

Institute for Advanced International Studies  
Center for Sustainable Development

# ANNUAL REVIEW REPORT

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From Sustainability to Global  
Resilience



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# EXECUTIVE SUMMARY

This report presents nine selected outputs of the Center for Sustainable Development, reflecting a year of research on sustainability, innovation, and regional and global dynamics. The report is structured in two parts: the first, *Sustainable Development, Environmental Security, and Innovation*, examines Uzbekistan's progress toward the 2030 Sustainable Development Goals, highlighting efforts to align national strategies with global development agendas. It also explores how environmental sustainability and green economy initiatives contribute to poverty eradication, demonstrating the role of coordinated policies and investments in fostering inclusive growth. In addition, the report addresses the rise of AI literacy in Uzbekistan as a new dimension of soft power, signaling the country's openness to technological innovation and its integration into global knowledge networks. Water management challenges in Central Asia are analyzed in depth, illustrating the shift from technical coordination to institutionalized water diplomacy, the establishment of vegetation-period water withdrawal limits, and enhanced cooperation through regional mechanisms such as the ICWC and IFAS.

The second part, *Global Governance, Regional Dynamics, and Strategic Partnerships*, explores how international and regional political developments shape the strategic environment for Central Asia and beyond. It examines the implications of the U.S. withdrawal from UNESCO and the strategic orientation of U.S. foreign policy in the Middle East under Donald Trump. The report highlights the multi-vector foreign policy of the United Arab Emirates, reflecting its efforts to balance relations with the United States, the European Union, China, and Russia, while leveraging energy, technology, and defense cooperation to strengthen its global influence. Finally, Uzbekistan's growing engagement with Italy and the European Union illustrates the long-term value of strategic partnerships based on education, investment, and sustainable development. Agreements signed with Italy, including those in education, environmental cooperation, and investment protection, underscore the role of structured, forward-looking collaboration in deepening regional integration and promoting shared prosperity.

Together, these studies demonstrate the Center's commitment to understanding the intersections of sustainable development, innovation, and geopolitics. They emphasize that proactive policy design, institutional coordination, and multi-level cooperation are essential to advancing environmental security, economic resilience, and strategic partnerships in an increasingly complex global landscape.





# **SUSTAINABLE DEVELOPMENT, ENVIRONMENTAL SECURITY, AND INNOVATION**

# UZBEKISTAN'S PROGRESS TOWARD THE 2030 SDGs

In 2015, the United Nations launched the 2030 Agenda for Sustainable Development, establishing 17 Sustainable Development Goals (SDGs) and 169 specific targets to address global challenges such as poverty reduction, environmental protection, and the enhancement of quality of life. Uzbekistan has demonstrated its commitment to this global initiative by integrating the SDGs into its national strategies and policy frameworks.

With the consensus of 193 member states, the SDGs are structured around three core pillars: the economy, society, and the environment. Achieving these targets requires rigorous monitoring and evaluation by each nation to identify areas of weakness, prioritize policy interventions, and allocate resources efficiently.

Uzbekistan has undertaken significant reforms in recent years to stimulate economic growth, enhance health and education systems, safeguard natural resources, and strengthen public institutions. Despite these efforts, the pursuit of the SDGs remains a complex and long-term endeavor, necessitating coordinated action across various sectors of society and government.

This commentary provides a short overview of Uzbekistan's advancements in meeting the SDGs, drawing on key data and government initiatives. It aims to provide a balanced perspective on both achievements and ongoing challenges, and to offer insights into how Uzbekistan can further align its development trajectory with global sustainability objectives.

Uzbekistan has demonstrated moderate advancement in achieving the SDGs, currently ranking 81st out of 167 countries with a score of 70.6 - marginally surpassing the Eastern Europe and Central Asia regional average of 69.2. Despite this relative progress, the country's performance remains inconsistent across individual SDGs.

Key challenges still remain in critical domains such as zero hunger, good health and well-being, clean water and sanitation, affordable energy, sustainable cities, land preservation, and the establishment of robust institutions. Addressing these areas necessitates urgent, targeted policy interventions.

Furthermore, Uzbekistan faces considerable obstacles in enhancing educational quality, advancing gender equality, expanding employment opportunities, fostering industrial innovation, and strengthening international partnerships. These factors are essential for promoting inclusive and sustainable development. Although measurable progress has been

made in reducing poverty and inequalities and in encouraging responsible consumption and climate action, these gains remain fragile. Sustained, coordinated efforts are required to ensure long-term sustainability and equitable growth nationwide<sup>1</sup>.

### SDG Progress and Trends

Major challenges	Significant challenges	Challenges remain	SDG achieved
SDG 2 – Zero hunger	SDG 4 – Quality education	SDG 1 – No poverty	
SDG 3 – Good health and well-being	SDG 5 – Gender equality	SDG 10 – Reduced inequalities	
SDG 6 – Clean water and sanitation	SDG 8 – Decent work and economic growth	SDG 12 – Responsible consumption and production	
SDG 7 – Affordable and clean energy	SDG 9 – Industry, innovation and infrastructure	SDG 9 – Climate action	
SDG 11 – Sustainable cities and communities	SDG 17 – Partnerships for the goals		
SDG 15 – Life on land			
SDG 16 – Peace, justice, and strong institutions			



<sup>1</sup> Sachs, J.D., Lafortune, G., Fuller, G. (2024). The SDGs and the UN Summit of the Future. Sustainable Development Report 2024. Paris: SDSN, Dublin: Dublin University Press. doi:10.25546/108572. Available online: <https://dashboards.sdindex.org/static/profiles/pdfs/SDR-2024-uzbekistan.pdf>

The progress table highlights not only Uzbekistan's performance across SDGs but also the underlying trends in progress, which offer important insights into the country's development trajectory. Of particular concern is SDG 11 (sustainable cities and communities), which is marked in red to indicate a declining trend. This means a deterioration in performance within this area, underscoring an urgent signal for targeted policy interventions.

The majority of SDGs fall under the dark yellow category, indicating a stagnating trend. This category includes SDGs 2 (zero hunger), SDG 7 (clean energy), SDG 8 (decent work), SDG 9 (industry and innovation), SDG 12 (responsible consumption), SDG 15 (life on land), and SDG 16 (peace and institutions). Stagnation in such a wide range of goals suggests that progress is either too slow or not occurring at all, which could be attributed to systemic challenges, including weak implementation, lack of financing, or institutional inefficiencies.

In contrast, several SDGs show moderate improvement, including SDG 1 (no poverty), SDG 3 (good health), SDG 4 (quality education), SDG 5 (gender equality), SDG 6 (clean water), SDG 9 (industry and innovation), and SDG 17 (partnerships), as indicated by light yellow. These trends suggest incremental advancements, especially in poverty reduction and the expansion of basic services. Meanwhile, SDG 10 (reduced inequalities) is marked in gray, indicating no available information, which may reflect challenges in data collection or monitoring capabilities.

Uzbekistan has achieved notable progress in several domains, including poverty reduction, access to basic healthcare, education enrollment, and expanded access to electricity and clean water. Despite these achievements, significant challenges remain, as multiple SDG targets continue to exhibit either stagnation or insufficient progress. Key areas requiring urgent policy attention include nutrition quality, non-communicable diseases, gender equality, water management, clean energy transition, labor rights, innovation, inequality, environmental degradation, governance, and statistical capacity.

While Uzbekistan's SDG achievements provide a strong foundation toward SDGs, accelerated, multi-sectoral reforms and increased investments are essential to accelerate progress in lagging areas. Policymakers should prioritize inclusive, green, and rights-based approaches backed by effective governance, data-driven monitoring, and international cooperation to meet the 2030 Sustainable Development Goals.



# ENVIRONMENTAL SUSTAINABILITY AND THE GREEN ECONOMY AS TOOLS FOR POVERTY ERADICATION

Over the past fifty years, economic growth has significantly contributed to poverty reduction. However, experts increasingly highlight the limitations of the current extreme poverty threshold established by the World Bank – initially set at \$2.15 per person per day, and later at \$3 per person per day as the International Poverty Line (IPL).<sup>2</sup> This threshold does not reflect the actual capacity of individuals to rise above extreme deprivation.

Consequently, there is a growing need to adopt an alternative indicator – the opportunity expansion threshold – defined as the income level sufficient to meet basic needs (food, housing, healthcare, education), ensure minimum social protection, and provide resilience against the risk of falling back into poverty. This threshold is estimated at \$12 per day, adjusted for purchasing power parity with regional modifications. As of 2020, approximately 730 million people lived in extreme poverty, while 4.7 billion remained below the opportunity expansion threshold.<sup>3</sup>

Achieving economic opportunity expansion is closely linked to global objectives for carbon neutrality. Climate change mitigation challenges are acquiring acute socio-economic significance: under current trends of carbon budget depletion, limiting global temperature rise to 1.5°C will become impossible after 2030. Realization of global net-zero targets will require substantial scaling of investments and expansion of capabilities within energy and resource systems.

These dual imperatives – promoting economic growth while adhering to ecological constraints – create structural tensions that demand balanced governance. Rapid income growth stimulates demand for energy- and carbon-intensive goods and services, whereas an uncontrolled transition to net-zero emissions may increase consumer costs and strain labor markets, particularly among socially vulnerable populations. Conversely, inaction on limiting temperature increases risks substantial damage to global economies, disproportionately affecting the poorest populations.

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<sup>2</sup> Joe Hasell, Bertha Rohenkohl, and Pablo Arriagada, “\$3 a Day: A New Poverty Line Has Shifted the World Bank’s Data on Extreme Poverty. What Changed, and Why?” *Our World in Data*, August 11, 2025, <https://ourworldindata.org/new-international-poverty-line-3-dollars-per-day>.

<sup>3</sup> Kweilin Ellingrud, “Growth Is Key to Unlock Progress for People and Planet,” *Forbes*, September 19, 2023, <https://www.forbes.com/sites/kweilinellingrud/2023/09/19/growth-is-key-to-unlock-progress-for-people-and-planet/>

Estimates indicate that the total investment gap to achieve carbon neutrality and opportunity expansion goals is approximately 8% of global GDP annually over the next decade. To lift the entire global population above the opportunity expansion threshold by 2030, per capita incomes within this group must increase by 40%, and total investments in low-carbon technologies must rise by \$1.4 trillion above 2020 levels.<sup>4</sup> The scale of required changes in income distribution, consumption, and investment has no historical precedent.

Markets and businesses can mobilize roughly half of the necessary resources through growth, innovation, technology adoption, new industries, and human capital development. Stimulating growth and creating high-wage employment could close up to two-thirds of the global opportunity gap. In the context of the climate transition, existing policies can render commercially viable investments up to \$10 trillion, primarily in energy and transport sectors, though market mechanisms alone can cover only one-third of the required climate-related expenditures.<sup>5</sup>

The contemporary global sustainable development agenda places ecological sustainability and the development of a “green economy” at the center of poverty reduction strategies. The primary approach assumes that rational use of natural resources, the adoption of low-carbon technologies, and climate-resilient infrastructure can not only preserve ecological balance but also promote inclusive growth and social justice.

Experts emphasize that ecological sustainability and the green economy can serve as effective instruments for poverty alleviation if the transition is conducted on principles of equity and inclusivity. Otherwise, “green growth” without targeted support measures risks perpetuating or exacerbating structural inequalities both within and between countries.

Moreover, traditional economic growth models have often overlooked ecological costs, including soil degradation, deforestation, pollution, and resource depletion. While such approaches produced short-term GDP gains, they undermined long-term ecological sustainability, reduced quality of life, and heightened population vulnerability.

In the context of escalating climate change and diminishing natural resources, ecological sustainability has become existentially significant for Central Asian countries. The region’s arid geography renders it highly vulnerable to water scarcity and climate instability.

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<sup>4</sup> Madgavkar, Anu, Sven Smit, Mekala Krishnan, Kevin Russell, Rebecca J. Anderson, Lola Woetzel, Kweilin Ellingrud, and Tracy Francis. *From Poverty to Empowerment: Raising the Bar for Sustainable and Inclusive Growth*. McKinsey Global Institute Report, September 18, 2023. <https://www.mckinsey.com/mgi/our-research/from-poverty-to-empowerment-raising-the-bar-for-sustainable-and-inclusive-growth>

<sup>5</sup> Ibid.

