THE ROLE AND STRATEGIC IMPORTANCE OF ECONOMIC DIPLOMACY IN ENSURING SUSTAINABLE ECONOMIC GROWTH

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Abstract: *The article reveals the sectors in which sustainability is developing in Uzbekistan, global sustainable development indicators, macroeconomics, gross domestic product, the two main meanings of a sustainable economy, the implementation of global goals through the UN Development Programme 2030 strategy, the spheres and directions where sustainability is widely applied, macroeconomic stability, financial-business stability, ecosystem stability, sustainable development, political-social-spiritual-mental stability, mechanical-construction and IT stability, natural science, medical, and psychological stability. It is examined through the examples of the Northern European countries with the highest indicators in the world, Central Asia, and Uzbekistan. In sustainable economic development, one can see the establishment of diplomatic relations, presidential decrees, state awards, government resolutions, and organizational documents issued for this purpose, attracting investments, which sectors are currently attracting the most investment, soft power and how to use it properly, and the strategic importance and role of diplomacy. Today, at a time when the way has been opened for local entrepreneurship and business, proposals have been given on establishing diplomatic relations in economic development, formulating the strategy correctly, and how everyone can contribute to the development of Uzbekistan by developing soft power.*

Keywords: *sustainability, social, spiritual, economic, technical, financial, economic diplomacy, macroeconomic, sustainable economic growth, foreign policy, investment climate, international trade, strategic cooperation, economic security.*

Today, in an era of rapid and intense development, maintaining and preserving sustainability is also one of the important tasks. It consists of inextricably linking the domestic economy with global capital, modern technologies, and new export markets through the state's foreign policy instruments. Its

strategic importance is manifested in strengthening the country's economic sovereignty, increasing resilience to external shocks, and guaranteeing long-term progress.

The important point we need to pay attention to here is that in Uzbekistan, work is being carried out based on the principle "for the human being"; it is not difficult to understand this from the Main Law (Constitution), which is based on the idea that everything is for the human being, for their prosperous life! Sustainability means working, strategizing, developing, and acting based on this exact core mission!

Economic diplomacy is the joint activity of diplomatic missions, state bodies, and business circles aimed at promoting national economic interests in the international arena. That is, today, economic diplomacy is taking the place of political diplomacy. Being a diplomat is considered the art and science of being able to bring mutually beneficial profit to both sides. The main task in ensuring sustainable growth is attracting foreign direct investment, expanding and protecting export markets, diversifying transport and logistics corridors, and transferring technologies and innovations.

