

NO 01 | JAN 2023

POLICY STUDY
UZBEKISTAN

The CGE modelling of the impact of Uzbekistan's WTO accession: the change in import duties

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1. Introduction

- » Uzbekistan is in the process of negotiating accession to the World Trade Organisation (WTO)
- » This step usually has a significant impact on the domestic economy, as trade barriers, especially tariff barriers, are considerably reduced
- » Freer trade is always beneficial for consumers, but it also leads to greater competitive pressure for certain sectors, while reduces input costs for others
- » In order to make the transition as smooth as possible, it is important to understand which sectors will be most affected and need time to adapt

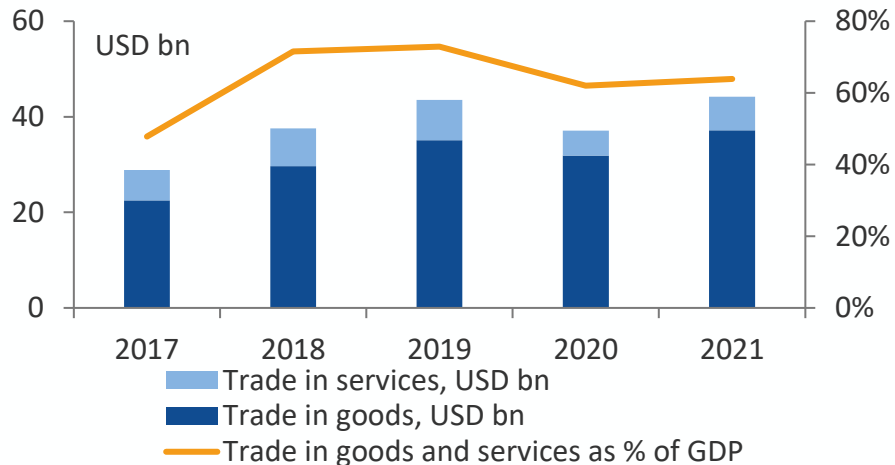
Aim of this policy briefing

- » Estimation of the effects of an WTO accession under different tariff liberalisation scenarios and calculation of effects on GDP and welfare as well as changes in output and trade by sectors using a Computable General Equilibrium (CGE) model
- » The obtained results can be helpful in negotiation process as well as to prepare policy measures to buffer potential shocks

*Disclaimer: The results of the study should be taken with great caution as they only take into account the change in tariffs and are based on strong assumptions. In this respect **it is not a forecast** but an analysis within predefined scenarios*

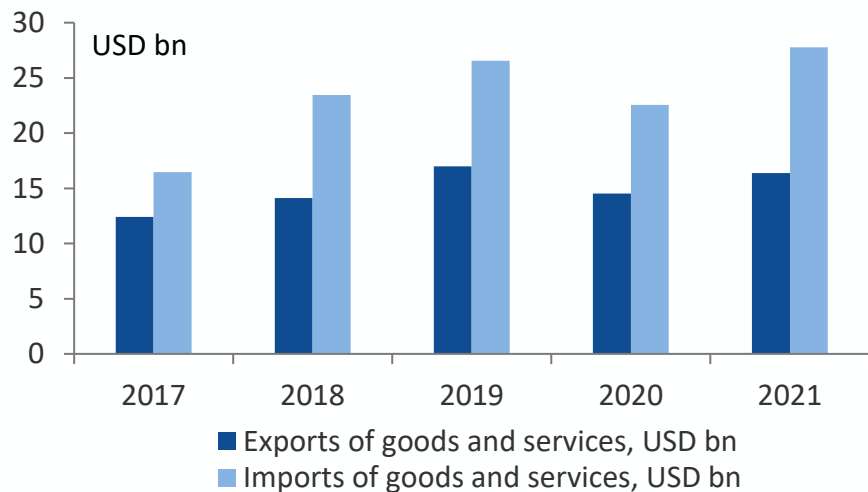
2. UZB trade overview

UZB trade of goods and services



Source: World Bank, *balance of payments data

UZB exports and imports



Source: World Bank, * balance of payments data

UZB trade in goods and services, 2021:

Total trade:

- » Value*: USD 44 bn (84% goods)
- » Share in GDP: 64%
- » Growth, 2021/2017: +11% per year

Exports:

- » Value*: USD 16 bn (86% goods)
- » Share in GDP: 24%
- » Growth, 2021/2017: +7% per year

