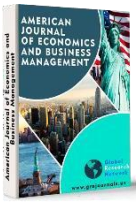

American Journal of Economics and Business Management

Vol. 9 Issue 2 | **pp.** 551-557 | **ISSN:** 2576-5973

Available online @ https://www.globalresearchnetwork.us/index.php/ajebm

Article

Import Dependence and the Trade Deficit in Uzbekistan: Causes, Risks, and Policy Responses

Norkobilov Akobir[*1]

1. Denau Institute of Entrepreneurship and Pedagogy, 190506, Sh.Rashidov Street, 360, Surkhandarya region, Denau, Uzbekistan

* Correspondence: akobirnorkobilov1999@gmail.com

Abstract: Uzbekistan's trade openness recovered after 2020, yet the trade deficit widened through 2023 as imports expanded faster than exports. Objective: The purpose of this article is to present import dependence and the trade deficit methods of classifying, using a descriptive analysis of juga secondary indicators from UNCTADstat, the World Bank Doing Business (Trading Across Borders) dataset, and the UNTF Survey interactive database. The short time frame combines the short-run dynamics (2019–2023) and a longer-run path for the goods trade (2005–2023). Results indicate increasing trade intensity by 2023 as well as a strongly negative trade balance that leads to a reversal from a goods surplus in the mid-2000s to a large goods deficit by 2023. These results suggest that border delays and border documentary trade costs would make the economy more open to external shocks and render it more reactive in the face of external shocks. The sole timber of the paper is that the deficit reduction should concentrate on our export ability and export competitiveness and not on the clumsy tool of import suppression. The policy priorities include export diversification and value addition, facilitating digital trade that reduces documentary and border frictions and both risk-based selectivity and post-clearance verification for targeting enforcement resources.

Keywords: Uzbekistan, Foreign Trade, Trade Deficit, Import Dependence, Trade Facilitation, Documentation, Single Window, Paperless Trade.

Citation: Akobir N. Import Dependence and the Trade Deficit in Uzbekistan: Causes, Risks, and Policy Responses. American Journal of Economics and Business Management 2026, 9(2), 551-557.

Received: 17th Dec 2025
Revised: 28th Jan 2026
Accepted: 12th Feb 2026
Published: 01st Mar 2026

Copyright: © 2026 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (https://creativecommons.org/licenses/by/4.0/)

1. Introduction

Sustained trade deficits can reflect productive investment and modernization, but large and persistent deficits also increase exposure to exchange-rate pressure, imported inflation, and supply-chain vulnerability—especially where growth depends on imported intermediate goods and capital equipment. Ensuring that external balances and competitiveness factors are highlighted once again as one of the main policy issues for Uzbekistan in the latest assessments [4], [5]. While trade has progressively liberalized, the net position has continued to be structurally negative. Recent signals revealed that there was a return to trade openness close to pre-pandemic levels by 2023, but the trade balance deteriorated because of increasing imports [1]. The same structural trend comes through a longer-run perspective: the goods trade shifted from surplus in the mid-2000s to deep deficits by 2023 [1]. Broader diagnostics on Uzbekistan's business environment and structural transition also emphasize the role of regulatory quality, logistics performance, and competitiveness constraints for trade outcomes [6], [7], [8].

This paper examines Uzbekistan's import dependence and trade deficit from a descriptive policy perspective. The research question is: How has the deficit evolved, what

structural interpretations are consistent with growing import dependence, and which policy responses can narrow the deficit without undermining growth and trade openness? The thesis of this paper is that the primary goal of deficit reduction must be in increasing export competitiveness and reducing trade costs – especially the costs of documentary frictions – while risk-based controls enable comprehensive enforcement measures. The conditions of foreign trade policy in contemporary Uzbekistan are examined [7], alongside arguments that support Uzbekistan's need to undergo structural factor reforms [8]. Further framing Uzbekistan's trade challenges, we now understand trade in the context of its digitalization and regulatory modernization [9], non-tariff policy design and its economic implications [10], [11], and analyst evidence linking trade openness and liberalization with trade growth dynamics [12], [13]. Financial perspectives also discuss how external imbalances and trade frictions transmit to firm constraints and macro vulnerability [14].