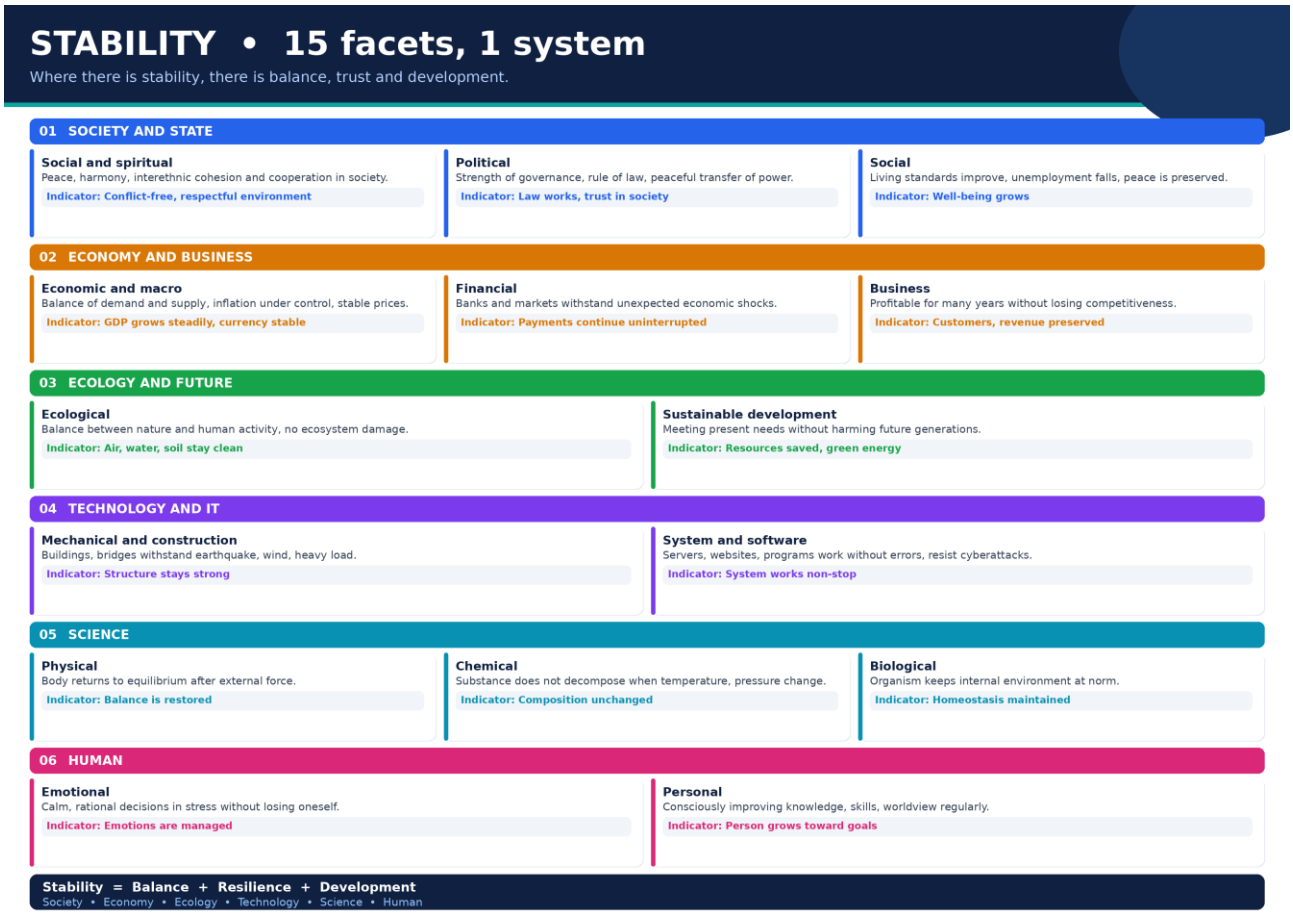
Going for export is not a problem for local producers today, because it is supported by the government and the president, and the necessary conditions are being created. Specifically, there is demand, supply, conditions, and support for promoting the national brand "Made in Uzbekistan" and exporting corresponding and characteristic products and handicrafts abroad. One just needs to use this effectively.

As a result of active economic diplomacy, the country's foreign trade turnover exceeded 80 billion dollars, and the volume of annual foreign investments exceeded 43 billion dollars. Sustainable economic growth of around 7.7% is being ensured in the sectors of services, construction, industry, and "green" energy.

In Uzbekistan, economic diplomacy has been turned into a priority direction of foreign policy. Based on the "Uzbekistan - 2030" strategy and Decree No. PF-133 on improving the activities of the Ministry of Foreign Affairs, clear economic indicators have been set before diplomatic missions abroad.

As we live in today's changing era, it is important for us to maintain stability in certain areas and specific aspects! The ability of a process or phenomenon to maintain its balance, function, and state over a long period despite external influences and changes—this is stability!

The concept of stability expresses the following meanings in various fields:



Picture 1 :

A sustainable economy is understood in two main senses: macroeconomic balance (inflation control, continuous GDP growth, and resilience of the financial system to crises) as well as long-term development without ecological and social harm.

The global economy is currently at an adaptation stage amid a complex geopolitical situation, fluctuations in energy prices, and climate change. According to the Sustainable Development Report 2026 published by the UN Sustainable Development Solutions Network (SDSN), globally, only 16.5 percent of the Sustainable Development Goals (SDGs) are on track according to the set plan.

Nevertheless, Asian regions and emerging markets continue to maintain leadership in terms of economic stability and growth rates.

Countries with the highest indicators in the world:

In international rankings, Northern European countries are considered absolute leaders in the harmony of economic, social, and ecological sustainability.