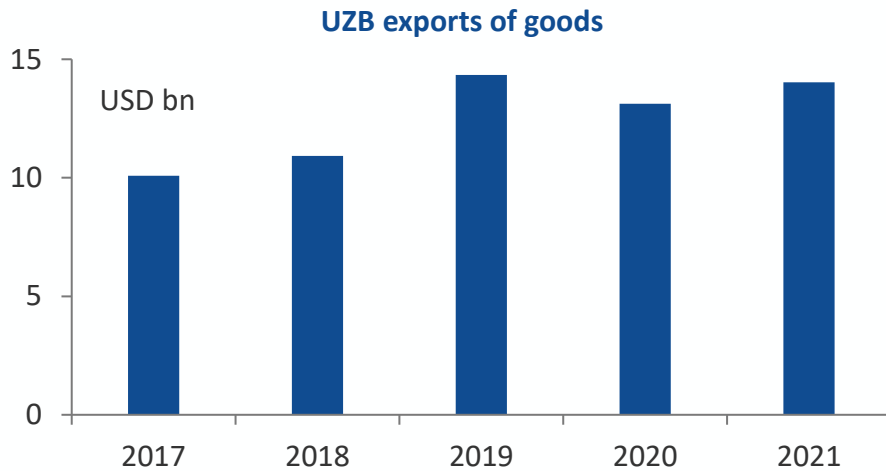
Imports:

- » Value*: USD 28 bn (83% goods)
- » Share in GDP: 40%
- » Growth, 2021/2017: +14% per year

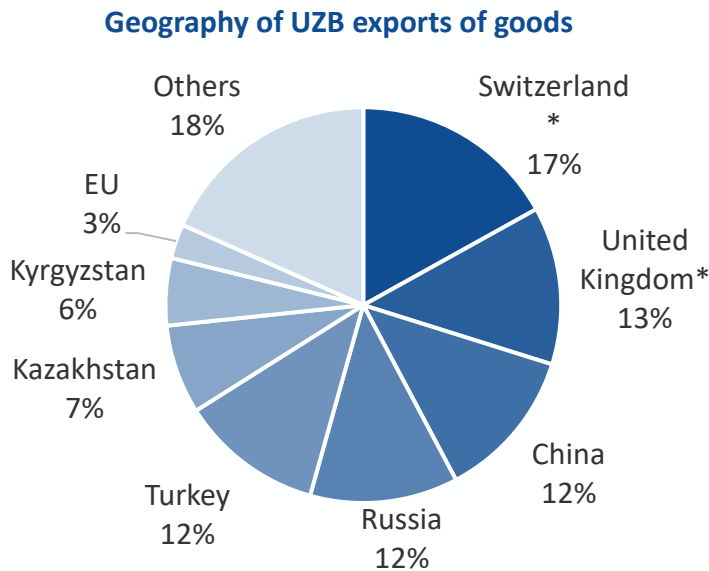
➤ **Open economy dominated by trade in goods**

➤ **Negative trade balance**

UZB exports of goods



Source: ITC Trade Map

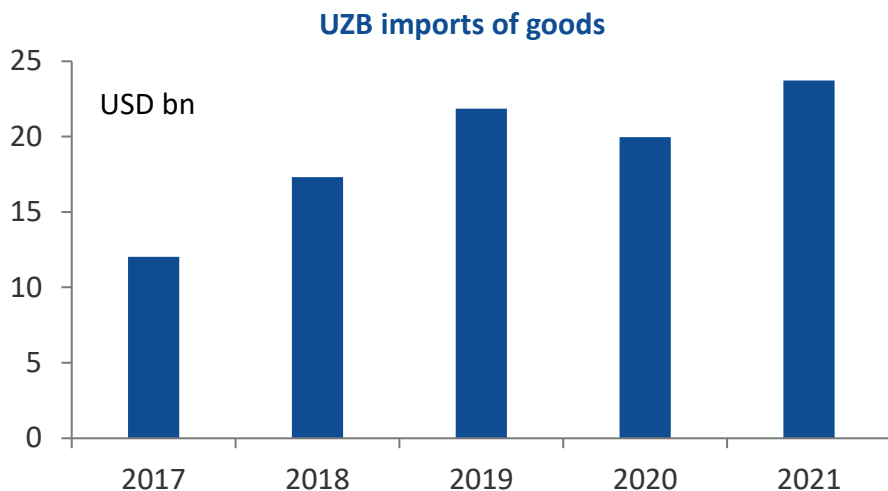


Source: ITC Trade Map, *shares of Switzerland and UK are estimated using mirror data for trade in gold; Note: data for 2021

