



THE DEVELOPMENTS IN THE TOURISM SECTOR IN UZBEKISTAN

The improvement of transportation systems, development of communications, urbanization and growing mobility of population and their social wealth are important factors positively affecting the tourism sector in the world. Under these conditions, we are witnessing the rapid growth of the tourism sector in many countries. According to the United Nations World Tourism Organization (UNWTO), tourism accounts for 7% of the world exports, in total and for 30% of exports in services. In the last four years, the tourism sector remained the fastest growing export-oriented sector of economy in the world. In 2015, revenues from international tourism grew by 3.6% compared to the previous year and reached \$1,232 billion, while the number of international tourist arrivals increased by 4.4% in 2015, reaching a total of 1,184 million compared to 1,133 million in 2014. The potential of the tourism sector is evident taking into account that it ranks third after the fuels and chemicals in the ranking of the world export industries ahead of the food and the automotive products.

Uzbekistan, like the other countries is extremely interested in the development of the tourism sector. This Central Asian country has more than 7,000 monuments of cultural heritage of different epochs and civilizations, including the historical centers of Bukhara, Khiva, Samarkand and Shakhrisabz inscribed on the UNESCO World Heritage List. For example, Samarkand is included in the Huffington Post's Top 50 Cities to See in Your Lifetime. Taking into account the fact that Tashkent pays great attention to preservation and enhancement of the historical and cultural heritage, revival of national traditions and customs, and reconstruction and arrangement of key tourist destinations of the country, there is no doubt that Uzbekistan possesses great tourism potential.

In order to provide sustainable development of this sector, the Government of Uzbekistan initiated diversified and integrated plans, policies, programs and projects. An important step in the implementation of the state policy to promote tourism sector was the foundation of the National Company, Uzbektourism, in 1992, which administers activities of related enterprises and organizations and is engaged in the corresponding personnel training. Moreo-

ver, the Law "On Tourism" was adopted in 1999. It was multidimensional legal regulation that formed the basis for more than 30 laws/decrees in the sphere of tourism. For instance, the Presidential Decree "On training of qualified personnel for the tourism industry in Uzbekistan" dated June 30, 1999 and Resolution of the Cabinet of Ministers "On measures to further support and develop tourism in the Republic of Uzbekistan" dated October 10, 2012 contributed to creation of a number of schools for training of qualified specialists in the field of tourism. As of today, there are five higher education institutions and 12 specialized professional colleges in this area. Moreover, all current developments in the sphere of tourism are underway under the Tourism Development Program for 2016-2019.

As a result, the number of tourists who travel to the country is constantly increasing. For instance, in 2005, the number of tourists visiting Uzbekistan totaled 240 thousand people, while in 2015, over 2 million tourists visited the country. In 2015, the major international tourist flow to Uzbekistan was provided by the citizens of Russia (22.4%), South Korea (8.2%), Germany (3.8%) and France (3.6%).

It should be highlighted that after gaining independence, Uzbekistan has been actively increasing cooperation with international organizations such as the United Nations World Tourism Organization. After becoming the member of the UNWTO in 1993, Uzbekistan joined initiative of the revival of the Great Silk Road tourism made by the UNWTO together with the UNESCO. In 1994, the representatives of 19 Silk Road countries adopted the Samarkand Declaration on the Silk Road Tourism. The Khiva Declaration on Tourism and Preservation of Cultural Heritage, supported by the UNWTO, the UNESCO and the Council of Europe was adopted in 1999. The Bukhara Declaration on Tourism along the Silk Road, which emphasizes the benefits of sustainable tourism and identifies concrete steps to promote cultural and ecological tourism on the Silk Road was adopted in 2002. Moreover, the Silk Road Action Plan developed jointly by the UNWTO and Uzbekistan was adopted in 2010. In recognition of Uzbekistan's contribution to the improvement of international tourism industry, the Regional Office of the UN-

WTO for the coordination of the development of tourism on the Silk Road was founded in the city of Samarkand in 2004.

A valuable contribution to the development of regional tourism market is made by the Tashkent International Tourist Fair, which has been held annually since 1995. This fair is an important international forum in Central Asia and an excellent platform for constructive dialogue between partners in the tourism sector. Today it is the largest forum in Central Asia, where industry professionals meet and negotiate in various formats, including business-to-business activities.

Nowadays, Uzbekistan pursues a policy of stimulating the development of tourism infrastructure and strengthening the position of the country in the international tourism sector. There are 1176 tourism agencies, including 621 tour operators and 555 hotels, tourist bases and campsites in the country. An extensive network of hotels numbering a total of over 25,000 beds meets international standards. Since independence, 11 airports have received international status in Uzbekistan through construction and reconstruction of infrastructure facilities. Along with the traditional trains and high speed trains by the Spanish Talgo (with a speed of 270 km/h) run between Tashkent, Samarkand and Bukhara.

However, despite the fact that Uzbek tour operators can offer visitors tourism opportunities in different spheres such as active, historical and cultural, archaeological, extreme and gastronomic tourism, in 2015, the share of tourism in the gross domestic product of Uzbekistan amounted only to 2% and the volume of exports of tourism services reached over \$ 615 million. For instance, Uzbekistan was not included in the Travel & Tourism Competitiveness Index Ranking 2015, while Russia, Kazakhstan and Tajikistan were ranked 45, 85 and 119 respectively. Therefore, Uzbekistan has just started embarking on transforming the tourism sector into the engine of its economy. In this regard, it should be kept in mind that tourists from developed countries would be, with no doubt, more interested in combined tours in Uzbekistan and Kazakhstan, as well as in other Central Asian countries, which have a rich historical heritage.