In the 2026 SDG Index Rankings, the top 5 countries are as follows:

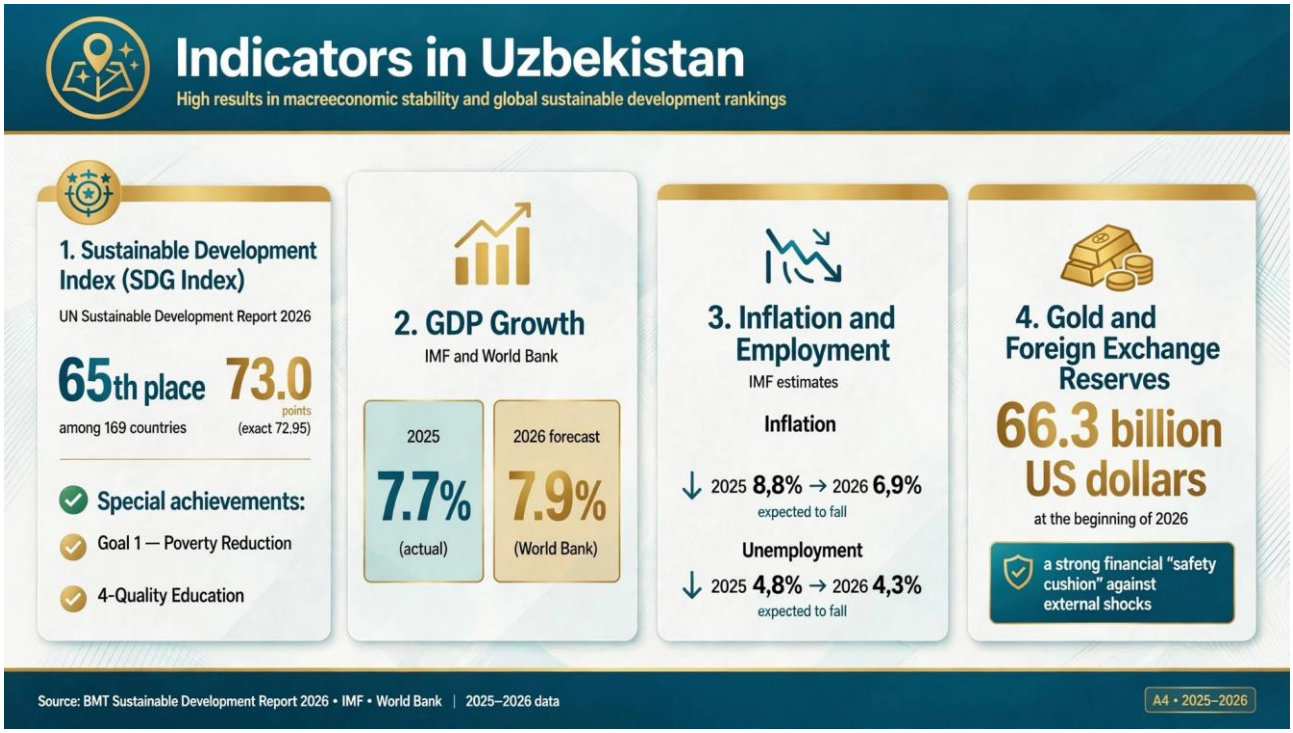


Picture - 2: SDG Index Rankings 2026



Uzbekistan is also recording high results in both macroeconomic stability and global sustainable development rankings:

