

EJCBLT

ISSN : 3031-7355

<https://doi.org/10.61796/ejcbtl.v1i4.513>

GREENING UZBEKISTAN: STRATEGIES FOR A SUSTAINABLE FUTURE

Shayusupova Lobar Rixsievna¹, Khasanov Azizjon Akhrol Ugli,
²

¹University of Public Safety of the Republic of Uzbekistan, candidate of economic sciences, associate professor, ²University of Public Safety of the Republic of Uzbekistan

Received: March 22, 2024; Accepted: Apr 29, 2024; Published: May 27, 2024;

Abstract: This article examines the critical need for Uzbekistan to expedite its transition to a green economy. The research highlights the severe risks posed by delaying this transition, including significant economic losses from land degradation and dust storms, high carbon and energy intensity, and the potential lock-in of outdated technologies. Uzbekistan's government has already initiated the "Strategy for the Transition to a Green Economy (2019–2030)," aiming to diversify energy sources, improve resource efficiency, and adapt to climate change impacts. Additionally, the Ministry of Economic Development and Poverty Reduction is developing a Green Growth Strategic Framework to further these efforts. The article also emphasizes the importance of mobilizing both public and private investments to meet the financial demands of sustainable development and align with international climate commitments.

Keywords: economy, green economy, policy, climate, risks, energy efficiency, energy production, public investment, global climate commitments, natural resources..



This is an open-access article under the [CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/) license

Introduction

Uzbekistan faces considerable challenges as it seeks to balance economic growth with environmental sustainability. According to the World Bank, the country's reliance on water and gas, combined with inefficient resource use, makes it particularly vulnerable to the adverse effects of climate change. Unsustainable practices have already resulted in significant economic losses, with land degradation and dust storms accounting for a 4% GDP reduction as of 2016. Furthermore, Uzbekistan's carbon and energy intensities are among the highest globally, underscoring the urgent need for a transition to greener energy sources and more sustainable economic practices.

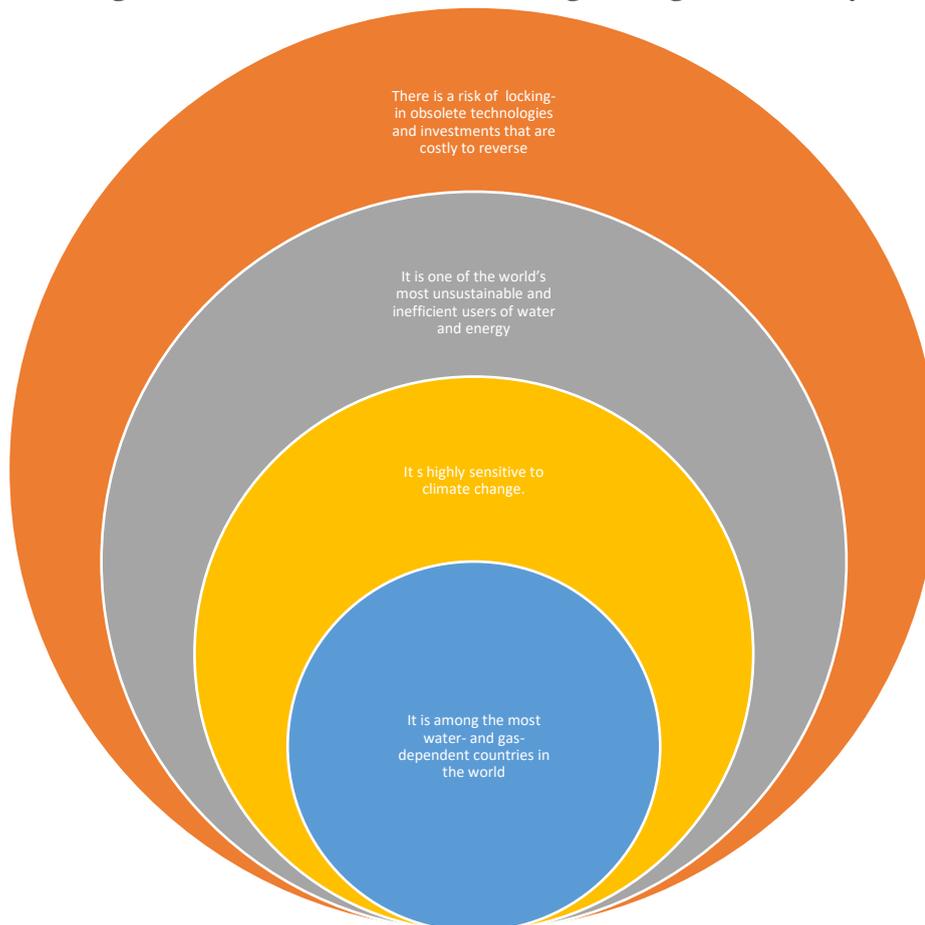
In response to these challenges, the Uzbek government has embarked on an ambitious plan to transition to a green economy. The "Strategy for the Transition to a Green Economy (2019–2030)" sets out comprehensive goals for enhancing energy efficiency, increasing the use of renewable energy, and developing mechanisms to finance these initiatives. Additionally, the Ministry of Economic Development and Poverty Reduction is spearheading the development of a Green Growth Strategic Framework to support the strategic planning and implementation of green growth policies. This