According to the World Resources Institute, water stress levels in Central Asia reach approximately 4 out of 5 points, indicating critical pressure on water resources.<sup>6</sup>

At the national level, the most acute situations are observed in the Navoi, Samarkand, Jizzakh, and Bukhara regions, where water stress exceeds 4.5 points.<sup>7</sup> These regions are also key agricultural production centers, essential for food security and rural employment. Under these conditions, developing a green economy is not merely a policy priority but a fundamental prerequisite for economic survival and the preservation of national sovereignty.

Despite the World Bank's pessimistic forecast that around 622 million people (7.3% of the global population) could still be living in extreme poverty by 2030, Uzbekistan has achieved notable progress in recent years<sup>8</sup>. National poverty rates declined from 17% in 2021 to 8.9% in 2024, reflecting the gradual impact of social and economic reforms and the effectiveness of poverty-alleviation programs<sup>9</sup>.

However, significant regional disparities persist. The highest concentrations of low-income citizens are in the Fergana, Kashkadarya, Andijan, and Samarkand regions, which also have the highest levels of criminal activity, highlighting the interconnection between economic, social, and ecological vulnerability<sup>10</sup>.

Poverty in Central Asia increasingly assumes a climate-induced character. Soil degradation, water scarcity, recurrent droughts, and crop losses reduce rural incomes and stimulate migration. In Uzbekistan, despite structural reforms reducing agriculture's share of GDP to approximately 15%, the sector remains highly vulnerable to climate and water risks, directly influencing the country's socio-economic resilience<sup>11</sup>.

The combination of economic vulnerability and climate risks creates a "double trap": natural disasters exacerbate poverty, while poverty limits adaptive capacity. Breaking this vicious cycle is possible only through a transition to a green growth model focused on resource

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<sup>6</sup> Gassert, Francis, Paul Reig, Tianyi Luo, and Andrew Maddocks. *Aqueduct Country and River Basin Rankings: A Weighted Aggregation of Spatially Distinct Hydrological Indicators*. Working paper. Washington, DC: World Resources Institute, December 12, 2013. <https://www.wri.org/research/aqueduct-country-and-river-basin-rankings>.

<sup>7</sup> Ibid.

<sup>8</sup> World Bank. *Poverty, Prosperity, and Planet Report 2024: Pathways Out of the Polycrisis*. Washington, DC: World Bank, 2024. <https://www.worldbank.org/en/publication/poverty-prosperity-and-planet>.

<sup>9</sup> Berdiklichev, Diyodor, and Ikuko Uochi. "Poverty in Uzbekistan: Figures, Trends, Challenges." *Gazeta.uz*, August 25, 2025. <https://www.gazeta.uz/en/2025/08/25/poverty/>

<sup>10</sup> *Gazeta.uz*. 2025. "Статистика преступности в Узбекистане за 2024 год." *Gazeta.uz*, March 3, 2025. <https://www.gazeta.uz/ru/2025/03/03/crime-stats-uzbekistan-2024/>.

<sup>11</sup> United Nations Development Programme. *Approach to Assessing the Vulnerability of the Water and Agriculture Sectors in Uzbekistan to Climate Change Impacts*. UNDP Uzbekistan, August 9, 2023. <https://www.undp.org/uzbekistan/publications/approach-assessing-vulnerability-water-and-agriculture-sectors-uzbekistan-climate-change-impacts>

efficiency, innovation, and social inclusivity. Such a model can be sustainable and equitable only if the interests and needs of the most disadvantaged populations are prioritized from the outset.

This requires ensuring vulnerable groups' access to modern green technologies, creating opportunities for decent employment in emerging sectors, and guaranteeing reliable social protection mechanisms during the transition. In other words, green growth must be not only environmentally rational but socially oriented, transforming climate action into a tool for reducing inequality and eradicating poverty.

Given Uzbekistan's strategic goal of eliminating absolute poverty by 2030<sup>12</sup>, the region's increasing climate vulnerability represents a significant uncertainty factor capable of affecting socio-economic progress. In this context, integrating climate considerations into long-term development planning becomes increasingly critical, reinforcing poverty reduction achievements and promoting a more resilient growth model.

Since 2015, many countries have gradually reduced fossil fuel subsidies to meet international climate commitments under the Paris Agreement and the UN Sustainable Development Goals. However, these measures have often increased household energy costs and, in some cases, heightened social unrest. A notable example is the January 2022 unrest in Kazakhstan, triggered by a sharp increase in liquefied petroleum gas prices following the removal of government price regulation<sup>13</sup>.

Energy accessibility remains a key determinant of economic growth and social well-being, directly influencing both poverty reduction and the formation of an environmentally sustainable development model. The transition to renewable energy is not only an ecological imperative but also economically rational, as renewable energy demonstrates competitive cost advantages. In 2024, solar photovoltaic energy was on average 41% cheaper than the most affordable fossil fuel alternatives, while onshore wind projects were 53% cheaper, reinforcing renewables' sustainable cost advantage<sup>14</sup>. Consequently, renewable energy is emerging as the primary driver of new electricity generation and a foundation for long-term energy independence.

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<sup>12</sup> Government of the Republic of Uzbekistan. "By 2030, Absolute Poverty Could Be Completely Eradicated in Uzbekistan." *Government of the Republic of Uzbekistan*. <https://gov.uz/en/news/view/86456>

<sup>13</sup> TASS. "Протесты в Казахстане. Главное." *TASS.ru*, January 4, 2022 (updated January 5, 2022). <https://tass.ru/mezhdunarodnaya-panorama/13354349>

<sup>14</sup> International Renewable Energy Agency. "91 Percent of New Renewable Projects Now Cheaper Than Fossil Fuels Alternatives." Press release, July 22, 2025. <https://www.irena.org/News/pressreleases/2025/Jul/91-Percent-of-New-Renewable-Projects-Now-Cheaper-Than-Fossil-Fuels-Alternatives>

In many advanced economies, a decoupling between economic growth and emissions growth is already evident, demonstrating the feasibility of achieving green growth without increasing carbon burdens and confirming the effectiveness of systemic energy transformation.

Amid growing global attention to environmental agendas, the green economy is increasingly recognized as a promising avenue for employment generation and modernization of socio-economic structures. According to UN Secretary-General António Guterres, in 2024, employment in clean energy sectors exceeded 35 million jobs, surpassing traditional fossil fuel-based sectors for the first time<sup>15</sup>. However, most new jobs require higher qualifications, technical skills, and digital literacy.

This shift displaces low-skilled workers from traditional carbon-intensive sectors, including coal, oil and gas, and metallurgy, reducing their available income sources. Without targeted investment in reskilling programs, green competencies, and workforce adaptation, the green transition – initially intended to build a sustainable economy – may inadvertently deepen social stratification and economic marginalization.

Migration trends in Central Asia are largely driven by worsening climate conditions and uncertainty about economic stability. In 2024, remittances from labor migrants accounted for roughly 15% of Uzbekistan's GDP, with even higher figures in neighboring countries, 24% in Kyrgyzstan and 49% in Tajikistan<sup>16</sup>. While rising migration and remittances can temporarily stabilize currency inflows and domestic demand, they are insufficient to offset the long-term impacts of climate change. Continued environmental degradation may intensify migration flows and increase national economies' dependence on external remittances, heightening vulnerability to external and natural shocks.

Consequently, the poorest populations bear the brunt of climate change, natural resource degradation, and local environmental challenges. Their livelihoods are closely tied to natural capital and climatic conditions, as most reside in rural areas and work in agriculture or labor-intensive sectors directly dependent on environmental conditions.

Implementing green reforms thus requires a balanced, comprehensive approach that combines investment in innovation and infrastructure with measures to protect socially vulnerable groups, develop human capital, and foster new competencies. Only by adhering to principles of equity, inclusivity, and effectiveness can the green transition become a sustainable mechanism for poverty reduction and strengthening socio-economic resilience.

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<sup>15</sup> United Nations. "Renewable Energy – Powering a Safer Future." *United Nations Climate Change*. <https://www.un.org/en/climatechange/raising-ambition/renewable-energy>

<sup>16</sup> Gazeta.uz. 2025. "Without Migrant Remittances, Uzbekistan's Poverty Rate Could Nearly Double." *Gazeta.uz*, March 14, 2025. <https://www.gazeta.uz/en/2025/03/14/migrants/>



# UZBEKISTAN'S AI LITERACY: A NEW SOFT-POWER SIGNAL OF OPENNESS AND INNOVATION

The concept of soft power formulated by Joseph Nye defined, as a state's ability to achieve desired outcomes through the attractiveness of its culture, values, and foreign policy rather than through coercion or material incentives remains one of the key analytical tools for describing the intangible resources of state influence in the twenty-first century.<sup>17</sup> In the context of rapid digital transformation, the dimensions of “cyber power” and digital diplomacy expand this category, where infrastructure, platforms, data, and the digital skills of the population become autonomous sources of foreign-policy influence.<sup>18</sup>

Against this backdrop, nationwide literacy in artificial intelligence (AI) is increasingly viewed not only as a tool of domestic development, but also as a resource for projecting an attractive image of the state one that is open, innovative, and youth-oriented. Contemporary research on AI policy emphasizes that AI literacy is shifting from a narrowly educational domain to the category of a comprehensive national strategy, one that incorporates issues of digital sovereignty, equity, and civic participation.<sup>19</sup>

Uzbekistan, through the consistent implementation of the Digital Uzbekistan – 2030 Strategy and the national strategy for the development of artificial intelligence technologies through 2030, positions AI as a key element of economic modernization and public sector governance.<sup>20</sup> The Five Million AI Leaders initiative becomes a logical extension of the country's commitment to developing national human capital in the digital sphere and crucially a new resource of soft power and digital nation branding.

The purpose of this brief is to analyze the Five Million AI Leaders project within the framework of the concepts of soft power and digital diplomacy, and to demonstrate how nationwide AI literacy can strengthen Uzbekistan's position on the international stage.

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<sup>17</sup> Nye, J. S. (2004). *Soft Power: The Means to Success in World Politics*. Public Affairs.

<https://philpapers.org/rec/NYESPT>

<sup>18</sup> Nye, J. S. (2010). *Cyber Power*. Belfer Center for Science and International Affairs, Harvard Kennedy School. URL: [https://www.belfercenter.org/sites/default/files/pantheon\\_files/files/publication/cyber-power.pdf](https://www.belfercenter.org/sites/default/files/pantheon_files/files/publication/cyber-power.pdf)

<sup>19</sup> Khodabin, M., & Aarsalani, A. (2025). “Artificial Intelligence Literacy as National Strategy: A Systematic Review of Policy, Equity, and Capacity Building across the Global South”. *Journal of World Sociopolitical Studies*. URL: [https://wsps.ut.ac.ir/article\\_103096.html](https://wsps.ut.ac.ir/article_103096.html)

<sup>20</sup> Resolution of the President of the Republic of Uzbekistan, OT 14.10.2024 r. № RP-358 // <https://lex.uz/en/docs/7159258>

From an international perspective, AI is increasingly being employed as an instrument of soft power and technological diplomacy a trend clearly observable in the case of China, where AI technologies and platforms are used to enhance cultural influence and promote the image of a technologically advanced global power.<sup>21</sup> For Uzbekistan, which aspires to become a regional digital hub in Central Asia, nationwide AI literacy represents a logical step toward shaping its own profile of “digital soft power.”

Uzbekistan’s national policy in the field of artificial intelligence is grounded in several key strategic documents that collectively shape the overall architecture of digital transformation. At the center of this system is the Digital Uzbekistan – 2030 Strategy, aimed at developing modern digital infrastructure, e-government, the digital economy, and the domestic market for high-tech solutions.<sup>22</sup> It outlines long-term priorities related to increasing the efficiency of public administration, expanding digital services, and stimulating the growth of the local IT sector.