UZB exports of goods, 2021:

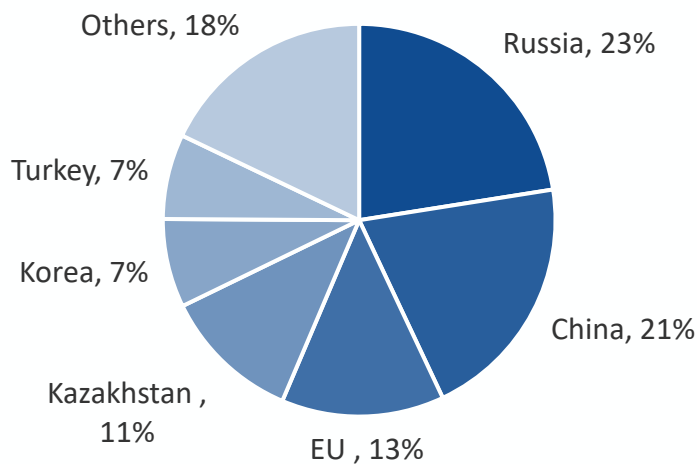
- » Value: USD 14 bn
- » Main export products
 - Gold (29%)
 - Cotton yarn (11%)
 - Refined copper (5%)
- » Exports quite diversified, key partners: EAEU (26%), Switzerland (17%) and UK (13%)
- » Exports growth 2017 - 2021 by on average 9% yearly; however, 2021 recovery did not compensate 2020 drop
- **Geographically diversified**
- **BUT: concentrated on raw or semi-finished products**

UZB imports of goods



Source: ITC Trade Map

Geography of UZB imports of goods



Source: ITC Trade Map; Note: data for 2021

UZB exports of goods, 2021

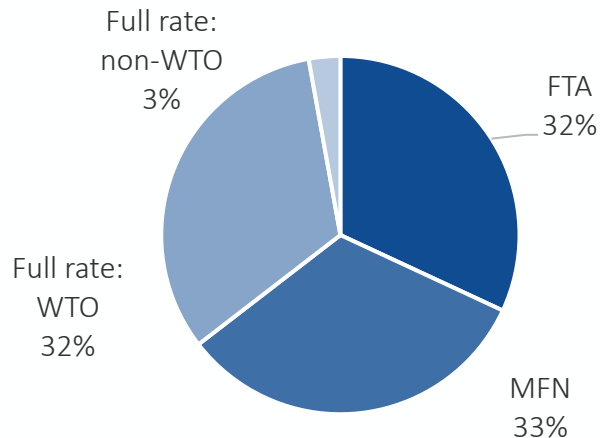
- » Value: USD 24 bn
- » Main import products
 - Medicaments (5%)
 - Parts & accessories for tractors (4%)
 - Petroleum processed products (3%)
- » Imports quite diversified, key partners: EAEU (36%), CHN (21%) and EU (13%)
- » Imports growth 2017 - 2021 by on average 18% yearly; in 2021, imports recovered from 2020 drop
- **Much faster expansion than exports → widening trade deficit**
- **High product diversity**
- **Geographically diversified**

3. UZB trade regimes and WTO accession

- » UZB uses three trade regimes:
 - Free trade (FTA)
 - Bilateral agreements on Most Favored Nation (MFN) regime
 - Non-preferential trade
- » WTO membership means the MFN (or better) duty to be used among WTO member states, while duties levied on non-members are not regulated
- » Thus, WTO membership will have a different impact on UZB trade regimes:
 - FTA: no change for exports and imports
 - Bilateral MFN: no changes for UZB exports; changes in UZB MFN import duties based on the country's schedule of concessions (under negotiations)
 - Non-preferential trade:
 - With WTO members: possible change in duties for UZB exports if currently they apply non-MFN duties; UZB to apply MFN import duty
 - With non-WTO members: UZB is free to decide the regime
- **Below, we review the current UZB trade structure by trade regime to understand importance of potential changes**

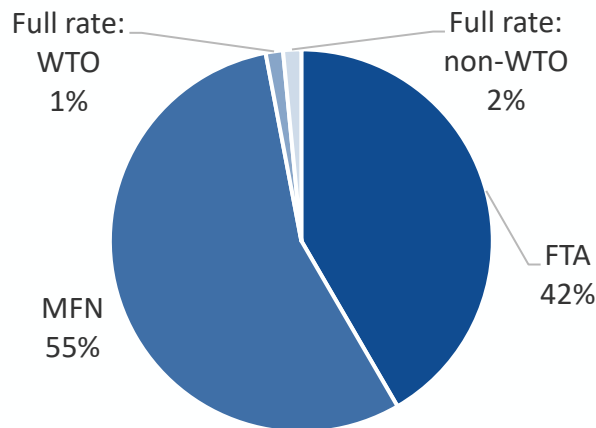
UZB exports and imports by trade regimes in 2021