Picture 4: Indicators in Uzb



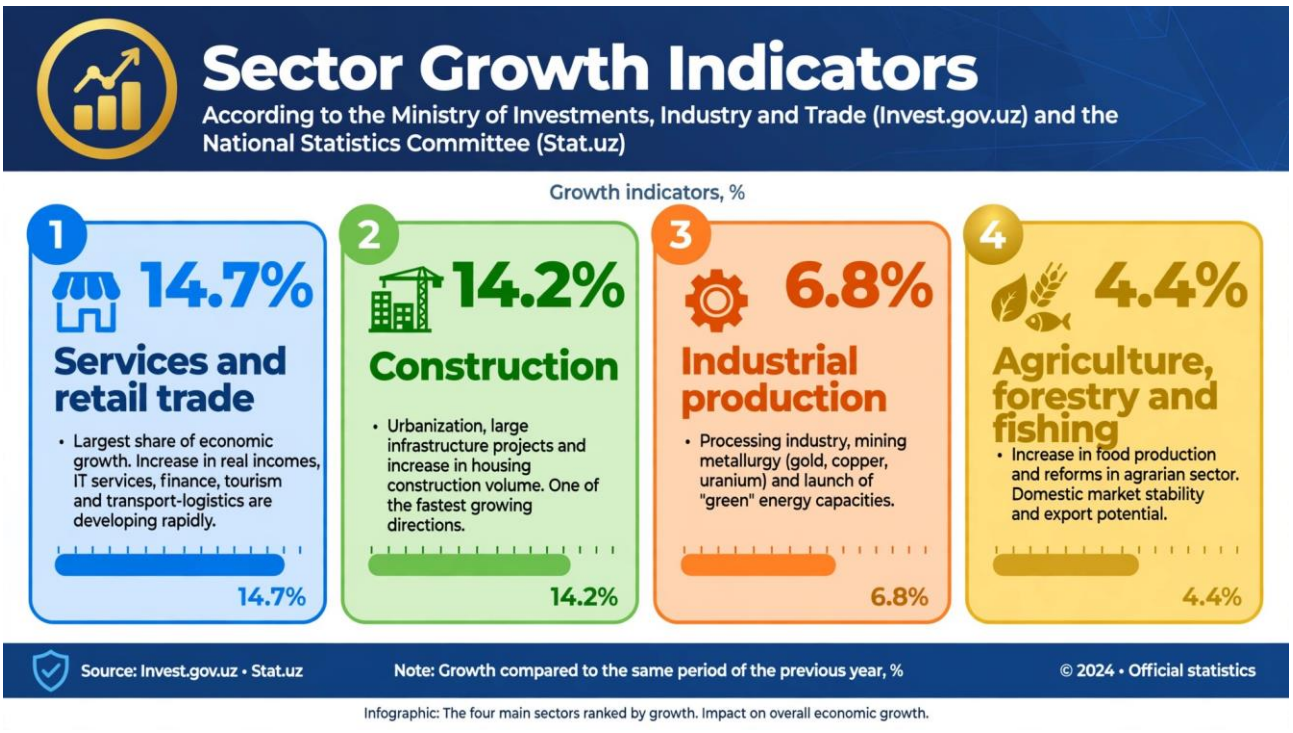
In Uzbekistan, sustainable economic growth is being ensured at the expense of key sectors such as the services sector, construction, industry, and agriculture. In 2025, the country's gross domestic product (GDP) grew by 7.7 percent, exceeding 145 billion dollars, and this trend is continuing in 2026 as well.

Below are the main sectors recording the highest and most sustainable growth and the factors supporting them, along with links to official sources.

Main growth drivers by sector.

According to the Ministry of Investments, Industry and Trade (invest.gov.uz) and the National Statistics Committee (stat.uz), the growth indicators in the sectors are as follows:

