

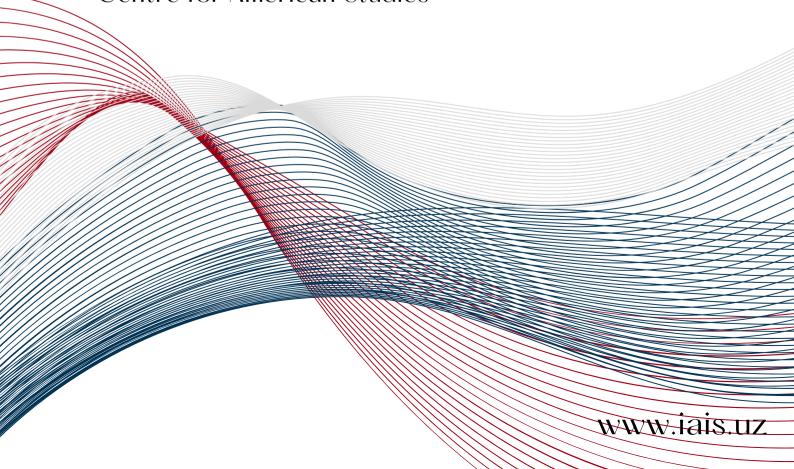
## Commentary

## Uzbekistan and Mexico: Prospects for Strategic Cooperation

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distance from Tashkent Mexico City is approximately 13,155 kilometers, and any commercial flight connecting the two capitals spans over 27 hours. Total exports from Uzbekistan to Mexico were just under \$7,000 in 2022 and had decreased at a rate of 47% per year These metrics since 2017. developing suggest that relations would be a misuse of time and resources for both governments.



Source: pnq.eqq

However, several geopolitical developments — including the surge in migrants at the United States (US)-Mexico border, the international push to accelerate the green transition, and the rise of the digital economy in the developing world — have increased the imperative for Uzbek-Mexican bilateral cooperation. Mexico is the US's largest trading partner, holds significant cultural and material influence in Latin America, and is the epicenter of the border crisis. Meanwhile, Uzbekistan shares many of Mexico's own domestic challenges: a water crisis, widespread poverty, emigration, and societal revisions amid rapid industrialization. These arguments support the idea that Uzbekistan and Mexico can exchange experiences and learn from each other by opening embassies in each other's capitals, which could be mutually beneficial for both governments.

significant contemporary issue potentially linking The most and has been the notable increase Uzbekistan Mexico undocumented Uzbek migrants traversing the US-Mexico border. Since October 1, 2023, around 2,900 Uzbeks have been apprehended by the US Customs and Border Patrol at the US-Mexico border. From 2021 to 2023, around 17,000 Uzbeks attempted to cross the border, some willing to pay \$10,000 for the journey. The issue of immigration has ranked among the top of American issues in the US, increasing the pressure on both Uzbekistan and Mexico to mitigate the situation. A large number of Central Asian and Russian immigrants reportedly frame their journey as a "vacation" to destinations such as <u>Cancún</u> before attempting unauthorized border crossings. Alternatively, some utilize the Türkiye–Bolivia–Colombia–Mexico–US route, which presents heightened risks due to the necessity of traversing the notoriously hazardous Darién Gap, a dense forest region straddling the Colombia–Panama border.

The US has stated it is "working closely with the Government of Uzbekistan" to remove undocumented immigrants, however it has provided few details on Mexico's specific role in these efforts. Both Mexico and Uzbekistan have a vested interest in cooperating on this matter. For



Source: Reuter

Mexico, managing the flow of undocumented migration to the US is likely to be vital in maintaining favorable diplomatic relations with its northern neighbor. According to the <u>Council on Foreign Relations</u>, US-Mexico relations have been strained by the ongoing immigration situation. Furthermore, Mexico bears an international obligation to manage this issue effectively and prevent the misuse of its visa policies, particularly in cases where individuals overstay their purported vacation periods.

Uzbekistan holds a substantial interest in collaborating with Mexico to diminish the incentives for and pathways to unauthorized travel. Like Mexico, Uzbekistan may also find it strategically beneficial to demonstrate its commitment to the US in addressing this issue, a stance that cooperation with Mexico could further underscore. Moreover, under President Shavkat Mirziyoyev's administration, Uzbekistan has adopted a more outward foreign policy, positioning itself as a driving force for regional integration with its Central Asian neighbors. Given that approximately 50,000 Central Asian migrants reportedly attempted to cross the United States–Mexico border in 2023, Uzbekistan could potentially enhance its regional engagement

role while simultaneously contributing to the alleviation of the border crisis. Uzbekistan could achieve this by serving as an intermediary between Mexico and other Central Asian countries in developing comprehensive strategies to reduce unauthorized migration.

While addressing migration issues presents an immediate avenue for cooperation, the scope for Uzbek-Mexican collaboration encompasses a broader spectrum of mutual interests. The two countries can also deepen their ties on economic fronts, particularly in areas of shared concern such as the green transition and water management. Mexico's President-Elect, Claudia Sheinbaum, a former climate scientist, has pledged to invest \$13.6 billion in Mexico's renewable energy sector. This is in contrast to the current government, which under President Andrés Manuel López Obrador has sought to increase the production of oil from Pemex, Mexico's state-owned oil company.

