with new Russian weapons and military-technical services. As it can be seen, Uzbekistan can continue to take support from Russia in ensuring security and regional stability in the short-term without being a member of the CSTO, but by implementing bilateral military cooperation agreements. In short, Shavkat Mirziyoyev may give priority to solving social problems of the citizens and strengthening the economic relations especially with the neighboring countries, without making

radical political changes during his first years of presidency. Thus, in the short term, he may continue to follow Islam Karimov's approach in foreign policy which is to increase cooperation with the countries on the basis of bilateral negotiations without involving in the binding alliances network in security and foreign policy.

On the other hand, Shavkat Mirziyoyev has taken some steps to show that the country will open more to neighboring Central Asian countries and will act in a softer mode in its foreign policy. In this respect, he has increased the diplomatic initiatives regarding the settlement of border disputes with two neighboring countries, namely Kyrgyzstan and Tajikistan; tried to facilitate crossing of neighboring countries' citizens through the Uzbekistan border; revived air communication with Tajikistan. However, it is estimated that it would be difficult to reach a consensus with Kyrgyzstan and Tajikistan about Uzbekistan's border issues in both medium and long term, and that the relations between Uzbekistan and Tajikistan can not be restored especially because of the construction of Tajikistan's Rogun HPP.

Therefore, Uzbekistan may not continue to follow Islam Karimov's approach in security and foreign policy in middle and long term. However, this policy change can take place in case of increasing threats to the country's national interests and rising of dangers for a regional stability and security. In such a case, Uzbekistan may become a member of the security organization under Russia's leadership. It should also be noted that if the first priority in foreign policy would be given to strengthening cooperation with the CIS countries, especially with Russia in the context of strategic partnership agreement, and then with the US, China, Asia-Pacific region (Japan, Korea Republic), Europe (Germany, France, UK), India, Pakistan and other South Asian and Middle Eastern countries, this choice in foreign policy could create new opportunities for Russia.

Under these conditions, in both medium and long term, Uzbekistan can make a choice among the strong actors in foreign policy especially towards the north. This may increase Russia's influence in Central Asia. It is also underlined in Russia's Foreign Policy Concept of 30 November 2016 that Russia would pay more attention to the near-periphery (post-Soviet geography). For this reason, Russia could increase its diplomatic efforts to include Uzbekistan, which is Central Asia's driving force and center of gravity, into its integration initiatives over time. In this regard, Russia may take diplomatic steps which include increasing aid to Uzbekistan and some concessions. In response, in accordance with Russia's strategy of opening up more to the East, in the first place, Uzbekistan may be asked for increasing its economic relations with the Eurasian Economic Union to a new level. In this sense, the first steps towards strengthening bilateral strategic cooperation in other areas by increasing economic relations with Uzbekistan can be taken. Indeed, the fact that after being elected as the president, Shavkat Mirziyoyev gave priority to Russia in his first foreign visit can be considered as the building blocks of the goal of strengthening Russia-Uzbekistan relations especially in the field of economy.

Politics, Foreign Affairs and Security

- According to the preliminary results of the Central Election Commission of Kyrgyzstan, the turnout for the referendum on amendments to the Constitution was 40.48% or 1.145 million of registered voters. Over 79.62% of electorate voted in favor of the constitutional amendments, while 15.37% voted against the changes. The Referendum was considered valid since it was attended by more than 30% of voters.
- During the joint session of the two Chambers of the Parliament of Uzbekistan, the newly elected President, Shavkat Mirziyoyev, officially took office. Moreover, during the meeting, the Deputy Prime Minister, Abdulla Aripov, was approved as the Prime Minister of Uzbekistan. Earlier Abdulla Aripov's candidacy was proposed by the Uzbekistan Liberal Democratic Party, which holds the majority of the seats in the Parliament.
- During the 38th round of the Geneva Discussions on security and stability in the South Caucasus, which is the platform for a dialogue between Georgia, South Ossetia and Abkhazia held under the auspices of the UN, the EU and the OSCE, the parties discussed necessary efforts to reach consensus on the issue of a joint statement on adherence to the principle of non-use of force.
- During his official two-day visit to Tokyo, the President of Russia, Vladimir Putin and the Prime Minister of Japan, Shinzo Abe, discussed prospects of bilateral cooperation, including stepping up the political dialogue, implementing joint priority projects in trade and the economy. Moreover, the parties focused on discussion of the territorial and peace treaty issues. At the end of the meeting, around 10 intergovernmental documents were signed.
- During his official tour to Baku and Astana, the Prime Minister of Israel, Benjamin Netanyahu, met with the President of Azerbaijan, Ilham Aliyev, and the President of Kazakhstan, Nursultan Nazarbayev. As a result of the meeting in Baku, the parties signed a set of documents on the issues of standardization and conformity assessment, double taxation, agricultural cooperation and the establishment of a mixed commission to advance bilateral cooperation in economy, science, technology, health, agriculture and trade. During the meeting in Astana, the parties discussed the ways of improving bilateral relations paying special attention to developing cooperation in agricultural sector. As a result, a number of agreements were signed including agreements on cooperation in agriculture, recovery of direct air travels and introduction of a visa-free regime between the two countries.
- During the meeting of the working groups of Uzbekistan and Kazakhstan held in Tashkent, which was headed by the Uz-

bek Deputy Minister of Agriculture and Water Management Shavkat Hamraev, and the Kazakh Vice Minister of Agriculture, Erlan Nysanbaev, the parties discussed practical aspects of cooperation in water issues.