2. Methodology

This study uses a descriptive design based on secondary data from UNCTADstat (trade trends and balances), the World Bank Doing Business Trading Across Borders indicators (time/cost to comply and documentation requirements), and the UNTF Survey interactive database (trade facilitation and paperless trade progress) [1], [2], [3]. This analysis integrates cross-sectional short-run foreign trade indicators (2019-2023) and long-run goods trade deficits/ surpluses (2005-2023) to empirically illustrate the trends in trade openness, import-export relationships, and the trade balance evolution. This process includes: (1) trend analysis over the availabe data period of both openness and balances; (2) identification of the drivers for the trade deficit based on import and export growth patterns; and (3) suggesting areas of policy intervention based on the patterns observed and as facilitated through the prior World Bank diagnostics on trade costs, logistical constraints and avaiolability of administrative bottlenecks to facilitate trade [6], [7], [8]. Data for trade trends and balances are taken from UNCTADstat [1], trade compliance time/cost and documentation benchmarks from Doing Business Trading Across Borders [3], and trade facilitation progress from the UNTF Survey interactive database [2].

3. Results

The 2019-2023 indicators show that trade openness fell in 2020 and then recovered steadily, reaching 64.4% of GDP by 2023 [1]. Over the same period, the trade balance became more negative, consistent with imports rising faster than exports [1]. In the long run (2005–2023), the goods series shows a clear structural break: the goods trade balance was in surplus in 2005, but by 2023, had moved to a large negative value as imports increased over exports by a wide margin [1]. Altogether, these results are indicative of a non-cyclical nature to the deficit; sustained increases in imports have not been fully compensated by increases in exports, which leads to a higher susceptibility to external shocks and exacerbates the economic burden of border and documentation frictions [1], [3].

4. Discussion

First, Uzbekistan should strengthen export competitiveness and value addition by supporting firms' standards compliance and market access readiness. Second, trade costs – especially documentary burdens – should be reduced by simplifying and digitizing documentary procedures, integrating agency requirements through a single-window approach, and minimizing duplication of certificates and repeated data submission [3]. Third, enforcement should shift toward risk-based selectivity by focusing interventions on

high-risk shipments and using post-clearance verification to maintain compliance while releasing low-risk trade faster. Last but not least, enhancement of predictability should be achieved via advance rulings and efficient appeals that eliminate bursts caused by disputes and strengthen trader's confidence. They are in line with literature stressing that non-tariff policy design and predictable regulation can outweigh opening and closing gains, limiting the need for blunt restrictions, such as those driven by pressures for digital transformation and integration [9], [10], [11], [13]. Across the five priorities, measures supporting reductions in transport and logistics frictions – in particular for trade corridors and border connectivity – are also aligned with the policy diagnostics of the World Bank on logistics development and structural transition in Uzbekistan [7], [8].

Table 1. Uzbekistan's foreign trade indicators, 2019–2023.

Indicator	2019	2020	2021	2022	2023
Foreign trade (as % of GDP)	65.0	56.1	57.5	63.9	64.4
Trade balance (USD million)	-7,291	-6,216	-8,767	-11,660	-14,859
Trade balance incl. services (USD million)	-9,562	-8,102	-11,494	-14,677	-17,597
Imports of goods and services (annual growth, %)	13.4	-14.9	23.4	13.5	11.5
Exports of goods and services (annual growth, %)	16.4	-20.1	13.4	24.6	7.7
Imports of goods and services (as % of GDP)	39.6	34.1	36.2	39.5	40.7
Exports of goods and services (as % of GDP)	25.4	21.9	21.3	24.3	23.7

Source: United Nations Conference on Trade and Development (UNCTAD)

Trade openness recovered to 64.4% of GDP by 2023, but the trade deficit widened materially: the trade balance fell from – $7.3 billion (2019) to – $14.9 billion (2023), and the deficit including services widened from – $9.6 billion to – $17.6 billion. Imports remained consistently larger than exports in GDP terms, indicating rising exposure to persistent external imbalances [1].

Table 2. Uzbekistan's international trade in goods (million US dollars).