An important component of the regulatory framework is the Strategy for the Development of Artificial Intelligence Technologies until 2030, approved by Presidential Decree of the Republic of Uzbekistan No. RP-358 of 14 October 2024. This document sets concrete quantitative targets and the mechanisms for achieving them. Among the priorities are: increasing the volume of AI-based products and services to USD 1.5 billion by 2030; placing the country among the fifty states with the highest level of government readiness for AI deployment; establishing no fewer than ten artificial intelligence research laboratories; and building a critical mass of specialists through the enhancement of public knowledge and skills in this domain.<sup>23</sup> These measures aim to create a national research and applied AI ecosystem capable of competing at the global level.

According to UzDaily (2025), the number of higher education institutions training IT specialists has nearly tripled; reaching 145, while the number of students enrolled in IT programs has exceeded 80,000. In parallel, more than two million young people have completed training under the national “Bir Million Dasturchi” project, making it one of the largest IT-education initiatives in the region.<sup>24</sup>

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<sup>21</sup> Valle de Frutos, S., Wang, Y., & Deng, L. (2025). “A Vision from China on Artificial Intelligence. Implications for Soft Power in Global Cultural Exchange”. UNISCI Journal, № 67. URL: [https://www.researchgate.net/publication/389943388\\_A\\_vision\\_from\\_China\\_on\\_Artificial\\_Intelligence\\_Implications\\_for\\_Soft\\_Power\\_in\\_Global\\_Cultural\\_Exchange](https://www.researchgate.net/publication/389943388_A_vision_from_China_on_Artificial_Intelligence_Implications_for_Soft_Power_in_Global_Cultural_Exchange)

<sup>22</sup> Указ Президента Республики Узбекистан, от 05.10.2020 г. № УП-6079 // <https://lex.uz/ru/docs/5031048?ONDATE=06.10.2020&ONDATE2=02.04.2021&action=compare>

<sup>23</sup> World Bank Prices USD 1.5 billion Increase to SOFR-Linked Floating Rate Bond // <https://www.worldbank.org/en/news/press-release/2025/07/10/world-bank-prices-usd-1-5-billion-increase-to-sofr-linked-floating-rate-bond>

<sup>24</sup> President of Uzbekistan Unveils New AI and Digitalization Initiatives // <https://www.uzdaily.uz/en/president-of-uzbekistan-unveils-new-ai-and-digitalization-initiatives/>

The public announcement of the initiative to train “five million AI leaders” at the international artificial intelligence forum in Tashkent was structured in a way that conveyed several clear foreign-policy signals to the global audience.

First, the initiative positions Uzbekistan as a country that systematically invests in its youth and its future.

Second, within the framework of the initiative, Uzbekistan is presented as an open partner in the high-technology sphere. The partnership with Nvidia, the establishment of a technology-transfer office in Silicon Valley, and the organization of internships for young specialists in leading technology companies in the United States, the United Arab Emirates, and Europe all signal the country’s intention to integrate into global innovation chains. This approach fundamentally differs from models of “closed digital sovereignty” and reinforces the image of Uzbekistan as a state that combines the protection of national interests with a readiness for deep international cooperation.

Third, the initiative strengthens Uzbekistan’s positioning as a regional hub for artificial intelligence and digital technologies. The regular convening of the Silk Road AI Forum and its status as an international platform for AI dialogue contribute to consolidating Tashkent’s role as a nodal point for digital agenda discussions across Eurasia.<sup>25</sup> In this way, the country not only participates in the global discourse but also becomes one of the centers of its institutionalization.

An analysis of Uzbekistan’s initiative for large-scale AI literacy development shows that it is shaping a qualitatively new dimension of the country’s soft power. The nationwide scope of the program allows AI literacy to be viewed not as a narrow component of educational reform, but as a strategic state resource that integrates economic development, democratic participation, digital sovereignty, and international positioning. This fully aligns with the global scholarly trend in which AI literacy is embedded within the broader context of public policy and becomes an instrument of long-term competitiveness, institutional modernization, and the strengthening of a state’s international authority.

The Five Million AI Leaders project strengthens Uzbekistan’s digital brand as a youth-oriented, open, and innovative state. Its emphasis on mass education, opportunities for young people, and global internships creates an appealing external narrative of a country where the future is understood not as a slogan, but as a concrete educational program and a predictable career trajectory. Such a representation contributes to positioning Uzbekistan as a state that seeks to ensure that its youth become full-fledged participants in the digital economy.

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<sup>25</sup> 2025 Digital Silk Road Development Forum // <https://www.wicinternet.org/DigitalSilkRoad.html>

The international dimension of the initiative significantly enhances its value as an instrument of digital diplomacy. Partnerships with leading technology companies and universities, the organization of international artificial intelligence forums, and the engagement of foreign experts transform AI literacy into a channel of foreign-policy communication. Uzbekistan's integration into global professional and expert networks strengthens its influence within international discussions on the future of artificial intelligence and digital governance.

To strengthen the foreign-policy potential of the project, it is advisable to embed it into the institutional practice of digital diplomacy.

First, the Ministry of Foreign Affairs, diplomatic missions, and national booths at major international forums such as the United Nations, OECD, UNESCO, the World Economic Forum, the Organization of Turkic States, and the Shanghai Cooperation Organization, should incorporate the Five Million AI Leaders initiative into presentations.

Second, it is important to regularly prepare reports, success stories, and materials in English that reflect the actual progress of the initiative and are tailored to a global audience.

The next step could be the promotion of AI literacy as a “right and an opportunity” for young people. Such an approach would allow the project to be linked to the Sustainable Development Goals specifically SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).<sup>26</sup> It is essential to emphasize that AI literacy is an important competency not only for programmers, but also for representatives of all modern professions doctors, teachers, lawyers, engineers, and public servants.

Finally, it is necessary to strengthen the ethical dimension of AI literacy. Incorporating modules on AI ethics, data protection, and human rights in the digital environment into educational programs would further underscore Uzbekistan's commitment to international standards for the responsible and secure use of AI. This, in turn, would reinforce the country's image as a reliable and mature participant in the global dialogue on artificial intelligence governance.

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<sup>26</sup> THE 17 GOALS // <https://sdgs.un.org/goals>

# WATER CHALLENGES IN CENTRAL ASIA

Central Asia is experiencing increasing pressure on its water resources due to a combination of environmental, climatic, and socio-economic factors. Ongoing development activities, changing climate conditions, and the shared nature of major river basins have made water management more complex across the region. These dynamics affect the quality and availability of water, the stability of ecosystems, and the livelihoods of communities that depend on them. At the regional level, differences in national priorities and institutional approaches further shape how water resources are used and managed. Against this background, water-related issues remain an important element of sustainable development, regional cooperation, and long-term socio-economic resilience in Central Asia. There are several interrelated factors contributing to water challenges in Central Asia, including:

## **1. Risks to regional water ecosystems amid industrial and infrastructure development**

Despite states' efforts to protect water resources, the region is increasingly witnessing growing entrepreneurial activity in water protection zones, driven both by private sector interests and by governments' pursuit of economic growth. These processes include the development of tourism infrastructure in coastal areas and industrial construction, often accompanied by simplified wastewater discharge into water bodies. Of particular concern is the fact that such practices occur both within national territories of countries and in transboundary areas, which exacerbates the problem of rational water use at the regional level and highlights the need for coordinated regional measures.

### *Legal and Institutional Constraints:*

- variations between national environmental standards and international requirements (Helsinki Water Convention, Aarhus Convention, SDGs, etc.);
- insufficiency of transboundary agreements on water management in coastal zones;
- weak enforcement of environmental regulations in construction activities.

### *Key Consequences:*

- deterioration of water quality and loss of biodiversity in aquatic ecosystems;
- increased public health risks due to declining drinking water quality;
- heightened threats to food and economic security of the regions;
- rising risks of social tensions;



## 2. Destabilizing impact of climate change

The intensification of climate change in Central Asia is leading to a growing shortage of water resources and undermining the foundations of regional economic and social resilience. Over the past 20 years, groundwater levels in 22 parts of Uzbekistan have declined by 5 to 20 meters.<sup>27</sup> In addition, the Asian Development Bank forecasts a 10–15 percent reduction in water volumes in the Amu Darya and Syr Darya rivers by 2050.<sup>28</sup> In rural areas, rivers and streams are drying up, negatively affecting the stability of the agricultural sector and the sustainability of local communities.

At the same time, the World Bank projects that by 2050 the consequences of climate change could trigger large-scale migration processes in Central Asia, affecting up to 2.4 million people.<sup>29</sup> The most vulnerable areas will be regions with high population density and limited water resources: territories adjacent to the Fergana Valley in Uzbekistan and Tajikistan, southern regions of Kazakhstan, and areas surrounding Bishkek in Kyrgyzstan. The key risk factors for climate migration include reduced water availability, declining agricultural productivity, and land degradation. Similar challenges are also characteristic of certain areas of eastern Turkmenistan and southern Uzbekistan located along the Amu Darya riverbed.

In addition, the premature and largely irreversible reduction of glacier resources significantly weakens the resilience of regional water security.

### *Key Indicators:*

- In Tajikistan: Over the past decades, more than 1,000 glaciers have disappeared, leading to an approximate 30% reduction in glacier area and a 20% decline in volume.<sup>30</sup>
- In Kyrgyzstan: Average losses amount to around 16%, with some basins experiencing reductions of 30–47%, critically affecting the runoff of key regional rivers.

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<sup>27</sup> State Committee of the Republic of Uzbekistan on Geology and Mineral Resources; State Unitary Enterprise “Uzbekgidrogeology,” Status of Groundwater in the Republic of Uzbekistan, Tashkent, 2022, [https://unece.org/sites/default/files/2022-10/2.2.2020%20%D0%90%D0%B9%D1%82%D0%BC%D0%B5%D1%82%D0%BE%D0%B2\\_%D1%81%D0%BE%D1%81%D1%82%D0%BE%D1%8F%D0%BD%D0%B8%D0%B5%20%D0%BF%D0%BE%D0%B4%D0%B7%D0%B5%D0%BC%D0%BD%D1%8B%D1%85%20%D0%B2%D0%BE%D0%B4.pdf](https://unece.org/sites/default/files/2022-10/2.2.2020%20%D0%90%D0%B9%D1%82%D0%BC%D0%B5%D1%82%D0%BE%D0%B2_%D1%81%D0%BE%D1%81%D1%82%D0%BE%D1%8F%D0%BD%D0%B8%D0%B5%20%D0%BF%D0%BE%D0%B4%D0%B7%D0%B5%D0%BC%D0%BD%D1%8B%D1%85%20%D0%B2%D0%BE%D0%B4.pdf)

<sup>28</sup> Asian Development Bank (2022) *By the Numbers: Climate Change in Central Asia*, available at: <https://www.adb.org/news/features/numbers-climate-change-central-asia>

<sup>29</sup> World Bank (2018) *Climate Change Could Force Over 140 Million to Migrate Within Countries by 2050: World Bank Report*, 19 March, available at: <https://www.worldbank.org/en/news/press-release/2018/03/19/climate-change-could-force-over-140-million-to-migrate-within-countries-by-2050-world-bank-report>

<sup>30</sup> UNEP, “Tajikistan’s Melting Glaciers Put Water Resources under Stress,” United Nations Environment Programme, accessed January 14, 2026, <https://www.unep.org/news-and-stories/press-release/tajikistans-melting-glaciers-put-water-resources-under-stress-unep>

- In Kazakhstan and Uzbekistan: Sharing glaciers of the Western Tien Shan, glacier area has decreased by nearly 27% over the past two decades, with reductions in some mountainous regions of Kazakhstan reaching up to 40%.

### **3. Limitations of existing mechanisms for transboundary water allocation**

Despite the institutionalized practice of agreeing on annual transboundary water allocation volumes within the framework of the Interstate Commission for Water Coordination (ICWC) of Central Asia, a key issue remains: the lack of detailed short-term scheduling of water deliveries (monthly or weekly). In practice, water releases often occur during periods when downstream countries have minimal demand, while during peak demand periods, access to water is limited.