framework is intended to align with international sustainability goals, such as the Sustainable Development Goals (SDGs) and the Paris Agreement.

Results and Discussion

According to the research conducted by the World Bank, there are certain disadvantages and threads of postponing greening the economy in Uzbekistan. The following figure illustrates the reasons why it is threatenful to postpone the process of greening the economy

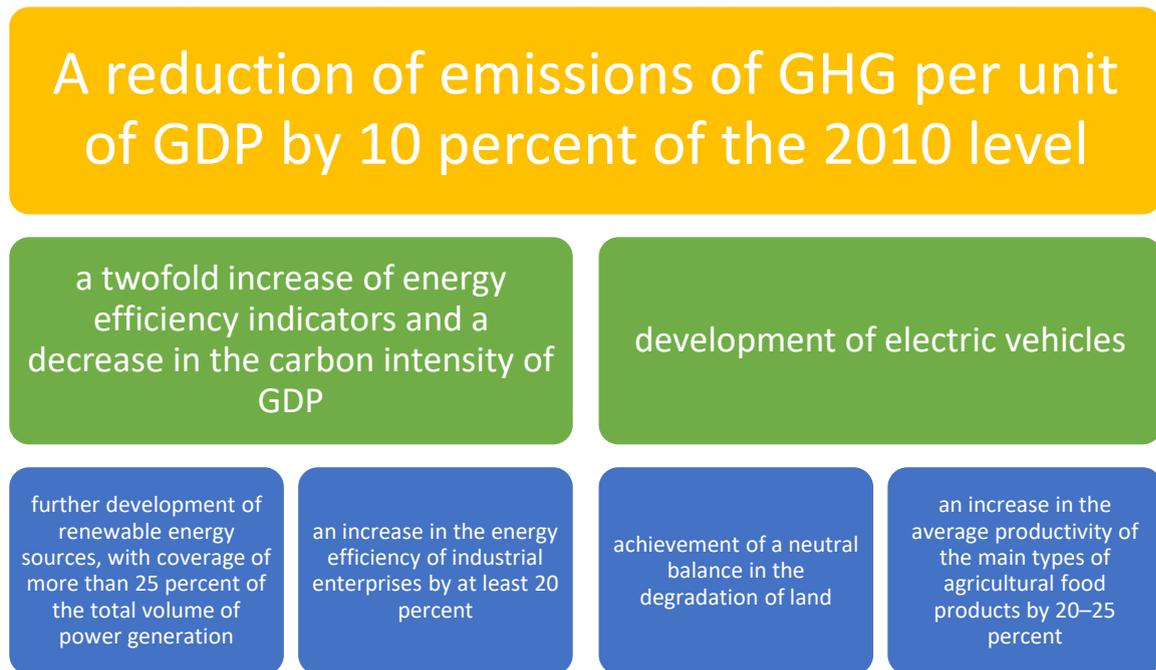
Figure 1. Risks associated with not greening the economy



Environmentally unsustainable practices jeopardize Uzbekistan's social and economic future. Uzbekistan is among the most water- and gas-dependent countries in the world and is highly sensitive to climate change. The country is also one of the world's most unsustainable and inefficient users of water and energy. Widespread land degradation and dust storms caused losses equivalent to 4 percent of GDP when last measured in 2016. Moreover, Uzbekistan's carbon intensity is among the highest in the world. The energy intensity is equally high. A delay in transitioning to green forms of energy production also risks locking-in obsolete technologies and investments that are costly to reverse and may close the country off from valuable export markets. A focus on green growth can propel Uzbekistan toward a more sustainable future while creating new jobs in emerging fields.