Indicator	2005	2010	2015	2023
Goods exports (USD million)	4749	11695	9443	19229
Goods imports (USD million)	3666	8689	11461	35575
Goods trade balance (USD million)	1083	3006	-2017	-16346

Source: United Nations Conference on Trade and Development (UNCTAD)

Uzbekistan's goods trade moved from surplus to a large deficit over time. While exports rose to $19.2 billion by 2023, imports increased much faster to $35.6 billion, producing a deficit of – $16.3 billion in 2023 and signaling structural import dependence [1].

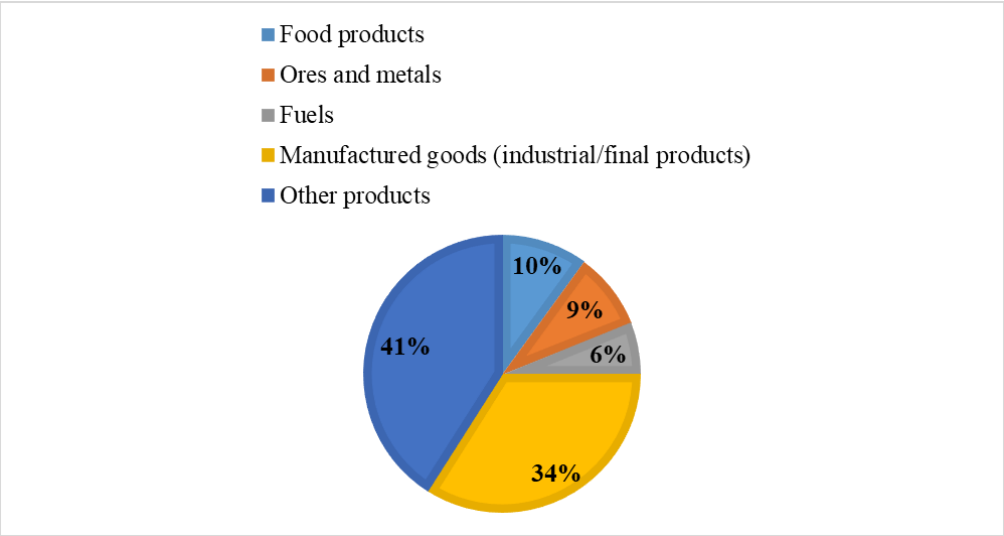

Figure 1. Uzbekistan's export structure by product group in 2023.

Source: UNCTADstat [1].

Exports are dominated by "Other products" (41%) and manufactured goods (34%), followed by food (10%), ores/metals (9%), and fuels (6%). This suggests diversification, but also a wider range of standards and certification regimes that can increase documentary requirements if processes are not streamlined [1].

Table 3. Comparison of export and import costs and times: Uzbekistan, regional and global standards.

Indicator	Uzbekistan	Europe and Central Asia	OECD High-Income Countries	Best Practice Outcome
Export time: Border compliance (hours)	32	16.1	12.7	1 (19 countries)
Export cost: Border compliance (USD)	278	150.0	136.8	0 (19 countries)
Export time: Documentary compliance (hours)	96	25.1	2.3	1 (26 countries)
Export cost: Documentary compliance (USD)	292	87.6	33.4	0 (20 countries)
Import time: Border compliance (hours)	111	20.4	8.5	1 (25 countries)
Import cost: Border compliance (USD)	278	158.8	98.1	0 (28 countries)
Import time: Documentary compliance (hours)	150	23.4	3.4	1 (30 countries)
Import cost: Documentary compliance (USD)	242	85.9	23.5	0 (30 countries)

Source: World Bank Doing Business—Trading Across Borders [3].

Uzbekistan's procedures are substantially more time-consuming and costly than comparator benchmarks, especially in documentary compliance. Import documentary compliance (150 hours) and export documentary compliance (96 hours) are far above OECD high-income levels (3.4 and 2.3 hours), indicating that paperwork and document processing are a primary trade facilitation bottleneck [3].

Table 4. Document requirements for export and import operations in Uzbekistan.