UZB exports, by trade regime



Source: WITS, WTO, own estimates; Note: data for 2021

UZB imports, by trade regime



Source: WITS, WTO, own estimates; Note: data for 2021

UZB exports of goods, 2021

- » 65% of exports under FTA & MFN, no changes in duties
- » 32% of exports under full rate of WTO members, mostly equal MFN; no or very limited change in duties
- **No immediate duty benefits for UZB exports through WTO accession**

UZB imports, 2021

- » No changes for 42% of FTA imports as already duty free
- » 55% of imports from MFN partners, UZB will commit on upper-limit of MFN duties for these partners
- **Potential reduction of UZB duties for MFN partners**

Import duties

Recent WTO member states' bound duties

	Bound duty average, %	% duty-free tariff lines	Max bound duty, %	% binding tariff lines
Afghanistan	13.4	8.8	70	96.7
Cabo Verde	15.9	4.5	55	100
Kazakhstan	6.5	15.0	290	100
Lao	19.2	1.1	90	100
Liberia	26.7	0.1	50	100
Montenegro	5.3	31.0	50	100
Russia	7.6	3.4	121	100
Samoa	21.3	0.0	182	100
Saudi Arabia	11.4	6.8	>1000	100
Seychelles	9.8	46.9	200	100
Tajikistan	8.0	12.5	290	100
Tonga	17.6	0.0	20	100
Ukraine	5.8	30.9	50	100
Vanuatu	40.1	3.4	210	100
Vietnam	11.7	13.9	200	100
Yemen	21.7	0.1	100	100

Source: WTO; Note: the bound rate is the maximum MFN import duty a WTO member state can apply to other members. The bound rates are committed in a country's accession schedule. The bound rate generally cannot be exceeded without compensating the affected parties. Any member is free to apply lower MFN rates than bound rates

UZB applied MFN duty

- » Simple average: 7.4%
- » Share of duty-free lines: 44.5%
- » Max import duty: 900%
- **UZB has moderate tariff protection**

Recent WTO members (2005-now), bound import duties

- » Median bound average duty: 12.6%
- » Median share of duty-free lines: 6%
- » Median max duty: 100%
- **Recent WTO members committed to higher average bound rates than currently applied by UZB**
- **UZB can argue to take moderate duty concessions**

4. CGE model analysis: impact assessment methodology

- » We use the updated computable general equilibrium model for UZB, developed by the German Economic Team for Uzbekistan in 2019
- » **Base year for Social Accounting Matrix (SAM): 2016**
- » **Base year for goods trade data: 2021**
- » **Sectors: 29, including**
 - Sectors producing goods: 28
 - Services sectors: 1
- » **Representative household:**
 - Receives all income from factors of production: labor and capital
 - Receives net transfers from government and other countries
- » **Government:**
 - Receives income from taxes and net transfers
 - Total spending is fixed
- » The model is implemented in GAMS / MPSGE

Impact assessment: regions and trade regimes

Region in the model	Countries included in the region	Trade regime applied by UZB	Trade regime faced by UZB
EAEU	<i>Russia, Kazakhstan, Belarus, Armenia, Kyrgyzstan</i>	Duty-free trade	Duty-free trade
EU	<i>27 countries</i>	MFN	MFN
Other FTAs	<i>Azerbaijan, Ukraine, Georgia, Moldova, Tajikistan, Turkmenistan</i>	Duty-free trade	Duty-free trade
Other MFN	<i>Afghanistan, Bangladesh, Brazil, Switzerland, China, Egypt, United Kingdom, Indonesia, India, Israel, Jordan, Japan, Korea, Malaysia, Pakistan, Saudi Arabia, Singapore, Turkey, United States, Vietnam</i>	MFN	MFN
Other WTO	<i>Other WTO members</i>	Non-preferential duty*	MFN/Non-preferential duty
Other countries	<i>All other countries</i>	Non-preferential duty*	Non-preferential duty