### **4. Implications of the construction of the Qosh-Tepa canal**

The construction of the Kosh-Tepe Canal by Afghanistan, drawing from the Amu Darya basin, presents new challenges. The canal, approximately 285 km in length, 100 m in width, and up to 8.5 m in depth, is designed for an annual withdrawal of around 10–13 billion m<sup>3</sup> of water three times the current water usage of Afghanistan.<sup>31</sup> Its primary purpose is to irrigate approximately 550,000 hectares of land in northern Afghanistan.<sup>32</sup>

Although the five Central Asian states have largely aligned approaches to water use, the implementation of the Qosh-Tepa canal qualitatively changes Afghanistan's position, establishing it as an independent and significant actor in Central Asian water politics, while remaining outside existing agreements and coordination mechanisms (Almaty Agreement of 1992, ICWC and IFAS structures, etc.).<sup>33</sup>

#### *Projected risks and consequences:*

##### **1. Water management risks:**

- Peak water withdrawals will occur from May to August, coinciding with the vegetation season in the region.
- Planned construction of three reservoirs with a combined capacity of up to 9 km<sup>3</sup> will introduce additional regulation factors, complicating the forecasting and coordination of water use.

##### **2. Economic implications:**

<sup>31</sup>The Times of Central Asia (2025) *Central Asia Faces Growing Water Risks as Qosh Tepa Canal Nears Completion*, 20 November, available at: <https://timesca.com/central-asia-faces-growing-water-risks-as-qosh-tepa-canal-nears-completion/>

<sup>32</sup>Akhundzadah, N. & Kassam, K-A. (2025) *Water sovereignty as a pathway to food and energy security in Afghanistan*, *Discover Sustainability*, 6:628, available at: <https://link.springer.com/article/10.1007/s43621-025-01535-9>

<sup>33</sup> Interstate Commission for Water Coordination (ICWC) (n.d.) *Statute of the Interstate Commission for Water Coordination of Central Asia*, available at: <http://www.icwc-aral.uz/statute3.htm>

- A reduction in Amu Darya flow by 35% could cause a decrease in Uzbekistan's GDP of 0.7–6% and the loss of up to 250,000 jobs.<sup>34</sup>
- Reduced water inflows to vulnerable regions (Karakalpakstan, Khorezm, Bukhara, Kashkadarya, Surkhandarya) will lead to lower crop yields, land degradation, and create conditions for socio-economic instability, including increased migration.

### 3. Social implications

- Increased tension in border regions inhabited by over 7.8 million people, projected to rise to 8.7 million by 2030.
- Rising migration: in recent decades, approximately 400,000 people have left northern Uzbekistan, relocating to central regions or to Kazakhstan due to ecosystem degradation and water scarcity.

### 4. Environmental implications

- Accelerated degradation of the Aral Sea basin and loss of biodiversity.
- Increased risks of secondary salinization, waterlogging, flooding, and deterioration of groundwater quality (including arsenic, fluoride, and other heavy metals).



*Source: Ministry of  
& Livestock,*

*Agriculture, Irrigation  
Afghanistan*

<sup>34</sup> Impact of Afghanistan's Water Developments in Amu Darya Basin on Central Asia, Policy Brief, (Tashkent: Institute for Strategic and Regional Studies, 2023), accessed January 14, 2026, [https://iais.uz/storage/files/1/PolicyBriefCA-Afg\\_Water%20Developments.pdf](https://iais.uz/storage/files/1/PolicyBriefCA-Afg_Water%20Developments.pdf)

## AT THE 89TH MEETING OF THE ICWC: CENTRAL ASIAN COUNTRIES APPROVED WATER ABSTRACTION LIMITS FOR THE 2025 VEGETATION PERIOD

Central Asian countries continue to strengthen their water resource management system based on a proactive institutional approach. The 89th meeting of the Interstate Commission for Water Coordination (ICWC) was held in April of this year in Samarkand<sup>35</sup>. One of the key items on the agenda was the approval of agreed interstate water withdrawal limits for Central Asian countries for the 2025 vegetation period in the Syr Darya and Amu Darya river basins.



Source: ICWC

The water withdrawal limits for the 2025 vegetation period in the Syr Darya basin were approved as follows:

Kazakhstan (Dostlik Canal) — 909 million m<sup>3</sup>;

Kyrgyzstan — 270 million m<sup>3</sup>;

Tajikistan — 1.9 billion m<sup>3</sup>;

Uzbekistan — 8.8 billion m<sup>3</sup>.<sup>36</sup>

The total water withdrawal limits for the 2025 vegetation period in the Amu Darya basin amount to 39.723 million m<sup>3</sup>, of which Tajikistan accounts for 7.003 million m<sup>3</sup>, Turkmenistan for 15.500 million m<sup>3</sup>, and Uzbekistan for 16.020 million m<sup>3</sup>. In addition, 5.150 million m<sup>3</sup> of water is allocated for environmental and sanitary-ecological needs, including water supply for the river delta and the Aral Sea.

<sup>35</sup> Interstate Commission for Water Coordination (ICWC) (n.d.) ICWC – *Interstate Commission for Water Coordination of Central Asia*, available at: [http://www.icwc-aral.uz/content/108\\_en.htm](http://www.icwc-aral.uz/content/108_en.htm)

<sup>36</sup> *The Times of Central Asia* (2025) *Kazakhstan to Receive 3.7 Billion Cubic Meters of Syr Darya Water in 2025*, 7 April, available at: [to-recv-3-7-blln-cubic-meters-of-syr-darya-water-in-2025/](https://timesofcentralasia.com/to-recv-3-7-blln-cubic-meters-of-syr-darya-water-in-2025/)

The meeting also confirmed the readiness of Central Asian states to deepen the institutional foundations of cooperation, with particular emphasis on improving the legal and regulatory framework of the International Fund for Saving the Aral Sea (IFAS), as well as participation in international initiatives and strengthening IFAS's capacity and international standing. In this context, ICWC members were also tasked with supporting the organization of a regional forum within the framework of the High-Level Interstate Conference on Glacier Preservation, scheduled for May 29–31, 2025, in Dushanbe, Tajikistan.<sup>37</sup>

These joint efforts reflect the commitment of Central Asian countries to manage shared water resources effectively, ensuring a balance between agricultural needs, energy production, and environmental protection. It is also noteworthy that water reserves in upstream reservoirs increased by 1.47 billion m<sup>3</sup> compared to 2024 by the start of the vegetation period, creating an additional resource buffer.<sup>38</sup>

All of this forms a clear and sustainable trend: a transition from technical synchronization to institutional consolidation and strategic coordination. It is precisely in such decisions that the practical value of water diplomacy is manifested — as a foundation for environmental and political stability in Central Asia.

Regular meetings once again confirm the strategic importance of coordinating transboundary water use for the sustainable development of Central Asia. Under conditions of climate change and uneven water availability across the region, water diplomacy is evolving from a declarative slogan into a practical instrument of joint regional governance. The next, 90th ICWC meeting is scheduled for August 2025 and will be held in Astana, Republic of Kazakhstan.



*Source: ICWC Bulletin No. 108, April 2025*

<sup>37</sup> *International Year of Glaciers' Preservation (2025) International Conference on Glaciers' Preservation 2025*, available at: <https://www.un-glaciers.org/en/international-conference>

<sup>38</sup> <https://www.un-glaciers.org/en/international-conference>





# GLOBAL GOVERNANCE, REGIONAL DYNAMICS, AND STRATEGIC PARTNERSHIPS

# CONSEQUENCES OF THE U.S. WITHDRAWAL FROM UNESCO



The administration of the United States of America has officially notified of its decision to once again withdraw from the United Nations Educational, Scientific and Cultural Organization (UNESCO). The complete termination of membership is scheduled for December 31, 2026.<sup>39</sup> This step

marks the third withdrawal of the United States from this organization and reflects the foreign policy of the “America First” slogan pursued by President Donald Trump.

According to a statement by the Department of State, further participation in UNESCO “does not serve the national interests of the United States”, since the organization, in the view of the department, promotes “divisive social and cultural initiatives” and places excessive emphasis on the UN Sustainable Development Goals, which is characterized as a “globalist, ideologized agenda”. Representatives of the White House also described UNESCO’s activities as “promoting controversial cultural and social projects”, which runs counter to the conservative policies of the current Administration.

A key factor was UNESCO’s 2011 decision to grant full membership to Palestine, which, it is claimed, contributed to the spread of anti-Israeli rhetoric within the organization.<sup>40</sup> UNESCO Director-General Audrey Azoulay firmly rejected accusations of anti-Israeli bias, pointing to the organization’s active work in the field of Holocaust education, which has been highly praised by specialized institutions, including the United States Holocaust Memorial Museum in Washington. Notably, the only country to support Washington was Israel, which called this step “necessary on the path toward fair treatment and political neutrality”.

The current decision continues the complex and cyclical history of relations between the United States and UNESCO; however, the organization’s reaction this time differs

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<sup>39</sup> U.S. Department of State (2025) *The United States Withdraws from the United Nations Educational, Scientific and Cultural Organization (UNESCO)*, 7 July, available at: <https://www.state.gov/releases/2025/07/the-united-states-withdraws-from-the-united-nations-educational-scientific-and-cultural-organization-unesco>

<sup>40</sup> UN News (2011) *UNESCO votes to admit Palestine as full member*, 31 October, available at: <https://news.un.org/en/story/2011/10/393562>

fundamentally from previous instances. Whereas in response to the withdrawal of the Reagan Administration in 1984 UNESCO, being highly dependent on U.S. funding and in the presence of a consensus among Western countries, was forced to adhere to an “adaptive strategy”, making concessions and reforms, today the situation is different.

Under current conditions, when the concentration of resources in the hands of a single state has significantly declined and the positions of key world powers do not coincide with those of the United States, the organization has been able to adopt a firm stance of resistance. This strategic shift became possible because, during the years of the absence of full funding from the United States, UNESCO deliberately worked to reduce its vulnerability, which can be characterized as managing American risk.

The reaction to the U.S. decision was predominantly negative. A. Azoulay expressed deep regret, noting that this step “contradicts the fundamental principles of multilateralism”.<sup>41</sup> The Secretary-General of the United Nations also aligned himself with her assessment. France, on whose territory the organization’s headquarters is located, likewise expressed regret and confirmed its full support for the reforms launched in 2018.

Having faced the threat of U.S. withdrawal as early as 2017, UNESCO under the leadership of A. Azoulay initiated a large-scale strategic transformation aimed at increasing financial sustainability and operational autonomy. Funding sources were diversified, with an emphasis on voluntary contributions from other member states and private donors, the volume of which has doubled since 2018.

As a result, the share of the United States’ assessed contribution in the organization’s overall budget has been reduced to 8%, whereas in other UN bodies, it can reach 40%.<sup>42</sup> Thanks to these measures, in 2019 UNESCO achieved a budget increase for the first time in nearly two decades. A. Azoulay emphasized that Washington’s decision was expected and that the organization had prepared for it; therefore, there is no question of staff reductions.

The U.S. withdrawal from UNESCO is taking place against the backdrop of a complex internal situation within the organization itself, which has long served as an arena for multilateral political disputes unrelated to Washington. Member states often use its platform to address historical grievances, compete over rival cultural heritage nominations, and challenge the legitimacy of their opponents.

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<sup>41</sup> <sup>1</sup> UNESCO (2025) *Withdrawal of the United States of America from UNESCO: statement by Audrey Azoulay, Director-General*, 22 July, available at: <https://www.unesco.org/en/articles/withdrawal-united-states-america-unesco-statement-audrey-azoulay-director-general>

<sup>42</sup> Council on Foreign Relations (2025) *Funding the United Nations: What Impact Do U.S. Contributions Have on UN Agencies and Programs*, available at: <https://www.cfr.org/article/funding-united-nations-what-impact-do-us-contributions-have-un-agencies-and-programs>

Thus, in the past, tensions arose between China and India over Tibetan medicine. A separate conflict emerged with Japan, which suspended funding after documents concerning the 1937 Nanjing Massacre were included in the “Memory of the World” register - a program for the preservation of global documentary heritage<sup>43</sup> (mass killings and war crimes committed by Japanese troops in what was then the capital of China). In addition, Serbia actively opposed attempts by Kosovo to obtain membership in the organization.