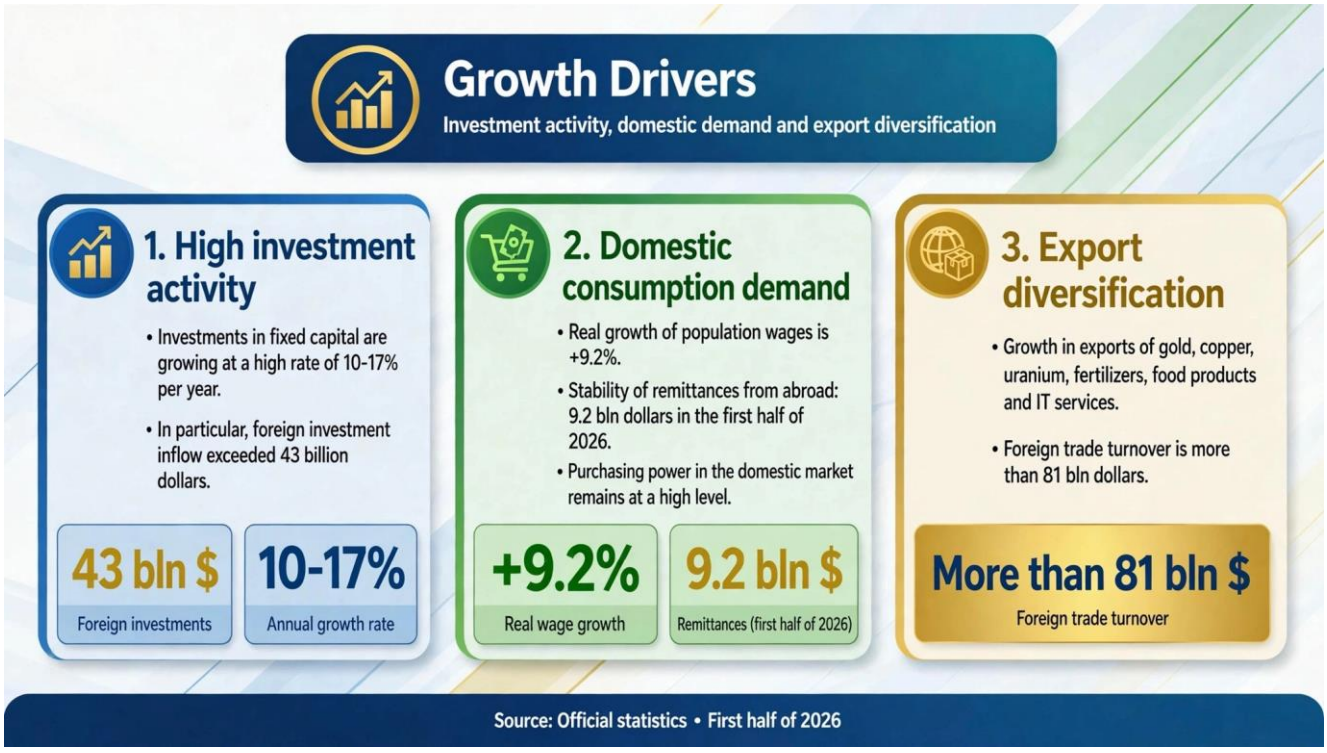
Picture 5 : Sector Grows Indicators



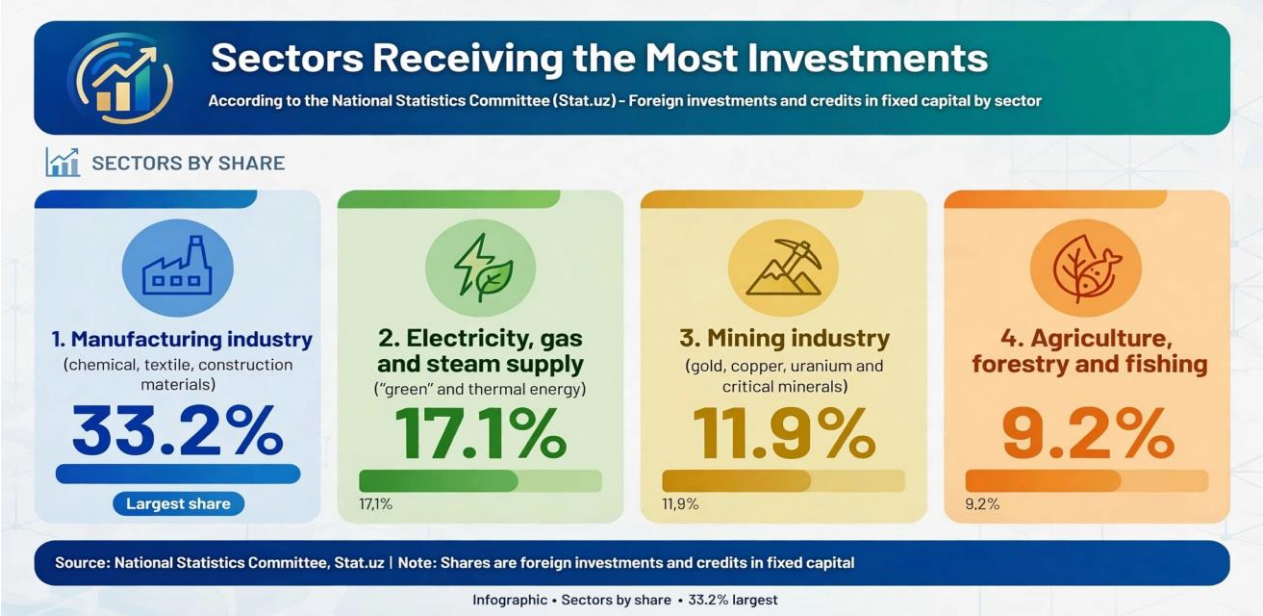
Infographic: The four main sectors ranked by growth. Impact on overall economic growth.