*UZB non-preferential duty is twice above UZB MFN duty

Impact assessment: basic assumptions

- » **Static model** provides the assessment of the long-term effect of policy changes, but not of the adjustment trajectory
- » **The principle of ceteris paribus:** the model does not take into account any other possible economic shocks, like tax changes, global price shocks, new technologies etc., which can also affect the economic development
- » **The structure of the economy:** all sectors are competitive, with constant returns to scale (CRTS); the model does not assume any changes in technology
- » **Factors of production:** the amount of factors of production is fixed, all factors of production are fully used, factors of production - labor and capital - are completely mobile, except for capital in the mining industry
- » **Limitation:** we only take into account changes in import duties, while potential impacts of TBTs, state owned enterprises and other aspects are not modelled
- » **The model always has winners and losers:** the increase in one sector can be realised only by attracting production factors from other sectors; **in real world, technological improvements or the use of additional factors**, e.g. employing more people or attracting FDIs, would allow to mitigate the shock
- **The model results should be interpreted with great caution: they contain a long-term assessment of the impact of policy changes within the considered scenario and are not a forecast**

Impact assessment: scenarios

Assumptions

- » No changes of market access for UZB exports
- » UZB sets new MFN import duties for WTO member states, except for states, with which UZB has free trade agreements

	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
Change in UZB MFN import duty	20% ↓	50% ↓	80% ↓

Impact assessment: regions and trade regimes

Change in indicator compared to baseline, %

	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
Impact on macroeconomic indicators			
GDP	+0.2	+0.3	+0.4
Welfare	+0.4	+0.6	+0.9
Impact on trade			
Total exports	+1.7	+2.8	+4.1
Total imports	+1.7	+2.9	+4.1
Impact on prices			
Wages	+0.4	+0.7	+1.0
Return on capital	+0.4	+0.6	+0.8
Domestic prices	-0.1	-0.1	-0.1

Source: CGE model for UZB

- » Liberalisation of import duties leads to growth in real GDP and welfare
- » The main channels of change are:
 - Cheaper prices on imports of capital and intermediate goods
 - Reallocation of factors of production into more competitive sectors of the economy

Change in output for sectors being the most affected

Change in indicator compared to baseline, %

NACE	Description	Structure of output in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products	30.2%	+0.3	+0.4	+0.6
B06	Crude oil and natural gas	1.6%	-1.1	-2.1	-3.2
B07	Metal ores	0.2%	+6.5	+11.2	+16.3
C11	Beverages	0.8%	+0.3	+0.6	+0.8
C17	Paper and paper products	0.2%	-1.5	-2.0	-2.6
C20	Chemical products	1.6%	-0.9	-1.4	-2.0
C22	Rubber and plastic products	0.6%	-2.5	-4.2	-5.9
C23	Other mineral non-metal products	1.7%	-0.5	-0.7	-0.9
C24	Basic metals	3.1%	+6.8	+11.7	+17.0
C27	Electrical equipment	0.4%	-1.0	-1.7	-2.3
C29	Motor vehicles	1.0%	-1.5	-3.1	-4.7
C32	Other products	0.2%	-1.2	-1.5	-2.0
	Services	44.9%	+0.1	+0.1	+0.2

Source: CGE model for UZB

- » **Output:** WTO accession is the most beneficial for manufacturing of basic metals and the most challenging for manufacturing of motor vehicles and oil & gas extraction

Change in exports for sectors being the most affected

Change in indicator compared to baseline, %

NACE	Description	Structure of exports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products	10.1%	-0.6	-1.1	-1.6
B06	Crude oil and natural gas	12.4%	-1.8	-3.4	-5.0
C10	Food products	1.0%	-0.5	-0.9	-1.3
C13	Textiles and textile products	5.7%	-0.8	-1.4	-2.0
C14	Clothing	1.8%	-0.5	-0.8	-1.1
C20	Chemical products	6.7%	-0.8	-1.4	-2.1
C23	Other mineral non-metal products	1.2%	-0.7	-1.1	-1.6
C24	Basic metals	29.9%	+7.2	+12.4	+18.0
C27	Electrical equipment	0.6%	+0.8	+1.2	+1.7
C28	Machinery and equipment	0.5%	+1.4	+2.5	+3.7
C29	Motor vehicles	0.5%	+2.6	+4.9	+7.3
	Services	27.1%	-0.4	-0.7	-1.0

Source: CGE model for UZB

- » **Exports:** the strong expansion of basic metals coupled with their large role in exports make the sector the main contributor to overall exports growth