Documents required for export	Documents required for import
Export declaration	Import customs declaration
Export contract	Certificate of origin
Certificate of conformity	Commercial invoice
Invoice	Packing list
Packing list	Serial/code numbers
CMR consignment note (road waybill)	CMR consignment note (road waybill)
Certificate of origin	Certificate of conformity
Fumigation certificate	–
Phytosanitary certificate	–

Source: World Bank. Doing Business – Trading across borders documentation requirements.

The document list shows a documentation-heavy environment for both exports and imports, including customs declarations plus certificates related to origin and conformity. For certain goods, sanitary/technical certificates are required, which can contribute to higher documentary compliance time and cost if processes are fragmented or require repeated submissions [3].

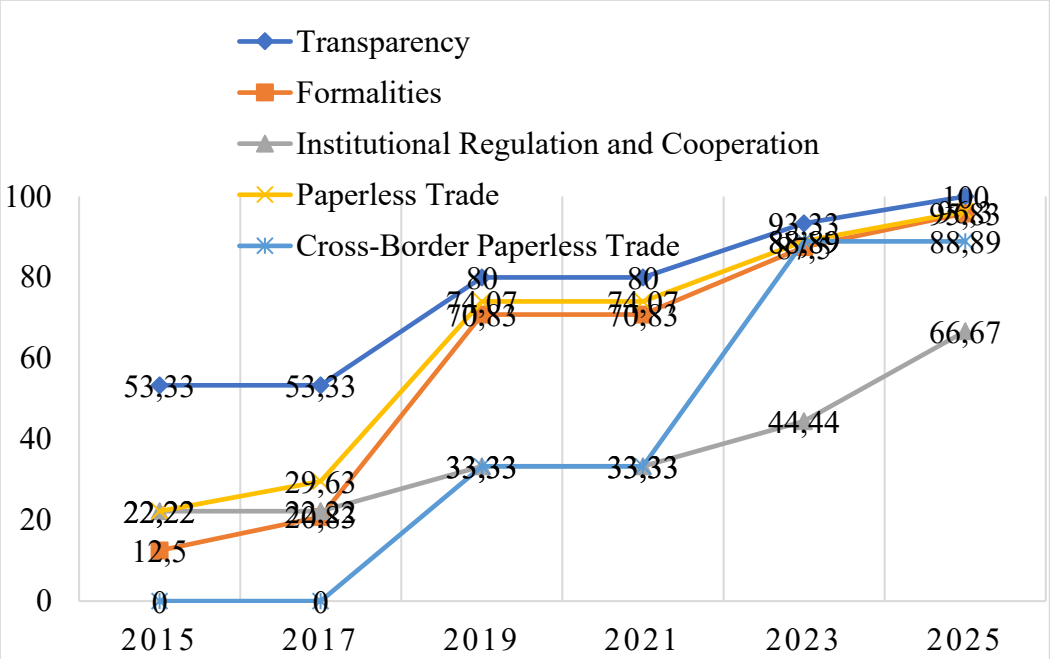

Figure 2. Trade facilitation and digital trade in Uzbekistan in 2015–2025.

Source: UNTF Survey interactive database [2].

Uzbekistan shows strong improvement in transparency, formalities, and paperless trade, while institutional regulation/cooperation improves more gradually. Cross-border paperless trade rises sharply from a very low base to a high level, suggesting major progress but continued need for deeper interoperability and coordination [2].

Limitations

This study is descriptive and does not estimate causal relationships. The indicators are drawn from secondary international datasets (UNCTADstat, Doing Business Trading Across Borders, and the UNTF Survey), and cross-country benchmarks may reflect methodological differences. Documentary requirements and compliance time can also vary by product category and trader type; therefore, results should be interpreted as indicative rather than universal [1], [2], [3].

5. Conclusions

Uzbekistan's foreign trade openness recovered by 2023, but the external balance deteriorated as imports continued to exceed exports, pointing to rising import dependence and greater exposure to external shocks. Long-run goods trade data reinforce a structural shift from surplus in the mid-2000s to a large deficit by 2023. Benchmark evidence suggests that the largest trade facilitation gap is not only at the border but especially in documentary compliance time and cost, which remain well above regional and OECD high-income benchmarks. Meanwhile, while there is already a sign of good progress in the transparency and paperless trade pathways under the trade facilitation trajectory, the areas of institutional coordination and cross-border paperless interoperability are relatively weaker. Thus, policy priorities should be streamlining documentary requirements via enhanced single-window complementation and digital validation, reinforcing risk-based selectivity and post-clearance review to fast-track low-risk movements without diluting enforcement, and enhancing predictability based on advance rulings and meaningful administrative review. The proposed focus on reducing documentary frictions while strengthening targeted enforcement and predictability is also consistent with recent work on non-tariff regulation, digital trade governance, and the trade-growth relationship in comparable settings.