Regional disagreements are evident even during leadership elections, as was the case in 2017, when Arab countries failed to nominate a single candidate. This intense political atmosphere demonstrates that the departure of the United States is only one of many challenges facing UNESCO, albeit a very significant one.

One of the most significant consequences of the U.S. withdrawal is the creation of a geopolitical vacuum that is being actively filled by China. Beijing not only positions itself as a more reliable partner, but also systematically increases its financial and ideological influence. Having already become the largest contributor of assessed membership fees, China is also increasing voluntary donations.

In particular, these funds are directed toward educational projects in Africa implemented in partnership with Chinese universities, support for World Heritage sites within China itself, as well as initiatives that complement its global “One Belt, One Road” project.

Moreover, the PRC uses the UNESCO platform to promote its own cultural and historical interpretations, sometimes to the detriment of the interests of ethnic minorities. For example, critics pointed to the designation of the Hoh Xil Plateau as a World Heritage site, which, in their view, enabled Beijing to strengthen control over nomadic Tibetans, as well as to the removal of a Uyghur linguist from the list of speakers at an organization conference.<sup>44</sup>

Finally, China is taking the initiative in shaping global standards in such strategic areas as the ethics of the use of artificial intelligence in education, where its state-control-oriented approach may come into conflict with Western values that emphasize privacy.

In addition to geopolitical consequences, withdrawal from UNESCO means for the United States the termination of participation in specific programs that brought tangible benefits to the American scientific and educational community. These include initiatives such as the International Geoscience and Geoparks Programme, which supports research in the fields of climate and biodiversity, as well as the Intergovernmental Oceanographic Commission, which coordinates monitoring of the state of the ocean.

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<sup>43</sup> <sup>1</sup> UNESCO (n.d.) *Asia Pacific region: UNESCO in the Media: press reviews and ...*, available at: <https://unesdoc.unesco.org/ark:/48223/pf0000366345>

<sup>44</sup> BBC News (2017) *UNESCO heritage listing sparks Tibetan resettlement fears*, 10 July, available at: <https://www.bbc.com/news/world-asia-china-40552772>

Washington also loses its voice in the development of advanced global standards, for example within the framework of the “Future of Education” project or in the creation of the “Guidance on Generative Artificial Intelligence in Education and Research”. Joint work in areas such as combating disinformation and supporting education for women and girls is also coming to an end.

Withdrawal from the organization also directly affects American cities, cultural sites, and academic circles. As A. Azoulay noted, the decision may primarily harm “numerous partners in the United States of America”, including communities seeking to have their sites included on the World Heritage List or cities participating in the UNESCO Creative Cities Network. Such cities include, for example, Austin, Kansas City, Seattle, and San Antonio, which have used this status to attract investment.

In addition, the termination of membership places 26 American World Heritage sites in an uncertain position, ranging from the national parks of Yellowstone and the Grand Canyon to cultural landmarks such as Independence Hall in Philadelphia. The ideological divide manifests itself in the clash between UNESCO’s principle that heritage sites “belong to all the peoples of the world” and the position of the Trump Administration, which previously increased fees for foreign tourists in national parks under the slogan “national parks will primarily serve Americans”.

This step is not an isolated event, but fits into the broader context of the policies of the Trump Administration, which is assumed to be acting within the framework of a doctrine known as “Project 2025”, providing for a large-scale revision of U.S. participation in all international organizations.<sup>45</sup> Previously, D. Trump had already withdrawn the country from the World Health Organization, the UN Human Rights Council, and the Paris Climate Agreement. At the same time, even within the Administration itself and among its appointees, different approaches are evident: for example, during hearings on the confirmation of M. Waltz as U.S. representative to the UN, opinions were voiced about the need to counter China within international organizations rather than cede the field to it.

Nevertheless, the prevailing view is that such organizations are breeding grounds for globalism and left-liberal ideas. Thus, withdrawal from UNESCO is not so much a pragmatic as an ideological decision, complementing the overall isolationist orientation of U.S. foreign policy.

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<sup>45</sup> <sup>1</sup> Stop Project 2025 Task Force (2024) *Project 2025 Subject-by-Subject Breakdown*, 26 July 2024, available at: [https://lofgren.house.gov/sites/evo-subsites/lofgren.house.gov/files/evo-media-document/Stop%20Project%202025%20Task%20Force's%20Project%202025%20Subject-by-Subject%20Breakdown\\_7.26.2024.docx-compressed.pdf](https://lofgren.house.gov/sites/evo-subsites/lofgren.house.gov/files/evo-media-document/Stop%20Project%202025%20Task%20Force's%20Project%202025%20Subject-by-Subject%20Breakdown_7.26.2024.docx-compressed.pdf)



# DONALD TRUMP'S FOREIGN POLICY STRATEGY IN THE MIDDLE EAST

Upon assuming office as President of the United States on January 20, 2025, Donald Trump and his Administration were confronted with an extremely unstable situation in the Middle East, marked by two ceasefire agreements between Israel and HAMAS, and between Israel and Lebanon. These arrangements, achieved with the



mediation of the Biden Administration in close coordination with several appointees of Trump's new team, were initially viewed as temporary de-escalation mechanisms intended to create conditions for subsequent, more sustainable settlement frameworks. Against this backdrop, the foreign policy priorities of the Trump Administration were shaped within a logic of immediate response on destabilization risks, which, in turn, brought U.S.–Israeli relations to the forefront of the current administration's agenda.

In the first weeks following his inauguration, Trump held telephone conversations with the leaders of four Arab states: Saudi Arabia (January 22), <sup>46</sup>Jordan (January 25), Bahrain (January 26), and Egypt (February 1). The common theme of these dialogues was the reaffirmation of strategic partnership based on shared interests in ensuring regional stability and security, as well as in deepening economic cooperation. The prompt outreach by Arab leaders reflects not only their recognition of Trump's return to power, but also their perception of his presidency as more conducive to advancing their geopolitical objectives and national interests compared to the Biden Administration, which demonstrated limited engagement and a lack of strategic dynamism in regional affairs.

Donald Trump's four-day official visit to the Middle East<sup>47</sup>, held from May 13 to 16 of this year and traditionally beginning with a visit to Saudi Arabia, was primarily aimed at formalizing a number of bilateral agreements that had been preliminarily discussed during telephone talks in January. This marked a transition from symbolic declarations to practical diplomacy focused

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<sup>46</sup> The White House (2025) *Readout of President Donald J. Trump call with Crown Prince Mohammad bin Salman*, 23 January, available at: <https://www.whitehouse.gov/briefings-statements/2025/01/readout-of-president-donald-j-trump-call-with-crown-prince-mohammad-bin-salman/>

<sup>47</sup> Arab Center Washington DC (2025) *President Trump's Gulf Trip: Post-Visit Observations*, 20 May, available at <https://arabcenterdc.org/resource/president-trumps-gulf-trip-post-visit-observations/>

on cooperation in the fields of security, arms sales, technology, artificial intelligence, and energy.

Trump's consistent attention to the Middle East, reflected in his choice of Saudi Arabia as the first destination for an official visit both in 2017 and in 2025, together with the prompt congratulatory calls from Arab leaders, underscores the alignment between the foreign policy calculations of the Trump Administration and those of Middle Eastern states. By contrast, his visit to the Vatican in April of this year was largely ceremonial in nature and fit more within diplomatic protocol than serving as a signal of geopolitical orientation.

### **Strategic Threats to U.S. National Interests in the Middle East**

According to the Annual Threat Assessment of the U.S. Intelligence Community published in March of this year, Iran ranks third among the most serious state threats to U.S. national security<sup>48</sup>. Moreover, the deepening of Iran's strategic ties with Russia and China identified in the report as the two principal state threats to U.S. national security transforms Iran from a localized challenge into an element of a broader systemic confrontation.

At the same time, the threat posed by non-state actors persists, primarily terrorist organizations such as the Islamic State of Iraq and the Levant (ISIS) and 'Al-Qaeda'. According to official U.S. assessments, these groups exploit ongoing regional instability to restore their operational activity and ideological influence, which constitutes a direct threat to U.S. citizens and interests.

### **The Palestinian Issue**

Despite numerous high-profile public statements by Donald Trump, experts criticize his Administration's passive approach to resolving the Palestinian issue. Since the beginning of his second term, Trump has exerted no serious pressure on Israeli Prime Minister Benjamin Netanyahu. In a broad sense, Trump's foreign policy vision is centered on the normalization of Arab-Israeli relations, while the establishment of Palestinian statehood and the protection of Palestinian rights remain of significantly lesser concern.

In a broader sense, a key element of Trump's vision is his proposal to transform Gaza into the "Riviera of the Middle East," which supposes the relocation of more than two million Palestinians from Gaza to neighboring countries, presumably Egypt and Jordan, as well as the acquisition of control and property rights over the territory by the United States. Notably, this

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<sup>48</sup>Office of the Director of National Intelligence (2025) *2025 Annual Threat Assessment of the U.S. Intelligence Community [Unclassified Report]*, March, available at <https://www.dni.gov/files/ODNI/documents/assessments/ATA-2025-Unclassified-Report.pdf>

ambition was voiced on February 4 of this year at a joint press conference with Netanyahu in Washington,<sup>49</sup> coinciding with a period of fragile ceasefire between Israel and Hamas.

Trump's radical proposal revived long-standing Palestinian fears of their ultimate displacement from their historical lands. It also provoked a wave of outrage across the Arab world, whose states maintain a firm and consistent position against the forced relocation of Palestinians and continue to support the "two states for two peoples" formula as the only acceptable path toward peace.

As part of a collective response, Arab countries developed a common approach in the form of an alternative plan based on an Egyptian proposal, informally referred to as "Gaza 2030." The Palestinian Authority supported the proposed plan, while Hamas demonstrated only selective readiness to implement it.

### **The Hostage Issue in Gaza**

Despite its passive stance on the Palestinian question, the Trump Administration demonstrated notable activity regarding the release of hostages held by Hamas in the Gaza Strip. This issue became one of the priorities both during the election campaign and after Trump's re-election. His approach included harsh public ultimatums framed as "final warnings," direct negotiations in Qatar with Hamas representatives facilitated by Trump's Special Envoy for Hostage Affairs, temporary ceasefires, and the involvement of regional mediators.

Background: Following the attack of October 7, 2023, Hamas militants took more than 250 hostages, including U.S. citizens and dual nationals. On May 12, 2025, the last American hostage holding dual U.S.-Israeli citizenship was released as a result of sustained pressure from President Trump.

### **Economic dimension**

In April of this year, Stephen Miran, Chairman of the Council of Economic Advisers appointed by President Trump, drew attention to a long-standing structural imbalance in the global security system<sup>50</sup>. According to him, the United States bears disproportionately high costs in maintaining international stability and financial order, effectively providing these as global public goods at the expense of significant domestic resources. Although Miran did not name specific countries, his criticism was probably directed at traditional U.S. security partners in the Middle East, including Saudi Arabia, the UAE, Qatar, and Kuwait, which he visited during his

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<sup>49</sup> Reuters (2025) *Trump, Netanyahu set for pivotal talks on Middle East agenda*, 4 February, available at: <https://www.reuters.com/world/trump-netanyahu-set-pivotal-talks-middle-east-agenda-2025-02-04/>

<sup>50</sup> <https://www.whitehouse.gov/briefings-statements/2025/04/cea-chairman-steve-miran-hudson-institute-event-remarks/>

regional tour in May. These states have long benefited from the American “security umbrella” without assuming commensurate economic and defense obligations.

A key factor remains the expanding U.S. military presence in the Persian Gulf and the Red Sea, supported by missile defense systems and a strategy of deterrence against Iran. This continues to guarantee the security of the Gulf states. Nuclear negotiations with Iran, resumed in Oman on April 12, 2025<sup>51</sup>, have made progress and are approaching a framework agreement.