Change in imports for sectors being the most affected

Change in indicator compared to baseline, %

NACE	Description	Structure of imports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products	3.7%	+1.3	+3.1	+5.0
B07	Metal ores	0.7%	+6.3	+10.9	+15.9
C10	Food products	8.4%	+3.6	+6.0	+8.7
C20	Chemical products	7.2%	+1.0	+1.5	+1.9
C21	Basic pharmaceutical products	8.0%	+1.4	+2.0	+2.6
C22	Rubber and plastic products	2.7%	+6.2	+10.5	+15.2
C23	Other mineral non-metal products	1.7%	+5.5	+8.5	+11.7
C24	Basic metals	9.9%	+0.8	+1.5	+2.3
C27	Electrical equipment	4.3%	+2.6	+4.4	+6.2
C28	Machinery and equipment	18.6%	+0.8	+1.3	+1.8
C29	Motor vehicles	6.8%	+3.1	+6.1	+9.2
C32	Other products	0.8%	+7.4	+10.2	+13.2
	Services	7.2%	-0.1	-0.1	-0.1

Source: CGE model for UZB

- » **Imports:** imports of food products and motor vehicles will make the highest contribution into total imports growth within the WTO accession

Impact assessment: trade by regions

Change in indicator compared to baseline, %

Regions	EXPORTS			IMPORTS		
	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalization
EAEU	-0.10	-0.22	-0.33	-0.53	-0.84	-1.14
EU	+0.58	+0.93	+1.33	+9.38	+8.65	+7.91
Other FTAs	-0.07	-0.20	-0.32	-0.42	-0.55	-0.67
Other MFN	+0.50	+0.76	+1.07	+0.97	+4.02	+7.27
Other WTO	-0.31	-0.58	-0.88	+1.00	+3.12	+5.59
Other countries	+6.72	+11.54	+16.76	-0.94	-1.45	-1.96

Source: CGE model for UZB

- » The WTO accession stimulates reorientation of UZB exports and imports:
 - The growth of trade with the EU and other MFN
 - The reduction of trade with EAEU and other FTAs
 - The growth of imports from other WTO

5. Conclusions

- » The liberalisation of foreign trade, associated the WTO accession, leads to the growth in real GDP and the well-being of Uzbekistan's population
- » Key channels of the policy change impact are cheaper materials and components and reallocation of factors of production into more competitive sectors
- » Therefore, the impact will be unevenly distributed among sectors:

Top-3 sectors in terms of their contribution to the change

Increase in output	Decrease in output	Increase in exports	Increase in imports
Manufacturing of basic metals; agriculture; services	Extraction of crude oil and gas; manufacturing of motor vehicles; manufacturing of rubbers & plastic products	Manufacturing of basic metals; manufacturing of motor vehicles; manufacturing of machinery & equipment	Manufacturing of food products; manufacturing of motor vehicles; manufacturing of rubbers & plastic products

- » Joining the WTO reduces the cost of imports from third countries and leads to trade reorientation reducing trade with the EAEU and other FTAs and intensifying links with the EU, other MFN and other WTO members

About the German Economic Team

Financed by the Federal Ministry for Economic Affairs and Climate Action, the German Economic Team (GET) advises the governments of Ukraine, Belarus*, Moldova, Kosovo, Armenia, Georgia and Uzbekistan on economic policy matters. Berlin Economics has been commissioned with the implementation of the consultancy.

**Advisory activities in Belarus are currently suspended.*

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Annex 1: change in output (1/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of output in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products, hunting and services in these areas	30.2%	0.3	0.4	0.6
A02	Forestry products, logging and services in these areas	0.7%	0.3	0.6	0.8
A03	Fish and other fishery products; fish farming products; services related to fishing	0.1%	0.4	0.6	0.8
B05	Hard coal and brown coal (lignite)	0.1%	0.2	0.4	0.5
B06	Crude oil and natural gas	1.6%	-1.1	-2.1	-3.2
B07	Metal ores	0.2%	6.5	11.2	16.3
B08	Production of extraction of other minerals	0.1%	-0.5	-0.7	-0.9
C10	Food products	5.5%	0.0	0.1	0.1
C11	Beverages	0.8%	0.3	0.6	0.8
C12	Tobacco products	0.2%	0.0	0.0	0.1
C13	Textiles and textile products	3.2%	0.0	-0.1	-0.2
C14	Clothing	1.1%	0.2	0.3	0.4
C15	Leather and leather goods	0.2%	0.3	0.3	0.3
C16	Wood and wood products and cork (except furniture); straw and weaving materials	0.1%	-0.1	-0.2	-0.4