REFERENCES

[1] United Nations Conference on Trade and Development (UNCTAD), "UNCTADstat", https://unctadstat.unctad.org/

[2] United Nations Global Survey on Digital and Sustainable Trade Facilitation (UNTF Survey), "UNTF survey", https://www.untfsurvey.org/

[3] World Bank, "Doing Business: Trading across borders" [Data set], https://archive.doingbusiness.org/en/data/exploretopics/trading-across-borders

[4] International Monetary Fund, "IMF Executive Board concludes 2024 Article IV consultation with the Republic of Uzbekistan," Press Release No. 24/240, Jun. 26, 2024, https://www.imf.org/en/news/articles/2024/06/26/pr24240-uzbekistan-imf-exec-board-concludes-2024-art-iv-consult

[5] International Monetary Fund, "Republic of Uzbekistan: 2024 Article IV consultation – Press release; staff report; and statement by the Executive Director," Country Report, Jul. 10, 2024, https://www.imf.org/en/publications/cr/issues/2024/07/11/republic-of-uzbekistan-2024-article-iv-consultation-press-release-and-staff-report-551710

[6] World Bank, Doing Business 2020: Comparing Business Regulation in 190 Economies. Washington, DC, USA: World Bank, 2020, https://documents1.worldbank.org/curated/en/688761571934946384/pdf/Doing-Business-2020-Comparing-Business-Regulation-in-190-Economies.pdf

[7] World Bank, "Uzbekistan: Building blocks for integrated transport and logistics development," Policy Paper, 2020, https://documents1.worldbank.org/curated/en/620601593145818606/txt/Uzbekistan-Building-Blocks-for-Integrated-Transport-and-Logistics-Development-Policy-Paper.txt

[8] World Bank, Assessing Uzbekistan's Transition: Full Report (Country Economic Memorandum), 2021, https://documents1.worldbank.org/curated/en/862261637233938240/pdf/Full-Report.pdf

[9] N. Akobir, "Foreign Trade Regulation in the Digital Economy: Challenges and Opportunities and Future Trends," Academia Open, vol. 10, no. 1, 2025, Art. no. 10657, doi: 10.21070/acopen.10.2025.10657.

[10] A. Norqobilov, "O'zbekistonda tashqi savdoni notarif usullar orqali tartibga solishning mamlakat iqtisodiyotiga ta'siri," Yashil Iqtisodiyot va Taraqqiyot, vol. 1, no. 3, 2024.

[11] A. Norqobilov, "Tashqi savdoda notarif usullarni qo'llashning iqtisodiy oqibatlarini aniqlash metodologiyasi (rivojlangan davlatlar tajribasi)," Yashil Iqtisodiyot va Taraqqiyot, vol. 1, no. 2, 2024.

[12] A. Norkobilov, "Vliyanie otkrytosti torgovli na ekonomicheskii rost v stranakh s formiruyushchimsya rynkom: Sravnenie regionov i razvitiya," Ekonomicheskoe razvitie i analiz, vol. 2, no. 12, pp. 138–146, 2024. [Online]. Available: https://inlibrary.uz/index.php/eitt/article/view/64346

[13] N. Sirajiddinov and A. Norkobilov, "Foreign trade liberalization and its impact on a country's economic growth (in the case of countries)," Yashil Iqtisodiyot va Taraqqiyot, vol. 2, no. 11, 2024.

[14] A. Norkobilov, "Challenges and Opportunities in Uzbekistan's Foreign Trade: A Financial Perspective," Nashrlar, vol. 4, no. 1, pp. 177–180, Mar. 25, 2025, doi: 10.60078/2025-vol4-iss1-pp177-180.