In this context, Miran’s statements could be viewed as a signal for a reassessment of approaches: U.S. strategic guarantees can no longer be perceived as indefinite and economically unconditional. Going forward, Washington will seek a more proportional sharing of defense expenditures, expanded trade concessions, and direct financial investments from regional states, marking a shift toward a more transactional and conditional security model.

Moreover, Miran’s emphasis on U.S. industrial renewal and the burden of providing dollar liquidity as the global reserve currency places additional pressure on the Gulf states. This approach was given practical expression in the agreements concluded during Trump’s May visit to the Gulf countries.

Against the backdrop of growing trends toward de-dollarization and diversification of foreign trade relations, the “fair burden-sharing” concept promoted by the Trump Administration may test the resilience of U.S.–Arab partnerships, particularly as they are being reshaped into pragmatically beneficial models of cooperation.

At the same time, without the development of alternative approaches to engagement with Arab states, the humanitarian vacuum created by the termination of USAID programs could inflict significant damage on the region’s fragile political and social structures, lead to deeper instability, weaken state governance mechanisms, intensify recruitment and influence of non-state armed groups, and reduce Washington’s capacity for strategic influence in the region.

Nevertheless, within a proactive framework, Trump is implementing targeted measures including the lifting of sanctions on Syria during his Middle East tour and the resumption of nuclear negotiations with Iran aimed at reducing regional tensions and preventing further rapprochement between Tehran, Moscow, and Beijing. In the long term, this may open space for the formation of new regional alliances and a relaunch of U.S. policy in the Arab world on terms more favorable to the United States.

## Conclusion

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<sup>51</sup> <https://carnegieendowment.org/research/2025/11/the-united-states-and-iran-must-overcome-four-challenges-for-nuclear-talks-to-succeed?lang=en>

During his second term, Donald Trump's foreign policy is built upon a pragmatic, transactional logic that presupposes immediate returns on commitments.



# COOPERATION OF UAE WITH THE USA, EU, CHINA, AND RUSSIA

Amid the transformation of the international environment, the United Arab Emirates seeks to consolidate its role on the global stage not only as a supplier of oil and gas but also as a politically significant state, which is reflected in the country's multi-vector foreign policy. This process is manifested both in the expansion of economic ties and in the deepening of cooperation in strategically important areas such as technology, armaments, and energy. At the same time, the UAE demonstrates a growing interest in participation in international organizations.

## United States of America

The United States and the UAE have traditionally maintained strong strategic partnership relations based on defense cooperation and economic interdependence. The U.S. views the UAE as a model of modernization and stability in the Middle East, while the Emirates see the United States as a key partner in implementing their long-term "Vision 2030" strategy, aimed at diversifying the economy and strengthening the country's global position.

The UAE is one of the United States' main partners in the region, as evidenced by joint security initiatives in the Middle East, East Africa, and the Indian Ocean. The Emirates actively participate in multilateral initiatives such as the I2U2 alliance, which brings together Israel, India, the UAE, and the United States, highlighting their commitment to strengthening economic ties and reducing dependence on Chinese technologies. In a joint statement published following the meeting between U.S. President Joe Biden and Sheikh Mohammed bin Zayed Al Nahyan in September 2024, the UAE was named one of the primary defense partners alongside India.<sup>52</sup>

The UAE's ports host more U.S. Navy vessels than any other port outside the United States, underlining the strategic importance of the Emirates for American

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<sup>52</sup> U.S. Mission UAE (2022). *Joint Statement Following Meeting Between President Biden and President of the UAE Sheikh Mohammed bin Zayed in Jeddah* - U.S. Embassy & Consulate in the United Arab Emirates. U.S. Embassy & Consulate in the United Arab Emirates. Available at: <https://ae.usembassy.gov/joint-statement-following-meeting-between-president-biden-and-president-of-the-uae-sheikh-mohammed-bin-zayed-in-jeddah/%ef%bf%bc>

military infrastructure. In turn, the U.S. Air Force base at “Al-Dhafra” plays a significant role in Middle Eastern conflicts. However, due to growing regional tensions, Abu Dhabi is concerned about becoming a “target” for attacks as a result of U.S. military operations in the Middle East.

Possessing substantial oil and gas reserves, the UAE remains the largest U.S. export gateway in the Middle East and North Africa. More than 1,000 U.S. firms are represented in the UAE.<sup>53</sup> Many American companies use the UAE as a regional headquarters, as the country provides a convenient hub for conducting business throughout the Middle East, North Africa, and parts of Asia.

However, the Emirates are actively diversifying their economy, with a focus on technology and innovation. In 2024, the volume of non-oil trade between the countries reached \$39.5 billion, while UAE investments in the United States over the past 5 years totaled \$3.7 billion, compared with \$9.5 billion in American investments in the UAE. To strengthen bilateral trade ties, contracts totaling \$40 billion were signed during M. Nahyan’s visit to the U.S. in October 2024, including an agreement between the UAE and the United States to facilitate customs procedures.<sup>54</sup>

One of the key areas of cooperation is the technological sector. The UAE is actively developing its own technology ecosystem, including companies in the field of artificial intelligence such as Group 42 (G42). During his multi-day trip to the United States, M. Nahyan also met with the leaders of Microsoft, Nvidia, and BlackRock - none of whom represent oil companies. The Emirates also attract significant investment in high-tech sectors, as evidenced by the participation of sovereign funds such as the Abu Dhabi Investment Authority and Mubadala in financing American technology companies, including OpenAI.

However, technological cooperation faces challenges. Growing concerns in the U.S. Congress regarding intellectual property leakage to China have created certain barriers. For example, Microsoft’s \$1.5 billion deal with G42 raised concerns about

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<sup>53</sup> [www.uaeusaunited.com](https://www.uaeusaunited.com/stories/strong-economic-partners). (n.d.). *Strong Economic Partners | UAE USA United*. Available at: <https://www.uaeusaunited.com/stories/strong-economic-partners>

<sup>54</sup> Arabian Business (2024) *UAE President Sheikh Mohamed visits US as countries look to boost \$40bn trade ties*, Arabian Business, 23–24 Sep. Available at: <https://www.arabianbusiness.com/politics-economics/uae-president-sheikh-mohamed-visits-us-as-countries-look-to-boost-40bn-trade-ties>

potential Chinese espionage, leading to a review of the partnership terms.<sup>55</sup> Nevertheless, the UAE has been able to partially address these issues, as evidenced by U.S. approval for the sale of advanced H100 AI chips from Nvidia to G42.

The UAE's status as a technological leader, rather than merely an investor, was further strengthened by the release of several major Emirati large language models, which have become a key aspect of the AI race. The UAE's technological achievements attract significant interest from global tech giants such as Taiwan Semiconductor Manufacturing Co. and Samsung regarding the potential construction of mega-factories in the Emirates.

Energy policy remains an important aspect of bilateral relations. While being a major exporter of hydrocarbons, the UAE simultaneously invests actively in renewable energy sources. The global company Masdar has concluded a series of partnership agreements in the United States, including investments in Texas, New Mexico, and California. In addition, the UAE and the United States cooperate under the Partnership for Accelerating Clean Energy (PACE), aimed at supporting Africa's transition away from hydrocarbons.<sup>56</sup>

It is expected that a new Donald Trump administration will continue to strengthen relations with the UAE, given the strategic importance of the Emirates as a key U.S. ally in the Arab world. The UAE's preference for Trump is driven by diplomatic, geopolitical, and security considerations of Crown Prince Mohammed bin Zayed. Abu Dhabi's strategic goals include strengthening military advantage in the region, which had previously been supported by the Trump administration. In 2020, under Trump, the UAE signed the Abraham Accords, and since then the Emirates have actively developed cooperation with Israeli companies in areas such as cybersecurity, artificial intelligence, financial technologies, and renewable energy, highlighting their aim to diversify partnerships and strengthen regional stability. In the future, the UAE will likely continue to balance between traditional and new allies, reinforcing its position as a key player on the global stage.

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<sup>55</sup> World, N. (2024) *US lawmakers raise a red flag over Microsoft's \$1.5B investment in G42*. Network World. Available at: <https://www.networkworld.com/article/2516641/us-lawmakers-raise-a-red-flag-over-microsofts-1-5b-investment-in-g42.html>

<sup>56</sup> UAE, U.S.M. (2023) *U.S.-UAE Partnership for Accelerating Clean Energy*. U.S. Embassy & Consulate in the United Arab Emirates. Available at: <https://ae.usembassy.gov/u-s-uae-partnership-for-accelerating-clean-energy/>

## European Union

Traditionally, the foundations of cooperation have been trade and investment; however, under current conditions, the geopolitical and strategic components of the partnership have significantly intensified. For EU countries, the UAE region holds substantial strategic significance: ensuring the stability of energy supplies, combating terrorism, and addressing migration issues. European companies' interest in Gulf markets continues to grow, particularly in logistics, high technology, green energy, and other sectors.

Although the EU is not the UAE's primary trading partner, the Emirates have repeatedly raised the issue of a bilateral trade agreement during closed meetings with EU representatives. However, the EU's main ambition is to conclude a free trade agreement (FTA) at the regional level with the Gulf Cooperation Council (GCC), which continues to shape its economic strategy in the region. While the idea of an FTA has been actively considered since the 1990s, progress in its implementation has been limited for several reasons, including rivalries among Gulf countries. Nevertheless, this joint objective was reiterated during the first EU-GCC summit on October 16, 2024, in Brussels, where both sides expressed interest in resuming the stalled negotiation processes.<sup>57</sup> However, the summit outcomes were likely largely formal, as both sides have consistently failed to reach a meaningful agreement.

Despite differences in political systems, the UAE increasingly promotes its image as a “modernizing” Islamic state, open to foreign investment and tourism. EU countries (primarily France and Germany) cooperate with the UAE in counterterrorism activities, including combating radical groups and exchanging intelligence. The UAE participates in a number of international peacekeeping missions and coalitions, which brings it closer to Western countries.

At the same time, the UAE pursues an active regional policy, including in Yemen and Libya, cooperating with various regional actors. Another important area of UAE-EU cooperation is combating money laundering (AML) and terrorist financing (CFT), formalized through the Structural Dialogues conducted regularly since July 15, 2020. These dialogues serve as platforms for both sides to strengthen international

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<sup>57</sup> Council of the European Union (2024) *First European Union-Gulf Cooperation Council Summit – Joint Statement*, 16 October 2024. [pdf] Available at: <https://www.consilium.europa.eu/en/press/press-releases/2024/10/16/first-european-union-gulf-cooperation-council-summit-joint-statement/pdf>

cooperation, enhance measures against financial crimes, and explore opportunities to ensure the integrity of financial systems. The 7th EU-UAE Structural Dialogue on AML/CFT, held on November 13, 2024, in Abu Dhabi, marked another milestone in this cooperation.<sup>58</sup> A prospective area for bilateral cooperation between the UAE and the EU is collaboration in the field of cryptocurrencies. The UAE's strategy has led to the highest rate of cryptocurrency adoption in the world relative to the population, reaching 25.3%, reflecting a profound shift in how people perceive and interact with digital and financial assets.

As the UAE continues to expand its cryptocurrency market and blockchain infrastructure, cooperation with the EU on regulatory standards and the prevention of financial crimes is becoming increasingly important. The UAE's efforts to position itself as a global hub for digital currencies coincide with the EU's efforts to establish comprehensive cryptocurrency regulations. Given the favorable business environment for cryptocurrencies, a trend is expected in which several EU technology companies may migrate to the UAE.

The UAE-EU relationship reflects the complex interplay between regional aspirations and bilateral ambitions. While the EU remains focused on achieving a Free Trade Agreement (FTA) at the level of the Gulf Cooperation Council (GCC), the UAE prefers a pragmatic approach, concluding bilateral agreements to secure its economic future. Alongside trade, cooperation in combating financial crimes and promoting digital currencies represents a potential area of engagement between the UAE and the EU.