Source: CGE model for UZB

Annex 1: change in output (2/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of output in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
C17	Paper and paper products	0.2%	-1.5	-2.0	-2.6
C19	Coke and refined petroleum products	0.9%	0.2	0.4	0.6
C20	Chemical products	1.6%	-0.9	-1.4	-2.0
C21	Basic pharmaceutical products and pharmaceutical preparations	0.3%	-0.8	-1.0	-1.2
C22	Rubber and plastic products	0.6%	-2.5	-4.2	-5.9
C23	Other mineral non-metallic products	1.7%	-0.5	-0.7	-0.9
C24	Basic metals	3.1%	6.8	11.7	17.0
C26	Computers, electronic and optical equipment	0.1%	-1.5	-2.4	-3.2
C27	Electrical equipment	0.4%	-1.0	-1.7	-2.3
C28	Machinery and equipment not included in other groups	0.2%	-0.1	0.0	0.1
C29	Motor vehicles, trailers and semi-trailers	1.0%	-1.5	-3.1	-4.7
C30	Other vehicles and equipment	0.0%	-0.3	0.0	0.3
C31	Furniture	0.3%	0.1	0.0	-0.1
C32	Other products	0.2%	-1.2	-1.5	-2.0
	Services	44.9%	0.1	0.1	0.2

Source: CGE model for UZB

Annex 2: change in exports (1/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of exports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products, hunting and services in these areas	10.1%	-0.6	-1.1	-1.6
A02	Forestry products, logging and services in these areas	0.0%	-0.6	-1.0	-1.5
A03	Fish and other fishery products; fish farming products; services related to fishing	0.0%	-0.3	-0.6	-0.8
B05	Hard coal and brown coal (lignite)	0.0%	-0.1	-0.3	-0.5
B06	Crude oil and natural gas	12.4%	-1.8	-3.4	-5.0
B07	Metal ores	0.0%	6.2	10.6	15.3
B08	Production of extraction of other minerals	0.0%	-0.5	-0.8	-1.2
C10	Food products	1.0%	-0.5	-0.9	-1.3
C11	Beverages	0.1%	0.4	0.6	0.8
C12	Tobacco products	0.0%	-0.3	-0.6	-1.0
C13	Textiles and textile products	5.7%	-0.8	-1.4	-2.0
C14	Clothing	1.8%	-0.5	-0.8	-1.1
C15	Leather and leather goods	0.9%	0.3	0.3	0.3
C16	Wood and wood products and cork (except furniture); straw and weaving materials	0.0%	-0.2	-0.5	-0.7

Source: CGE model for UZB

Annex 2: change in exports (2/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of exports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
C17	Paper and paper products	0.3%	-0.8	-1.3	-1.8
C19	Coke and refined petroleum products	0.5%	-0.6	-1.2	-1.8
C20	Chemical products	6.7%	-0.8	-1.4	-2.1
C21	Basic pharmaceutical products and pharmaceutical preparations	0.1%	0.0	-0.2	-0.3
C22	Rubber and plastic products	0.2%	-1.5	-2.7	-4.0
C23	Other mineral non-metallic products	1.2%	-0.7	-1.1	-1.6
C24	Basic metals	29.9%	7.2	12.4	18.0
C26	Computers, electronic and optical equipment	0.1%	0.8	1.3	1.7
C27	Electrical equipment	0.6%	0.8	1.2	1.7
C28	Machinery and equipment not included in other groups	0.5%	1.4	2.5	3.7
C29	Motor vehicles, trailers and semi-trailers	0.5%	2.6	4.9	7.3
C30	Other vehicles and equipment	0.2%	0.1	0.6	1.1
C31	Furniture	0.0%	0.2	0.2	0.2
C32	Other products	0.0%	0.1	0.5	0.8
	Services	27.1%	-0.4	-0.7	-1.0

Source: CGE model for UZB

Annex 3: change in imports (1/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of imports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products, hunting and services in these areas	3.7%	1.3	3.1	5.0
A02	Forestry products, logging and services in these areas	0.2%	0.8	1.6	2.3
A03	Fish and other fishery products; fish farming products; services related to fishing	0.0%	3.2	6.2	9.3
B05	Hard coal and brown coal (lignite)	0.2%	0.0	0.1	0.2
B06	Crude oil and natural gas	1.0%	0.6	1.2	1.8
B07	Metal ores	0.7%	6.3	10.9	15.9
B08	Production of extraction of other minerals	0.3%	0.7	1.0	1.3
C10	Food products	8.4%	3.6	6.0	8.7
C11	Beverages	0.2%	2.5	2.8	3.2
C12	Tobacco products	0.1%	22.4	33.4	47.6
C13	Textiles and textile products	0.8%	5.4	12.7	20.6
C14	Clothing	0.1%	11.0	23.5	38.2
C15	Leather and leather goods	0.1%	7.7	17.0	27.5
C16	Wood and wood products and cork (except furniture); straw and weaving materials	3.1%	0.1	0.2	0.3