In Uzbekistan, President Mirziyoyev has enthusiastically committed his country to the green transition. Under his goal of carbon neutrality by 2050, along with his intentions to "achieve a 35% reduction in CO2 emissions per unit of GDP by 2030 compared to the 2010 levels," Mirzyoyev has sponsored several projects covering solar, wind, and nuclear energy production to make the country energy independent.

Both Mexico and Uzbekistan hold distinct comparative advantages that can be used to boost cooperation on the green energy front. As of 2023, Uzbekistan was the world's <u>fifth</u> largest uranium producer. Mexico could considerably benefit from these resources to support its 2022 Secretariat of Energy report, which pledges to double nuclear energy electricity <u>production</u> to 24 gigawatt-hours by 2035. According to the World Nuclear <u>Association</u>, "high-level government support exists" from Mexico to implement these energy goals.

Mexico's comparative advantage in green energy technology is most evident in its automotive manufacturing sector. In 2022, the country's exports of automobiles reached \$48.4 billion, while exports of automotive components and <u>accessories</u> totaled \$38.1 billion.



Recently, Tesla Chief Executive Officer Elon Musk conducted a site visit to Mexico to inaugurate a Tesla production facility in Monterrey, an expanding industrial "maquiladora" in northern Mexico. As Uzbekistan continues to increase its automotive imports, Mexico is strategically positioned to

emerge as a supplier of both complete vehicles and automotive components to the Central Asian nation. Mexican-manufactured vehicles and parts have the potential to offer more cost-effective alternatives to their Western-produced counterparts in the Uzbek market.

Given that both Uzbekistan and Mexico also confront substantial water scarcity issues, bilateral collaboration based on their shared experiences may facilitate the development of effective and innovative solutions to address these critical resource challenges. During a visit to Monterrey, the water crisis was so pronounced that the government had to ration the water during the day. Chihuahua, another Mexican city further west, receives around 320 mm of rain per year, below the 355 mm per year in Samarkand. In interviews with locals from Monterrey and Chihuahua, most Mexicans had installed a "tinaco," or reservoir on the top of roofs which uses a pressure system to gather water and provide it to the household in the case the government decided to ration it. The US and Mexico are also signatories of the International Boundary and Water Commission, which was created by both countries to deal with sharing water across borders. Uzbekistan, Tajikistan, and Kazakhstan have similarly developed a watersharing method by measuring meters that measure water consumption on the borders. Uzbekistan and Mexico could benefit from creating a forum to exchange strategies on addressing water scarcity, encompassing both diplomatic and technological solutions to this shared challenge.

Finally, Uzbekistan and Mexico have an opportunity to cultivate relations by expanding trade in the digital economy, where physical distance may no longer be a barrier. Since 2019, Mexico's e-commerce market has consistently ranked among the top five globally in annual growth <u>rate</u>, reaching 22% in 2022. The Mexican government has also started to pass government regulation and initiatives around the digital economy. Such regulation includes the 2010 Federal Law on the Protection of Personal Data Held by Private Parties on Digital Privacy, a Value Added Tax Law of 16%, and its entrance into the Global Partnership on Artificial Intelligence, a multi-country initiative to support AI research. The value of Mexico's IT sector has also grown dramatically, surging from \$10 billion in 2017 to over \$15 billion in 2023.

Uzbekistan likewise is enthusiastic about developing its digital economy by aiming to make the country a "Central Asian IT hub" in its 2030 National Development Strategy. This strategy was supported by the World Bank's \$50 million loan for the Uzbekistan Digital Inclusion Project which will aid Uzbekistan to "increase the annual volume of IT exports to \$5 billion, attract 1,000 foreign IT companies to launch operation in Uzbekistan, and provide employment opportunities for 300,000 youths in the IT sector." From 2017 to 2022, Uzbekistan dramatically increased the exports of its IT services from \$600,000 to \$140 million.



Source: IT Park Uzbekistan



The resolve of both Uzbekistan and Mexico to develop their own digital economies can serve as an impulse for fostering stronger bilateral digital ties. During his inaugural

meeting with the Uzbek Minister of Foreign Affairs, the Mexican Ambassador to Uzbekistan, based in Tehran, articulated a desire to advance this concept and exchange experiences regarding the development of e-commerce and the digital economy. Such collaboration could potentially extend beyond the business sector to encompass academic exchange, wherein Mexican and Uzbek students could participate in coordinated university programs focused on research and development in digitalization.

Latin America represents one of the final frontiers for Uzbekistan's strategic cooperation. Discussions with Uzbek academics and former government officials have highlighted a significant shortage of scholars specializing in the region. While Brazil stands as the largest and most populous country in Latin America, Mexico, as the <u>wealthiest</u> and most populous Spanish-speaking nation, exerts considerable economic and political influence regionally, further enhanced by its proximity to the United States.

Immigration, environmental issues, and digitalization emerge as three primary domains where Uzbekistan and Mexico can cultivate deeper cooperation and mutual understanding. Establishing reciprocal embassies would catalyze such dialogue and facilitate practical people-to-people exchanges in academia and tourism. Although geographically distant, both nations face numerous parallel challenges; through enhanced cooperation, they can mutually benefit in addressing these shared issues.