

## ISSUES OF ADAPTATION OF NATIONAL LEGISLATION TO THE INTERNATIONAL AGREEMENT "ON TRADE SIMPLIFICATION" (SUPT) IN THE MEMBERSHIP OF THE WORLD TRADE ORGANIZATION OF THE REPUBLIC OF UZBEKISTAN

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### Abstract

In the article, the importance of the process of becoming a member of the World Trade Organization of the Republic of Uzbekistan for our country, as well as the implementation of the most recent comprehensive international trade agreements and agreements of this organization into the national legislation, the Agreement on Trade Simplification, is widely covered.

**Keywords:** Simplification of international trade, World Trade Organization, globalization, customs procedures.

### Introduction

The configuration of social relations that determines the life of a person in Uzbekistan and in every country in the world reflects the economic, political, social and spiritual spheres of society's life. The relationship between these areas is inseparable. The economic sphere of social life cannot be considered separately from the social and vice versa. The World Trade Organization (hereinafter referred to as the WTO) is a large modern state institution, which mainly determines the state of social relations and development prospects in the economic sphere of society. From this point of view, it affects the area, quality and structure of relations in the economic, social, spiritual and political life of Uzbekistan.

It should be noted that the current development of the Republic of Uzbekistan depends on its position in world trade. Membership of the World Trade Organization allows our country to participate in the formation of international trade policy.

There is another situation that determines the relevance of the topic. The modern state of Uzbekistan cannot remain only a state of trade and production of raw materials. The idea of the new industrial policy is not only the idea of diversifying the economy, but also the idea of increasing the welfare of society through the development of this industry. The experience of industrialized countries (for example, China) shows the fundamental importance of the WTO in the distribution of manufactured goods in a globalized market. From this point of view, the WTO is the most important tool for the development of the national industry, and therefore all spheres of society.

In 2019, Uzbekistan restarted the process of joining this international structure. The sixth meeting of the working group on this process was held in Geneva in March. Currently, Uzbekistan has almost completed the negotiations with the three countries. There are 47 countries in total, and active negotiations are being conducted with 31 of them.

On April 14, 2023, the President of the Republic of Uzbekistan, Shavkat Mirziyoev, in a presentation on the progress and prospects of the membership process, said: "In the next 3 years, we plan to double the

export of finished products. The only way to achieve this is to become a member of the WTO. This will allow us to establish a trade system with 164 countries and have stable markets."

So, what is the WTO today, can this international organization be considered a threat or a boon for Uzbekistan? What legal problems does this or that country, including Uzbekistan, face when it joins this organization? These questions are increasing as the negotiations on the accession of the Republic of Uzbekistan to the WTO continue.

In order to speed up the process of becoming a member of the World Trade Organization of the Republic of Uzbekistan and ensure its quality implementation, on June 2, 2023, the Decision of the President of the Republic of Uzbekistan "On additional measures to accelerate the process of becoming a member of the World Trade Organization of the Republic of Uzbekistan" №181 was adopted.

In accordance with the decision, an interdepartmental commission on WTO membership was established, and a number of tasks were assigned to the committee and ministries.

Including:

To clearly define the position of the Republic of Uzbekistan on entering the market with WTO member countries and to make decisions on changing the foreign trade regime through tariff and notarial measures during bilateral and multilateral negotiations;

review proposals prepared by the Ministry of Justice, relevant ministries and agencies on harmonization of national legislation with WTO agreements, rules and norms and make decisions on implementation into national legislation;

in the process of becoming a member of the WTO, financial incentives for heads of ministries and departments and responsible employees who showed activity in high-quality and timely preparation of materials and ensuring the effectiveness of negotiations with high professional skills;

submitting submissions to the President and Prime Minister of the Republic of Uzbekistan on taking disciplinary measures against the heads of ministries and agencies involved in the process of becoming a member of the WTO, who approached their duties with indifference and irresponsibility, including their worthiness for the position they hold;

ensuring that the negotiation group on working with the World Trade Organization (hereinafter referred to as the negotiation group) conducts bilateral and multilateral negotiations in foreign countries in quick agreement with the Administration of the President of the Republic of Uzbekistan.

According to this Decision, from July 1, 2023, it will be prohibited to develop draft legal documents that do not comply with WTO rules and norms. It was also decided to establish divisions on WTO issues in 20 ministries and agencies, including the Customs Committee.