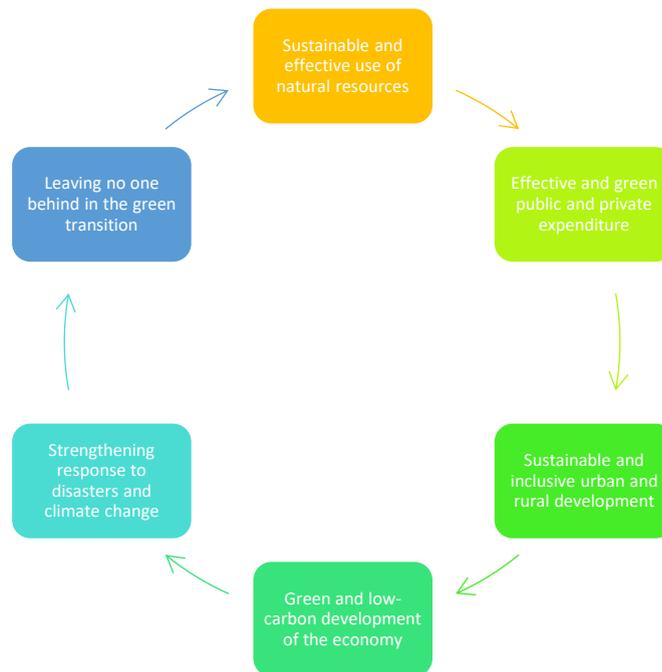
The green economic agenda is already being advanced by the Uzbek government. It approved "the Strategy for the Transition to a Green Economy (2019–2030)" in 2019. It outlined goals to diversify energy supply toward renewable energy sources, increase the efficient use of natural resources, adapt to the effects of climate change, and enhance energy efficiency in key economic sectors. It also developed financing mechanisms for these initiatives. Following figure illustrates the targets foreseen by 2030 by greening the economy:

Figure2. The targets foreseen by 2030 by greening the economy



Furthermore, the Ministry of Economic Development and Poverty Reduction (MEDRP) is developing a Green Growth Strategic Framework (GGSF), which incorporates the framework of green growth priorities and the government structure, to further the Strategy for the Transition to a Green Economy. The main organization in charge of carrying out the Resolution No. PP-4477-specified Strategy for the Transition to a Green Economy 2019–2030 is an Inter-Agency Council headed by the MEDPR. The council ought to lead strategic planning and act as a decision-making body for Uzbekistan's green growth initiatives, such as the GGSF.

The 19 members of the Inter-Agency Council are heads of ministries and agencies. Within the MEDPR, a Technical Secretariat will be established to assist with the Inter-Agency Council's operations, including coordinating the GGSF's development. The IAWG will be organized thematically around six green growth policy priorities and it is illustrated in the following figure:

Figure 3: Green Growth Policy Priorities

Moreover, the government plays a crucial role in increasing public investment and mobilizing innovative financial instruments for the "green" transition. In 2021, Uzbekistan issued bonds in the amount of 870 million US dollars to finance activities to achieve the Sustainable Development Goals (SDGs). These goals include inter alia, land restoration, development of "green" transport, launching of the "Green Sukuk" mechanism, financing of energy efficiency improvement projects, and other innovations (Ministry of Finance). However, according to the new development strategy for 2022-2026, these activities, which require additional funds, are not enough for a "green" transition. International experience shows that countries should be able to mobilize financial resources in the amount of 6% of the gross domestic product (GDP) to achieve the goals of the Paris Agreement. It is important to attract both public and private investment and reduce the risk of climate change for previously planned investments.

Conclusion

Uzbekistan stands at a critical juncture in its pursuit of sustainable development. The risks associated with delaying the transition to a green economy are substantial, including economic losses, environmental degradation, and the entrenchment of obsolete technologies. However, the government's proactive steps, such as the adoption of the "Strategy for the Transition to a Green Economy (2019–2030)" and the development of the Green Growth Strategic Framework, demonstrate a strong commitment to addressing these challenges.

The success of these initiatives will largely depend on the ability to mobilize sufficient financial resources. This includes leveraging both public investment and innovative financial instruments, as well as attracting private sector participation. By securing the necessary funding and effectively implementing green growth policies, Uzbekistan can pave the way for a more sustainable and resilient economic future. Continued international cooperation and adherence to global climate commitments

will be crucial in achieving these goals and ensuring a prosperous and sustainable future for the country.

References

- [1] World Bank. 2021c. Sustainable Development in Uzbekistan: Supporting a Green Transition. SCD Background Note.
- [2] IMF/OECD. 2021. Tax Policy and Climate Change: IMF/OECD Report for the G20 Finance Ministers and Central Bank Governors. April 2021. Italy
- [3] UN SDG database. <https://unstats.un.org/sdgs/dataportal>.
- [4] <https://policy.asiapacificenergy.org/node/4379>