Politics, Foreign Affairs and Security

- The President of Kyrgyzstan, Almazbek Atambayev, signed a decree on resignation of the country's Government due to the collapse of the coalition of the parliamentary majority. Moreover, Ikramjan Ilmianov was dismissed from the post of Presidential Adviser.
- On the sidelines of the meeting of the Eurasian Intergovernmental Council in Minsk, the First Deputy Prime Minister of Kazakhstan, Askar Mamin, and the First Deputy Prime Minister of Belarus, Vasily Matyushevsky, inked a roadmap for 2017-2018 cooperation. The document puts emphasis on the development of Kazakh-Belarus partnership in agriculture.
- During the 47th meeting of the Working Group on Determining the Legal Status of the Caspian Sea held in Tehran, the parties discussed issues of common interest such as exploitation of resources, aquatic resources, navigation and transit.
- During the meeting of Prime Ministers of the Eurasian Economic Union (EAEU) member states held in Minsk, the parties discussed developments in drafting the EAEU Customs Code, the EAEU budget for 2017, as well as the international activities of the Eurasian Economic Commission.
- During the three-party meeting held in Moscow, the Ministers of Foreign Affairs of Russia, Syria and Iran, Sergey Lavrov, Walid Muallem and Javad Zarif, discussed further prospect for Syrian crisis settlement focusing on struggle against terrorism.
- Around 100 aircraft, radar troops and air defense forces from seven member-states of the Commonwealth of Independent States took part in the Joint Air Defense System drills. During the drills, missile forces carried out about 200 simulated launches of anti-aircraft missiles.
- The Russian Caspian Flotilla ships, Tatarstan and Grad Sviyazhsk returned to their home base in Makhachkala from a voyage, during which they covered about 2,000 nautical miles, visited the ports of Kazakhstan and Iran and held over 30 shipborne exercises of various scenarios.

Economy, Finance and Energy

- According to the Deputy Chairman of Gazprom, Alexander Medvedev, the company expects a reduction in

gas supply to Turkey by 9.2% to 24.5 billion cubic meters of natural gas in 2016 compared to 27 billion cubic meters of natural gas in 2015. The supply is expected to hit 25.1 billion cubic meters of natural gas in 2017.

- The China National Petroleum Corporation announced the first shipment of oil in the amount of 2 million barrels from its investment project in the North Azadegan oil field in Iran.
- According to the Deputy Chairman of Gazprom, Alexander Medvedev, Gazprom plans to keep its liquefied natural gas exports at last year's level of 3.56 million tons in 2016.
- The President of Tajikistan, Emomali Rahmon, attended the ceremony of diverting the flow of Vaksh River to start building 335 meters tall dam and the main element of the Rogun hydroelectric power plant. It is estimated that the project will cost \$3.9 billion to complete.
- The consortium of affiliates of Russian nuclear corporation Rosatom and France's EDF completed work on justification of extending the service life of power unit No. 5 of Kozloduy Nuclear Power Plant in Bulgaria by 30 years.
- According to the Director of the Sumgayit Chemical Industrial Park, Nazim Talibov, since early 2016 Azertexnolayn has supplied pipes worth 47 million manats to Turkmenistan for construction of the Turkmenbashi seaport within the framework of the agreement signed in January 2016.
- The European Bank for Reconstruction and Development (EBRD) and Kazakhstan's national gas operator, KazTransGas, have agreed to join forces in supporting the country's drive towards a green economy. According to a Memorandum of Understanding signed in Astana, the partners will explore ways to promote energy efficiency in the gas sector.
- Within the framework of an official visit of the President of Kazakhstan, Nursultan Nazarbayev, to Saudi Arabia, the parties signed more than 10 agreements worth over \$181.55 million in energy, mining industry, agriculture and trade.
- The Ministry of Foreign Affairs of Turkmenistan announced that the construction of the Atamyrat-Imamnazar (Turkmenistan) - Akina (Afghanistan) section of the Asian

International Railway Transport Corridor (Phase 1) was completed. The total length of the Turkmen-Afghan railway is 88 kilometers, 85 kilometers of which run through the Turkmen territory, and the remaining 3 kilometers run between Imamnazar and Akina border points.

- According to the Minister of National Economy of Kazakhstan, Kuandyk Bishimbayev, the foreign investment inflows to the economy increased to \$5.7 billion in January-September 2016, which is a 4.4-fold increase compared to \$1.3 billion in the same period of 2015. The total amount of investments increased by 4.1% to \$15.3 billion in January-September 2016.
- According to the Minister of Economic Development of Russia, Alexey Ulyukayev, the GDP growth in the country would reach 1.1%, 1.1% and 2.4% in 2017, 2018 and 2019 respectively. Moreover, in 2016, the capital outflow is expected to decrease four-fold to \$15 billion compared to \$52 billion in 2015.
- According to the Prime Minister of Kyrgyzstan, Sooronbay Jeenbekov, the real GDP growth of the country is expected to amount to 2.9% in 2017.

Society and Culture

- The Ministry of Emergencies of Russia has delivered humanitarian aid in the amount of 400 tons to Ukraine's Donetsk and Lugansk regions. It has been the 57th Russian convoy for the Donbass region since mid-August of 2014.
- According to the State Statistics Committee of Uzbekistan, the permanent population of the country increased by 401,800 people in January-September 2016 and amounted to over 31.977 million people.
- According to the International Olympic Committee, Kazakhstani weightlifters, Zulfiya Chinshanlo, Maiya Maneza, and Svetlana Podobedova lost their gold medals that they won at London 2012 Olympic Games after it was confirmed that doping was made in 2012 and in Beijing 2008 Games.
- The Minister of Emergencies of Russia, Vladimir Puchkov, has signed a declaration on cooperation with the International Federation of Red Cross and Red Crescent societies, which stipulates the exchange of information on current and planned humanitarian and rescue operations.