- During the 9th meeting of the Azerbaijan-Turkey military high-level dialogue held in Ankara, the representatives of the Defense Ministries coordinated the joint action plan for 2017 and discussed prospects of developing military cooperation between the armed forces of Azerbaijan and Turkey.

Economy, Finance and Energy

- The Head of the Trans Anatolian Natural Gas Pipeline (TANAP) Consortium, Saltuk Duzyol, reported that 55% of the construction work of the project were completed. It was also noted that the cost of the TANAP project decreased by \$1.7 billion to \$10 billion from its primary estimated costs.
- Russia's largest gas processing and petrochemical company Sibur and the Silk Road Fund of China signed an agreement, according to which the Fund could hold a 10% stake in the Russian company. It was noted that the Fund would have an opportunity to nominate its representative to Sibur's Board of Directors. In September 2015, Sibur signed a similar agreement with the Chinese Sinopec, which held a 10% stake in the company for \$1.338 billion.
- The Russian state-owned engineering company, Tekhnopromexport, and the Iranian state-owned Holding Company for Electric Power Generation at Steam TPP signed an agreement for the construction of four power units of the Hormozgan Thermal Power Plant with the capacity of 350 MW each. It was noted that the funds, which worth €1.2 billion, would be allocated from the Russian budget in the form of an inter-state loan for five years.
- The Head of the state-owned Azerbaijan Caspian Shipping Company, Rauf Valiyev, and the Head of the Marine Engineering Bureau of Ukraine, Gennadiy Egorov, signed an agreement to establish a joint enterprise entitled the Caspian Marine Engineering Bureau. The new joint enterprise will be engaged in design work, creation of vessel projects, modernization and operation of ships, as well as training of specialists.
- During his official visit to Astana, the Chairman of the Board of the Czech state owned company Uranium Industry, Milan Klechki, and his counterpart from Kazakh state owned company Kazatomprom, Askar Zhumagaliyev, signed a Memorandum of Understanding (MOU). According to the MoU, the companies plan to develop a long-term cooperation focusing on geological exploration, production and processing of uranium, marketing and sale of uranium products.

- The State Customs Committee of Azerbaijan announced that in January-November 2016, 2.06 billion manats (\$1.16 billion) was transferred to the country's state budget, which is by 48.2% more than in the same period of 2015. It was noted that the Committee's transfers exceeded the forecasted level by 250 million manats (\$140 million). The customs revenues in November 2016 increased by 86.8% compared to November 2015 and reached 219.62 million manats (\$30 million).
- The National Statistics Office of Georgia reported that Azerbaijan invested \$151 million in the economy of the country in the third quarter of 2016, which is 15.1% less than in the same period of 2015. Azerbaijan ranks first in terms of the volume of investments in the Georgian economy with 33% of all investments. In total, \$463 million was invested in the Georgian economy during the reported period, which is 4.1% less than in the third quarter of 2015.
- The State Committee on Property Issues of Azerbaijan reported that 26 state properties were sold in an auction as a part of the new privatization program. It was announced that Azerbaijan's state budget would receive \$2.42 million as a result of the privatization of these facilities.
- The Ministry of National Economy of Kazakhstan stated that in November 2016, the average monthly nominal wage amounted to 142,088 tenge.

Society and Culture

- The President of Turkey, Recep Tayyip Erdogan, expressed his condolences to the people of Russia on the assassination of Russian Ambassador to Turkey, Andrei Karlov, in Ankara. It was stated that a joint investigation committee to probe the assassination of the senior Russian diplomat would be formed.
- In honor of the Neutrality Day celebration, the President of Turkmenistan, Gurbanguly Berdimuhamedov, signed a decree pardoning convicted persons. Under the document, 560 people, some of whom are foreigners, were released.
- The Chairman of the Commission for Monumental Art of the Moscow City Council, Igor Voznesensky, announced that the monument of the former President of Uzbekistan, Islam Karimov, would appear in front of the Uzbek Embassy in Moscow. The monument will be built in the city square named after Islam Karimov and located in Yakimanka district of Moscow.
- The President of Kazakhstan, Nursultan Nazarbayev, launched celebrations dedicated to the 25th anniversary of the Independence of the country.
- The national air carrier Turkmenistan Airlines reported that starting from December 2016, the company would serve regular passenger flights on Ashgabat-Kazan-Ashgabat route.