## China

Diplomatic relations between China and the UAE were established in 1984, and in 2024 the parties celebrated 40 years of cooperation.<sup>59</sup> During this period, interaction between the two countries has deepened significantly, encompassing economic, political, cultural, and technological aspects. Both states are active participants in

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<sup>58</sup> Ministry of Foreign Affairs, UAE (2024) *7th EU-UAE Structural Dialogue on AML/CFT concludes in Abu Dhabi*, 14 November 2024. Available at:

<https://www.mofa.gov.ae/en/mediahub/news/2024/11/14/14-11-2024-uae-uae>

<sup>59</sup> Council on Foreign Relations (2024) *China in the Middle East: November 2024*. Available at:

<https://www.cfr.org/article/china-middle-east-november-2024-0>



international organizations such as BRICS, and in 2023 the UAE became a dialogue partner of the Shanghai Cooperation Organization (SCO).<sup>60</sup>

In 2018, Chinese President Xi Jinping made his first state visit to the UAE in 29 years, during which the parties agreed to establish a comprehensive strategic partnership covering a wide range of areas: trade, investment, energy, technology, and humanitarian cooperation.<sup>61</sup>

Trade in energy resources primarily drives China's relations with the UAE. China imports about 70% of its energy resources from the GCC countries, while also expanding its exports to the region. For example, Abu Dhabi's Masdar company and the Chinese Silk Road Fund signed an agreement to jointly invest \$2.76 billion in "green" projects under "The Belt and Road Initiative".<sup>62</sup> Many cooperation projects have arisen due to the rapid advancement of China's "Belt and Road Initiative". In addition, this includes the UAE-developed "Demonstration Zone for Industrial Capacity Cooperation with China", as well as the first power plant in the UAE operating on environmentally friendly coal in Hassyan.

**Cooperation in Policy and Defense.** The UAE highly values and actively supports the Global Development Initiative, the Global Security Initiative, and the Global Civilization Initiative proposed by President Xi Jinping, and will continue to actively participate in the joint construction of the "Belt and Road".

There is an intensification of cooperation in the military sphere. For decades, the UAE Armed Forces procured the majority of their weapons from the U.S. and Western European countries. However, the aging of the existing arsenal creates a need for modernization, for which non-Western countries, including China, may become suppliers of new types of weapons and defense systems. In 2023, China also signed an agreement to export attack aircraft to the UAE. In August 2023, the armed forces of both countries conducted their first joint air force exercises in China.

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<sup>60</sup> Ministry of Foreign Affairs (MOFA), UAE (2023) *UAE granted dialogue partner status in the Shanghai Cooperation Organization*. Available at: <https://www.mofa.gov.ae/en/mediahub/news/2023/5/6/06-05-2023-uae>

<sup>61</sup> The State Council of the People's Republic of China (2018) *Xi Jinping Meets with UAE Leaders During State Visit*. [online] Available at: [https://english.www.gov.cn/news/top\\_news/2018/07/21/content\\_281476231005076.htm](https://english.www.gov.cn/news/top_news/2018/07/21/content_281476231005076.htm)

<sup>62</sup> Masdar, *Masdar and Silk Road Fund sign co-investment agreement for renewable energy projects*. Available at: <https://masdar.ae/en/news/newsroom/masdar-and-silk-road-fund-sign-co-investment-agreement-for-renewable-energy-projects>

During the UAE president's visit to China in May 2024, the leaders of both countries emphasized their readiness to exchange experience in defense and security to enhance the capabilities of the armed forces and security agencies of both states.<sup>63</sup> In March 2023, the UAE Air Force signed a contract with the Aviation Industry Corporation of China (AVIC) to purchase 12 L-15AW trainer-combat aircraft.<sup>64</sup> However, as a gesture of goodwill, the U.S. sent its relatively older French-made Mirage fighters for UAE exercises rather than the more advanced American F-16s.

**Trade and Economic Cooperation.** China is the UAE's largest trading partner, and the volume of bilateral trade in 2024 exceeded \$100 billion.<sup>65</sup> The countries aim to increase this figure to \$200 billion by 2030. The UAE plays a key role as a trade hub for China in the Middle East and North Africa, re-exporting approximately 60% of Chinese goods to over 400 cities in the region. About 15,500 Chinese companies operate in the UAE, and there is a large Chinese diaspora (over 200,000 people) primarily employed in the construction sector.

The United States and Western European countries remain the main suppliers of equipment and technology; however, the emerging new technological hub in the Asia-Pacific region around China (China, Taiwan, South Korea) is becoming, if not an alternative, at least an opportunity to reduce dependence on the West in this sector.

Over the past decade, transport corridors have been constructed under "The Belt and Road Initiative", creating new drivers of growth. The 1,200 km Etihad Rail network was implemented with the assistance of the Chinese company Power Construction of China Ltd. Built in two phases, the railway now connects major industrial, manufacturing, and logistics centers, as well as densely populated areas and key ports in the UAE, serving as an important component of the GCC countries' rail network.

**Humanitarian Exchanges and Educational Cooperation.** Educational exchanges are developing under the "UAE Youth Ambassadors Program", which facilitates visits of Emirati students to China, and the Memorandum of Understanding

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<sup>63</sup> The State Council of the People's Republic of China (2024) *Chinese premier meets UAE president*, 31 May 2024. Available

at: [https://english.www.gov.cn/news/202405/31/content\\_WS6659d250c6do868f4e8e7b65.html](https://english.www.gov.cn/news/202405/31/content_WS6659d250c6do868f4e8e7b65.html)

<sup>64</sup> Tiwari, S. (2023) *China signs 'historic deal' with UAE for L-15 trainer aircraft as Beijing 'raids' traditional US bastion*. Available at: <https://www.eurasiantimes.com/china-signs-historic-deal-with-uae-for-l-15-trainer-aircraft/>

<sup>65</sup> Arabian Business (2025) *UAE and China deepen \$100bn trade ties*, Arabian Business, Available at: <https://www.arabianbusiness.com/gcc/uae/uae-and-china-deepen-100bn-trade-ties>

with Khalifa University, which increasingly brings Chinese students to continue higher education in the UAE. Confucius Institutes in Abu Dhabi and Dubai, the ongoing initiative to teach Chinese in 200 UAE schools, and frequent visits by Chinese artist groups to the UAE have also strengthened cultural and educational relations.

Despite successes in cooperation, China–UAE relations face a number of challenges. Growing competition between China and the United States in the Middle East may create tensions, particularly in the context of military-political cooperation. However, both sides demonstrate interest in maintaining balance and strengthening multilateral partnerships.

In the long term, China is likely to increase its presence in the Middle East, potentially including a military presence, to protect its energy and trade interests. The UAE, in turn, will continue to serve as a strategic bridge between China and the region, reinforcing its position as a key player in the global economy and politics.

### **Russian Federation**

To strengthen its significance on the international stage, the UAE seeks to play the role of mediator in resolving international issues. In January 2024, the UAE mediated negotiations for a prisoner exchange between Russia and Ukraine, marking the third such operation.<sup>66</sup> In 2024, the Emirates facilitated the exchange of more than 2,000 prisoners of war. By maintaining a declared neutral position on the Ukrainian issue, Abu Dhabi continues to emphasize diplomatic resolution of the conflict; however, such “peace-promoting” calls are often perceived as an attempt to enhance its own political weight rather than achieve real breakthroughs in resolving the crisis.

The UAE’s multi-vector policy is also reflected in military-technical cooperation with Russia. Despite its formal status as a U.S. ally, Abu Dhabi actively demonstrates readiness to engage with Moscow. This approach allows the UAE to strengthen its image as an independent geopolitical actor, not limited by alliance frameworks, and to diversify sources of supply in the military-industrial sector. For instance, in February 2024, an agreement was signed for the supply of Russian S-400 air defense systems,

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<sup>66</sup> Ministry of Foreign Affairs, UAE (2024) *Success of new UAE mediation to exchange captives between Russia and Ukraine*, 31 January 2024. Available at: <https://www.mofa.gov.ae/en/mediahub/news/2024/1/31/31-1-2024-uae-russia>

negotiations for which had been ongoing since 2017.<sup>67</sup> Despite significant pressure from the United States, the deal was concluded, with deliveries scheduled to begin in 2025. In March 2024, joint exercises between Russian and Emirati forces were conducted in the Persian Gulf, aimed at strengthening cooperation in maritime security and counter-terrorism.

Expanding mutual trade and investment relations with the UAE helps Russia mitigate sanctions pressure from Western countries. Economic cooperation between Russia and the UAE continues to develop: in 2023, bilateral trade reached \$11.8 billion.<sup>68</sup> Positive dynamics persisted in 2024, with first-quarter trade rising 10% compared to the same period last year, reaching \$1.2 billion. Russia's main exports include oil, gas, metals, and agricultural products, while the UAE supplies aluminum, equipment, and high-tech goods to Russia. In February 2024, the start of construction of a solar power plant in Russia involving Emirati companies was announced. Mutual investments between the two countries reached \$7 billion, with around 60 projects worth \$2 billion being implemented through sovereign funds.<sup>69</sup>

Energy cooperation remains a key area of engagement. Under the extended 2023 OPEC+ agreement, Russia and the UAE continue to coordinate actions to stabilize oil prices. In March 2024, UAE Energy Minister Suhail Al-Mazrouei reaffirmed commitment to joint work in the energy market. Additionally, in 2021 a memorandum of cooperation in hydrogen technologies, including production equipment, was signed.

Space cooperation also continues to develop. In October 2018, a contract was signed between Roscosmos and the UAE Space Center for training and organizing a flight of an Emirati astronaut.<sup>70</sup> The first flight took place in 2019. In June 2023, the Emirati satellite PHI-Demo was launched from the "Vostochny Cosmodrome".<sup>71</sup>

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<sup>67</sup> The Economic Times (2024) *Russia to deliver last two squadrons of S-400 air defence missiles by 2026*, The Economic Times. Available at: <https://economictimes.indiatimes.com/news/defence/russia-to-deliver-last-two-squadrons-of-s-400-air-defence-missiles-by-2026/articleshow/108655064.cms>

<sup>68</sup> Abu Dhabi News.Net (2025) *From missiles to mega-deals: Russia is the UAE's sovereign choice*. Available at: <https://www.abudhabinews.net/news/278502850/from-missiles-to-mega-deals-russia-is-the-uae-sovereign-choice>

<sup>69</sup> TASS (2024) *Russia-UAE trade up three-fold in past three years - Putin*, TASS. Available at: <https://tass.com/economy/1858763>

<sup>70</sup> UrduPoint (2018) *Russia's Roscosmos signs contract for flight of 1st UAE astronaut to ISS – Head*. Available at: <https://www.urdupoint.com/en/technology/russias-roskosmos-signs-contract-for-flight-453175.html>

<sup>71</sup> Gulf News (2023) *Watch: New UAE-made satellite PHI-Demo launched into space*, Gulf News. Available at: <https://gulfnews.com/uae/science/watch-new-uae-made-satellite-phi-demo-launched-into-space-1.96660281>

The UAE actively participates in BRICS, of which it became a member in 2024. The country is currently working on joint initiatives within the organization, including the creation of a new payment system for settlements in national currencies.

Cultural and humanitarian ties between Russia and the UAE are also expanding. In 2024, a cultural center dedicated to the Russian language and culture was opened in Dubai, forming part of Russia's strategy to strengthen its "soft power" in the region. The UAE remains a popular destination for Russian tourists: in the first quarter of 2024, over 400,000 Russians visited the Emirates, an increase of 15% compared to the same period last year.<sup>72</sup>

However, bilateral relations face certain challenges. Differences in approaches to Iran create specific difficulties - the UAE views Tehran as a factor destabilizing regional security, whereas Russia maintains strategic ties with Iran. This divergence is particularly evident in the context of conflicts in Yemen and Syria, which may limit prospects for further deepening cooperation between the countries. Another important factor influencing bilateral relations is the role of the United States. The Al-Dhafra Air Base, located near Abu Dhabi, serves as a tool of American presence in the region, influencing the UAE's foreign policy priorities, including its engagement with Russia.

## Conclusion

The United Arab Emirates is actively strengthening its role on the global stage, moving beyond its traditional status as a supplier of oil and gas. The UAE seeks to position itself as a hub of technology and innovation, which is reflected in its multi-vector foreign policy when interacting with the world's leading powers.