Internal and external factors ensuring sustainable growth

According to analyses by the World Bank and the International Monetary Fund (IMF), growth in these sectors relies on the following solid sources:

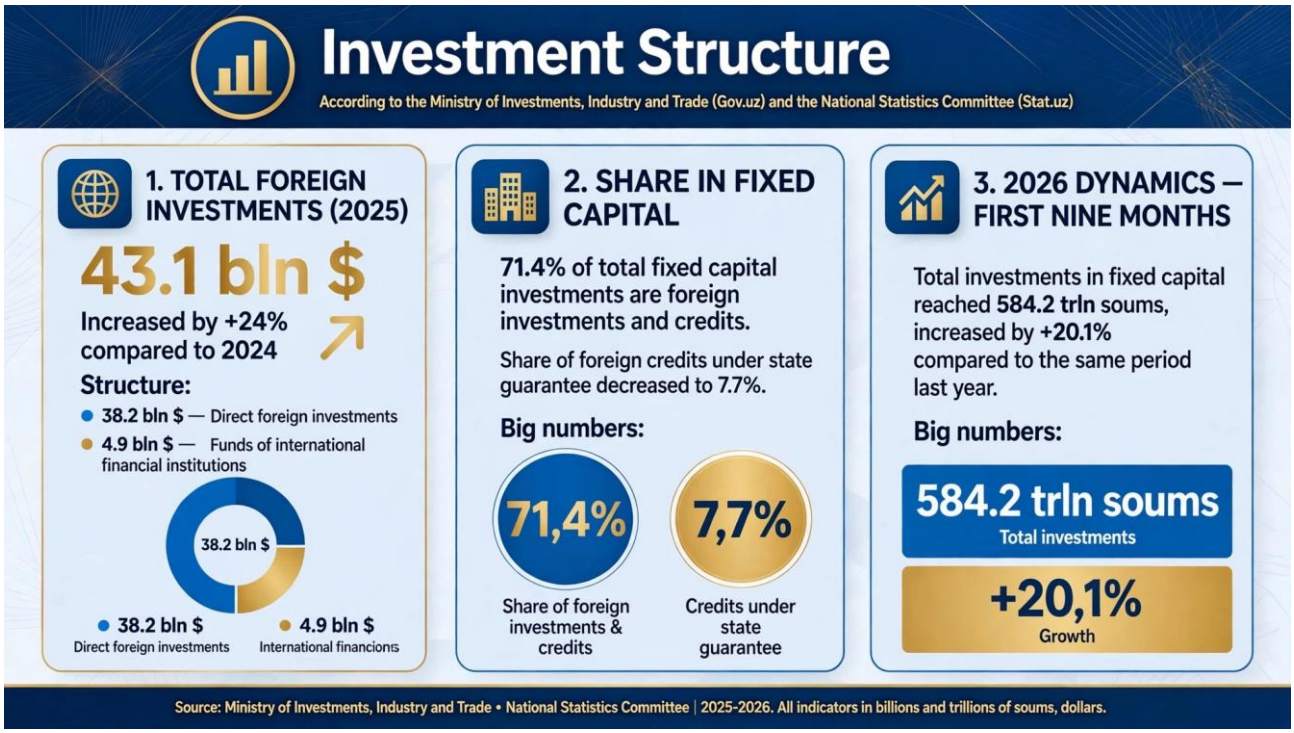


6-picture: Growth Drivers



The flow of foreign investments in Uzbekistan has grown sharply in recent years, reaching 43.1 billion US dollars in 2025, and is expected to reach 53 billion dollars in 2026. As of October 1, 2026, 22,029 enterprises with foreign capital participation are operating in the country.