In order to achieve economic development, strengthening of the financial system and deep benefits based on the above-mentioned special agreements, in order to achieve balancing conditions in accordance with its trade, our country must determine the goals based on a perfect analysis of the main economic strategy and their proportionality with the WTO norms and rules in the WTO membership negotiations.

One of the important agreements that Uzbekistan should join in the process of becoming a member of the WTO is the Agreement "On the Simplification of Trade Procedures" (STTP), which entered into force in February 2017. The importance of this agreement for Uzbekistan is that joining it will help reduce trade costs and create an effective system of facilitating trade procedures within the WTO system. It is

the simplification of customs procedures in direction b that allows our country to take the leading positions in the rating of "Doing Business" in the direction of "Cross-border trade".

Among the international legal norms of the WTO, the International Agreement on "Trade Facilitation" (TAS) is very important in the regulation of international trade. This agreement is the latest of the WTO agreements and the first outcome of the Doha Round of trade negotiations. After ten years of negotiations, WTO member countries adopted the text of the Trade Facilitation Agreement at the 9th Ministerial Conference in Bali on December 3-6, 2013.

The Trade Facilitation Agreement is aimed at maximum simplification and unification of customs procedures. One of the main goals is to accelerate the movement of goods across borders, as well as to increase the transparency and predictability of trade and economic transactions.

This agreement provides for the following key elements to facilitate trade:

- openness and transparency;
- stability of rules;
- protection of the rights and legal interests of the participants of foreign economic activity;
- acceleration of customs formalities;
- reduction of document requirements;
- simplified transit procedures;
- customs cooperation.

The agreement consists of a preamble and 24 articles. Central to the agreement is a set of key trade facilitation measures to be implemented by WTO member countries.

The main purpose of the agreement is focused on the harmonization and simplification of customs procedures and consists of 3 sections.

Benefits of joining to the agreement include:

- reducing time and costs for economic operators, increasing trade operations and cross-border predictability, improving the fairness of the trading environment;
- increased predictable revenues for the government, more efficient allocation of resources, increased compliance, and greater integrity and transparency in the trading system;
- for the country, this means an increase in trade flows, creation of new jobs, broad economic growth and attraction of foreign direct investment.

Taking into account the above, it was studied how far our national customs legislation is ready to join this agreement. In particular, an in-depth analysis was conducted on the compatibility of each article of the agreement with national customs procedures.

As a result, it turned out that all the norms of the agreement, except for the following articles, are reflected in our national legislation:

1. Article 1.4 (notification) is carried out in the prescribed manner after our country becomes a member of the WTO, that is, a certificate of fulfillment of all requirements is sent to the WTO.
2. Article 3 (preliminary decision) is partially reflected in our legislation, and now it is appropriate to work on the development of a procedure for the practical application of issuing a preliminary decision on the country of origin of goods.
3. Article 6.2 (special rules for the collection of fees and charges for customs clearance related to or related to import and export) is partially reflected in our national legislation and requires amendments to the decision of the President of the Republic of Uzbekistan No. PF-5707 dated April 10,

2019 , in particular, it is necessary to develop a draft document that provides for the removal of a fee of 1.2% of the customs value during the customs clearance of imported drugs (except for substances related to medicinal products for medical purposes). In addition, it was determined that the fees for customs clearance of import and export goods should be revised.

4. Despite the fact that Article 11 (freedom of transit) is partially reflected in the customs legislation, in order to fully harmonize the procedures, it is necessary to develop a draft decision of the Cabinet of Ministers, which provides for the appointment of a national transit coordinator.

5. According to Article 23 (institutional mechanisms), it is indicated that a national Committee on Trade Facilitation should be established in the member country, which is the basis for the development of a draft decision of the Cabinet of Ministers, which provides for the appointment of a National Committee on Trade Facilitation in connection with the fulfillment of this requirement.

Based on the above, it can be said that the Trade Facilitation Agreement accelerates customs procedures; simplification, acceleration and cheapening of trade; ensuring transparency and efficiency; It consists of eliminating bureaucratic obstacles and corruption, and making the most of information technology advances. It should be noted that customs authorities play a key role in the implementation of this agreement. The fact that 98% of the 1st section of the agreement is inextricably linked with customs regulations is a clear proof of our opinion.