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<sup>72</sup> TASS (2025) *Almost 2 million Russians visited the UAE in 2024*, TASS. Available at: [https://en.economy.gov.ru/material/news/almost\\_2\\_million\\_russian\\_tourists\\_visited\\_the\\_uae\\_in\\_2024.html](https://en.economy.gov.ru/material/news/almost_2_million_russian_tourists_visited_the_uae_in_2024.html)



# A FORWARD-LOOKING PARTNERSHIP: ITALY'S EVOLVING ENGAGEMENT WITH UZBEKISTAN AND CENTRAL ASIA

In recent years, mutual interest between Uzbekistan – and the Central Asian region more broadly – and EU member states has markedly intensified, reflecting growing engagement not only at the governmental and expert levels but also among the wider public.

From a political standpoint, the key driver of Uzbekistan-EU relations is the presence of political dialogue. Uzbekistan has established strategic partnerships with three EU member states, reflecting growing alignment and shared interests. The first such partnership was forged during President Shavkat Mirziyoyev's first term, when Hungary and Uzbekistan signed a Strategic Partnership Agreement in March 2021 in Tashkent.<sup>73</sup> This relationship was later elevated to the level of Expanded Strategic Partnership during President Mirziyoyev's reciprocal visit to Budapest in May 2025. The second strategic partnership was established during President Mirziyoyev's second term, marked by the signing of a Joint Declaration with Italy during his official visit to Rome in June 2023.<sup>74</sup> The third partnership was concluded in the third term, when France and Uzbekistan adopted a Joint Declaration on Strategic Partnership in March 2025 in Paris, further solidifying Uzbekistan's growing ties with key EU actors<sup>75</sup>.

From the viewpoint of public interest, it is important to highlight the growing number of tourists visiting Uzbekistan from European Union member states. Comparing pre-pandemic figures with data from 2024, the number of EU tourists increased from approximately 70,000 to over 230,000, representing more than threefold rise. Italy, in particular, has consistently ranked among the top three EU countries in

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<sup>73</sup> President.uz. (2021). *Uzbekistan and Hungary – Strategic Partners*. [online] Available at:

<https://president.uz/en/lists/view/4266>

<sup>74</sup> kun.uz (2023). *Uzbekistan and Italy sign a declaration on strategic partnership relations*. [online]

Kun.uz. Available at: <https://kun.uz/en/news/2023/06/09/uzbekistan-and-italy-sign-a-declaration-on-strategic-partnership-relations>

<sup>75</sup> de, M. (2018). *France and Uzbekistan*. [online] France Diplomacy - Ministry for Europe and Foreign Affairs. Available at: <https://www.diplomatie.gouv.fr/en/country-files/uzbekistan/france-and-uzbekistan-65051/>

terms of tourist arrivals. In 2024, with around 40,000 Italian visitors, it became the leading EU source of tourism for Uzbekistan. These figures reflect not only a robust post-pandemic recovery but also a structural intensification of travel flows between the two countries. They signal a deepening Italian interest in Uzbekistan's cultural and historical heritage. Additionally, there are currently four direct flights per week between Italy and Uzbekistan, further facilitating bilateral mobility. More broadly, historic cities such as Samarkand-Uzbekistan's cultural jewel and a peer to Rome with over 2,700 years of history-as well as Bukhara and Khiva, are attracting an increasing number of visitors not only from Italy but from across the European Union<sup>76</sup>. Cultural exchange serves as a vital foundation for strengthening bilateral relations. The deeper the mutual understanding, the more effective and constructive the cooperation.

At the regional level, mutual interest between Central Asian states and Italy has intensified notably since 2023. This growing engagement is reflected in a series of high-level visits to Italy by regional leaders: President Shavkat Mirziyoyev of Uzbekistan in June 2023, President Kassym-Jomart Tokayev of Kazakhstan in January 2024, and President Emomali Rahmon of Tajikistan in April 2024. On the Italian side, President Sergio Mattarella paid official visits to Uzbekistan in November 2023 and to Kazakhstan in March 2025, underscoring Italy's strategic commitment to deepening ties with Central Asia. From a market profile perspective, Italy ranks as Central Asia's third-largest economic partner, following China and Russia. Among the countries of the region, Kazakhstan maintains the highest volume of trade with Italy. In 2024, bilateral trade turnover between Kazakhstan and Italy increased by 25%, reaching nearly \$20 billion. Of this total, approximately \$18 billion - or 90% - consisted of Kazakh crude petroleum exports to Italy. Yet, Italy's trade turnover with other Central Asian states remained more modest: \$438 million with Uzbekistan, approximately \$250 million with Turkmenistan, around \$240 million with Kyrgyzstan, and close to \$100 million with Tajikistan.<sup>77</sup> These figures highlight untapped economic potential, which opens doors

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<sup>76</sup> YuzNews. (2024). *Сколько граждан Италии въехало в Узбекистан с туристической целью?* [online] Available at: <https://yuz.uz/ru/news/skolko-grajdan-italii-vexalo-v-uzbekistan-s-turisticheskoy-tselyu>

<sup>77</sup> Iet.tj. (2025). *ЦЕНТРАЛЬНАЯ АЗИЯ – ИТАЛИЯ: СОСТОЯНИЕ И ПЕРСПЕКТИВЫ РАЗВИТИЯ ОТНОШЕНИЙ* (В рамках участие Президента Республики Таджикистан на первом Саммите

for all Central Asian countries to broaden their economic horizons, and for Kazakhstan in particular, prospects for diversifying its trade landscape.

At the invitation of the President of Uzbekistan, Prime Minister of the Italian Republic Giorgia Meloni arrived in Samarkand on an official visit on May 28 2025. As outcomes, about ten agreements, worth over 3 billion euros were signed in Samarkand.<sup>78</sup> Of all, three documents aim to shape a durable and forward-looking partnership.

First and foremost, the agreements in the field of education hold particular strategic importance because true and lasting partnerships can only be forged through a profound understanding of one another - ideologically, culturally, and historically. This, in turn, is best cultivated through joint degree programs, institutional partnerships, research collaboration, and cultural exchanges. These mechanisms not only foster trust and familiarity but also build the societal infrastructure necessary for strategic, long-term alignment between nations. This vision was concretely advanced during the Samarkand meeting, where the opening of a branch of the University of Tuscia in Uzbekistan and the launch of double degree programs with the Universities of Pisa, Trento, Roma Tre, and Ca' Foscari were announced. In parallel, to strengthen technical education, the leading Italian company Danieli and the ITS Academy of Udine signed a strategic memorandum of understanding with the Tashkent branch of the Polytechnic University of Turin.

Another fundamental document is on cooperation in sustainable development and environmental protection. Since 2015, all UN member states have committed to the ambitious “2030 Agenda for Sustainable Development”.<sup>79</sup> The partial successes and shortcomings of the Millennium Development Goals (MDGs), the predecessor

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*‘Центральная Азия – Италия’, 30 мая 2025года, Казахстан) – Донишқадаи иқтисод ва савдои Донишгоҳи давлатии тижорати Тоҷикистон дар ш. Хучанд. [online] Available at: <https://iet.tj/tj/tsentralnaya-aziya-italiya-sostoyanie-i-prespektivy-razvitiya-otnoshenij-v-ramkah-uchastie-prezidenta-respubliki-tadzhikistan-na-pervom-sammite-tsentralnaya-aziya-italiya-30-maya-2025goda-kazakhstan/>*

<sup>78</sup> President.uz. (2025). *Prime Minister of Italy to pay an official visit to Uzbekistan*. [online] Available at: <https://president.uz/en/lists/view/8156>

<sup>79</sup> United Nations (2015). *Transforming our world: The 2030 Agenda for Sustainable Development*. [online] United Nations. Available at: <https://sdgs.un.org/2030agenda>

framework of the 2030 SDGs, revealed that achieving such comprehensive objectives requires more than just collective action; it demands sustained commitment, coordinated policy alignment, and adaptive strategies tailored to diverse regional contexts. Particularly pressing within this framework is the challenge of climate change. According to the Asian Development Bank's assessment, under a high-end emissions scenario, climate change could reduce regional GDP by 17% by 2070, with losses potentially reaching 41% by the end of the century. Meanwhile, the International Monetary Fund projects that by 2060, the region's economic output may decline by nearly 7%. Compounding these risks is the forthcoming implementation of the European Commission's Carbon Border Adjustment Mechanism (CBAM) in 2026, which will impose carbon taxes on imports to the EU based on their carbon footprint. This measure aims to align international trade with global climate objectives. Without adequate preparatory measures, Uzbek exporters risk considerable fiscal losses in certain product categories. Given these significant global and regional dynamics, the signing of this cooperation agreement is both timely and critical. It represents a proactive step toward addressing shared environmental challenges and safeguarding the sustainable economic future of the region.

Third strategically consequential agreement pertains to the promotion and mutual protection of investments-an essential legal and institutional framework for fostering long-term economic integration. First, it reinforces the growing Italian economic footprint in Uzbekistan, where nearly 60 enterprises already operate with partial Italian capital, including 24 with full Italian capital. This reflects not only commercial interest but also investor confidence in Uzbekistan's evolving business environment. Second, the agreement is aligned with a broader geopolitical and economic reconfiguration in the region. At the first C5+EU Summit in April, European Commission President Ursula von der Leyen announced a €12 billion investment package for the region, positioning the EU - and by extension its member states - as long-term stakeholders in Central Asia's development trajectory. Additionally, Italy complements this vision by directing 41.6% of its ADB projects to Central and West Asia, underscoring its strategic political interest and development commitment to this region. Third, the C5+EU Summit yielded an agreement to open a European Investment Bank regional office in Uzbekistan - an initiative that further advances the EU's long-

term development agenda in Central Asia. Within this evolving architecture, the Italy-Uzbekistan investment protection agreement plays a critical role in de-risking capital flows, securing investor rights, and institutionalizing bilateral economic cooperation. As such, it represents not merely a legal instrument, but a forward-anchored mechanism designed to operationalize Italy's long-term strategic and economic presence in the region.

Clearly, the Italy-Central Asia Summit held on 30th May 2025 in Astana reaffirmed the unity of our nations on the international stage. Following a few weeks from the C5+EU Summit, held in Samarkand, this event reflects the growing geopolitical importance of Central Asia. However, unlike the C5+EU format, which emphasized region-to-region model, this summit is a country-to-region engagement, signaling Italy's intent to carve a distinct strategic and economic relationship with Central Asia - one that supplements the common EU stance while advancing Italy's national interests. Most importantly, as expressed by Prime Minister Giorgia Meloni in Astana during recent meeting with President Kassym-Jomart Tokayev on May 30th, "Italy was the first EU nation to have decided to invest in relations with Central Asia and its individual member states, setting up a stable format for the sharing of ideas...". This is also exemplified by Italy being the first European country to initiate ministerial-level dialogue with Central Asia back in 2019, with subsequent meetings held in 2021 and 2024.<sup>80</sup> Thus, this May's summit marks the first gathering at the level of heads of state, serving as a logical continuation of earlier engagements. Since then, Berlin has also intensified its country-to-region engagement, demonstrated by the inaugural "Germany-Central Asia" summit held in Berlin on September 29, 2023, followed by the second summit in Astana on September 17, 2024.

## Conclusion

The intensification of Uzbekistan-EU relations, particularly through the dynamic and multifaceted partnership with Italy, reflects a broader strategic recalibration in both regional and international engagement. Italy's pioneering role - manifested in sustained

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<sup>80</sup> Kemelova, F. and Kemelova, F. (2025). *Prime Minister of Italy Calls for Courage to Take New Paths at AIF2025 - The Astana Times*. [online] The Astana Times. Available at: <https://astanatimes.com/2025/05/prime-minister-of-italy-calls-for-courage-to-take-new-paths-at-astana-international-forum/>



political dialogue, expanding economic cooperation, cultural diplomacy, and shared commitments to sustainability - underscores a shift toward deeper, country-specific partnerships. The agreements signed during recent high-level visits signal not only the maturation of bilateral and multilateral ties but also the institutionalization of long-term collaboration. As the geopolitical and economic landscape evolves, such partnerships will be instrumental in advancing mutual interests.

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