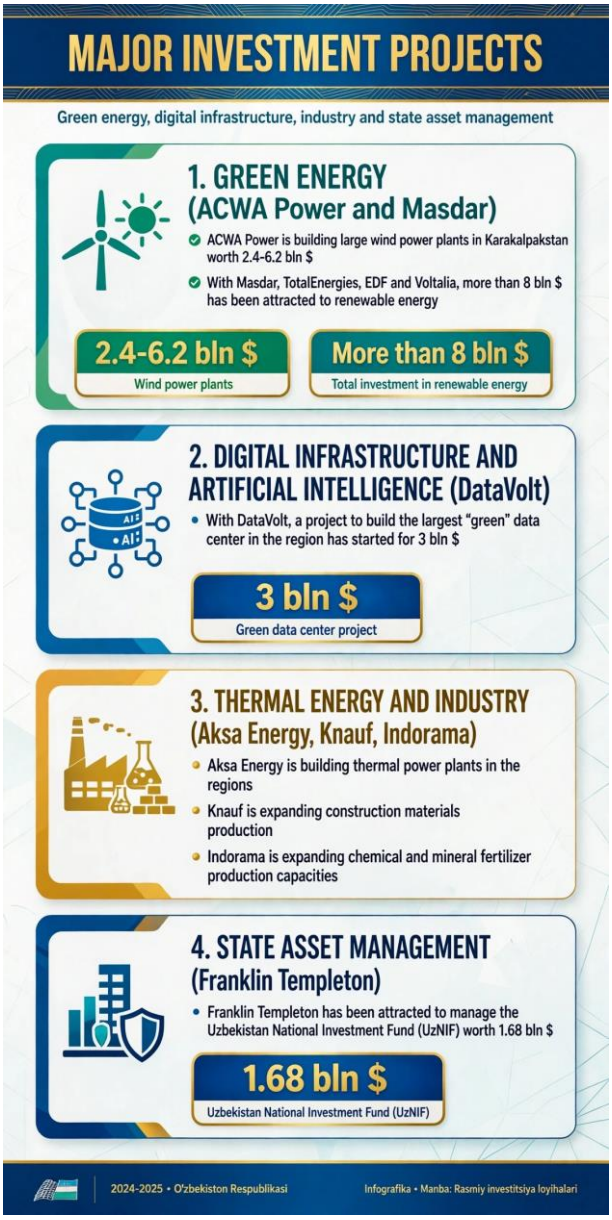
Main statistical indicators



7-picture: Investment Structure

8-picture: Sectors Receiving the Most Investments

Main partner countries and largest projects 9- picture:



According to the Foreign Investors Council (FICS.uz) and the US Department of State's 2026 Investment Climate Statement, the countries investing the most in the country include China, Russia, Turkey, Saudi Arabia, the UAE, and South Korea.

The largest investment projects being implemented in the country consist of the following: in picture 9.

Conditions created for investors

According to the Ministry of Investments, Industry and Trade (Invest.gov.uz), a number of incentives are in effect to protect and stimulate foreign capital:

Маркер списка Special economic zones: 28 free economic zones (FEZs), 389 small industrial zones, and 23 technoparks operate in the country, where investors are exempted from land, property, water, and customs payments.

* Tax reliefs: The VAT rate has been reduced to 12 percent, tax rates for subsoil use have been lowered, and the Foreign Investors Council under the President, which protects the rights of investors, has been launched.

Economic diplomacy is an activity aimed at protecting national economic interests, entering foreign markets, and attracting foreign investments and modern technologies through the state's foreign policy tools. In today's global competitive environment, it serves as the main bridge connecting the country's internal economic growth with external resources and markets.

Below are the main tasks of economic diplomacy in economic growth and practical results in the experience of Uzbekistan with links to official sources.

1. Main mechanisms in economic growth

* Attracting foreign direct investment. Embassies and diplomatic missions abroad negotiate with major transnational companies and financial institutions to ensure capital inflow into the country's economy.

*Expanding and protecting export markets. Foreign exchange earnings are increased by removing tariff and non-tariff barriers in foreign markets for local producers, signing free trade agreements, and promoting national products in foreign markets.

* Opening transport and logistics corridors. For landlocked countries, concluding agreements with neighboring and transit countries reduces freight costs and accelerates trade turnover.

*Transfer of technologies and innovations. By establishing scientific and technical cooperation with developed countries, modern technologies and management experience are brought into industry and agriculture.