Source: CGE model for UZB

Annex 3: change in imports (2/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of imports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
C17	Paper and paper products	1.5%	2.5	3.5	4.5
C19	Coke and refined petroleum products	3.6%	0.3	0.6	0.9
C20	Chemical products	7.2%	1.0	1.5	1.9
C21	Basic pharmaceutical products and pharmaceutical preparations	8.0%	1.4	2.0	2.6
C22	Rubber and plastic products	2.7%	6.2	10.5	15.2
C23	Other mineral non-metallic products	1.7%	5.5	8.5	11.7
C24	Basic metals	9.9%	0.8	1.5	2.3
C26	Computers, electronic and optical equipment	5.4%	0.7	1.1	1.6
C27	Electrical equipment	4.3%	2.6	4.4	6.2
C28	Machinery and equipment not included in other groups	18.6%	0.8	1.3	1.8
C29	Motor vehicles, trailers and semi-trailers	6.8%	3.1	6.1	9.2
C30	Other vehicles and equipment	3.3%	1.1	1.5	1.9
C31	Furniture	0.2%	6.4	12.9	20.1
C32	Other products	0.8%	7.4	10.2	13.2
	Services	7.2%	-0.1	-0.1	-0.1

Source: CGE model for UZB

Annex 4: change in domestic supply (1/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of imports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
A01	Agricultural products, hunting and services in these areas	29.6%	0.0	-0.1	-0.1
A02	Forestry products, logging and services in these areas	0.7%	0.0	0.0	0.0
A03	Fish and other fishery products; fish farming products; services related to fishing	0.1%	0.1	0.1	0.2
B05	Hard coal and brown coal (lignite)	0.1%	0.0	0.0	0.0
B06	Crude oil and natural gas	0.5%	-0.2	-0.4	-0.6
B07	Metal ores	0.2%	6.3	10.8	15.7
B08	Production of extraction of other minerals	0.2%	-0.4	-0.6	-0.9
C10	Food products	6.2%	0.2	0.3	0.4
C11	Beverages	0.8%	0.2	0.3	0.4
C12	Tobacco products	0.3%	0.3	0.4	0.6
C13	Textiles and textile products	2.7%	-0.1	-0.2	-0.2
C14	Clothing	0.9%	0.1	0.2	0.2
C15	Leather and leather goods	0.2%	0.3	0.5	0.8
C16	Wood and wood products and cork (except furniture); straw and weaving materials	0.4%	-0.1	-0.1	-0.1

Source: CGE model for UZB

Annex 4: change in domestic supply (2/2)

Change in indicator compared to baseline, %

NACE	Description	Structure of imports in SAM, % total	Uniform small change in duties	Uniform change; duties halved	Uniform change; close to full liberalisation
C17	Paper and paper products	0.4%	-0.3	-0.5	-0.6
C19	Coke and refined petroleum products	1.2%	0.0	0.0	0.0
C20	Chemical products	1.6%	-0.4	-0.7	-1.0
C21	Basic pharmaceutical products and pharmaceutical preparations	1.0%	0.5	0.8	1.0
C22	Rubber and plastic products	0.9%	-0.1	-0.2	-0.2
C23	Other mineral non-metallic products	1.7%	-0.1	-0.2	-0.3
C24	Basic metals	1.3%	1.8	3.0	4.4
C26	Computers, electronic and optical equipment	0.6%	0.1	0.1	0.2
C27	Electrical equipment	0.8%	0.3	0.6	0.8
C28	Machinery and equipment not included in other groups	1.9%	0.4	0.6	0.9
C29	Motor vehicles, trailers and semi-trailers	1.5%	0.2	0.3	0.5
C30	Other vehicles and equipment	0.3%	0.3	0.5	0.7
C31	Furniture	0.4%	0.2	0.3	0.5
C32	Other products	0.3%	0.3	0.4	0.6
	Services	43.1%	-0.2	-0.3	-0.4

Source: CGE model for UZB