2. Practical results of Uzbekistan's economic diplomacy

According to the National Information Agency of Uzbekistan (UzA) and the Institute for Strategic and Regional Studies under the President (ISRS), the activities of diplomatic missions in Uzbekistan are directed towards concrete economic results:

*Foreign trade and export record. As a result of active economic dialogues, Uzbekistan's foreign trade turnover exceeded 80 billion dollars for the first time. Export volume grew by 24 percent, reaching 33.8 billion dollars.

Маркер списка System of direct work with regions. Embassies abroad are assigned to 14 regions and 208 cities and districts of the republic. With their assistance, more than 280 business forums and "Investor Days" were held with the participation of nearly 2,000 foreign companies, and foreign partners were found for more than 200 national exporters.

* Strategic partnership and regional integration. Uzbekistan has established strategic partnerships with 19 countries and allied relations with Kazakhstan, Azerbaijan, and Tajikistan. Furthermore, within the framework of the "Uzbekistan — 2030" strategy, trade and investment agreements with the European Union, Asia-Pacific, and Middle Eastern markets are being expanded.

Strategic importance of economic diplomacy

In the long term, economic diplomacy is a factor of strategic security and competitiveness for the country:

* Economic security and balance. Multi-vector foreign economic relations are established so as not to become dependent on a few major partners. This preserves the stability of the economy during global crises or sanctions.

Маркер списка Integration into global value chains. Through the state's accession to prestigious structures such as the World Trade Organization (WTO)

and transition to international standards, local production becomes an integral part of the world market.

*Resource and energy sustainability. Long-term contracts are concluded with neighboring and partner countries to ensure energy and food security that will be sufficient for future generations as well.

* Investment image of the country. Improving positions in international rankings and guaranteeing the rights of foreign investors at the diplomatic level increases confidence in the country.

4. Uzbekistan's experience and legal-practical results

In Uzbekistan, economic diplomacy has been turned into a priority direction of foreign policy:

* Strategic and legal basis. Based on the "Uzbekistan — 2030" strategy and Decree No. PF-133 on improving the activities of the Ministry of Foreign Affairs, clear economic indicators (KPIs) are set before diplomatic missions abroad.

* Direct cooperation with regions. Embassies abroad are assigned to all regions and districts of the republic and are responsible for attracting foreign investors to regional projects.

* Practical indicators. As a result of active economic diplomacy, the country's foreign trade turnover exceeded 80 billion dollars, and the volume of annual foreign investments exceeded 43 billion dollars. Sustainable economic growth (around 7.7%) is ensured in the sectors of services, construction, industry, and "green" energy.



10-picture: Legal Basis of Diplomacy and Foreign Policy in Uzbekistan

* Digitizing the mechanisms of work of embassies and trading houses abroad with the districts and cities of the republic, introducing a single electronic platform that monitors clear KPIs in the direction of export and investment in real time for each individual district;

* Providing every entrepreneur with knowledge on how to properly apply diplomatic relations and economic diplomacy;

* Taking measures to export not only goods, but also services when exporting;

* Making extensive use of cultural diplomacy, education, and IT services export potential in broadly promoting handicraft products and "Made in Uzbekistan" national brands in foreign markets. In particular, increasing permanent business forums dedicated to Uzbekistan's investment and tourism potential in foreign countries;

* Further diversifying the geography of foreign trade partners in order to reduce the negative impact of global crises and external shocks, as well as providing additional incentives to attract private investment in "green" energy and digital infrastructure projects;

*Providing additional reliefs in international logistics and taxation in order to stimulate the entry into foreign markets of local entrepreneurs in the services sector and IT direction, which are among the main drivers of economic growth.

CONCLUSION

In conclusion, it should be noted that in today's rapid global changes and geopolitical conditions, economic diplomacy has become the highest priority and most effective tool of foreign policy in ensuring Uzbekistan's sustainable economic growth. Fundamental reforms carried out in the country based on the principle "for the human being", the "Uzbekistan — 2030" strategy, and adopted regulatory-legal documents have created a solid foundation for economic stability. In the future, by expanding the geography of exports, actively attracting foreign investments, and rationally using "soft power" mechanisms, Uzbekistan will further strengthen its position in the world community and integrate deeply into global value chains.

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