

THE STATE OF DEVELOPMENT OF TEXTILE INDUSTRY ENTERPRISES IN UZBEKISTAN

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ABSTRACT	KEY WORDS
Light industry, being a strategic sector not only for the economy of Uzbekistan, but also for all countries of the world, provides a high level of employment, helps strengthen the economic and industrial potential and international prestige of our country. Light industry is developing every year. The introduction of new production technologies, the use of high-performance, modern equipment and at the same time effective management ensure high labor productivity and an increase in industrial production volumes. The republic, which for many years exported only cotton fiber, today has unlimited opportunities to take a leading position in the global textile market not only as a supplier of cotton fiber, but also as an exporter of textile products, especially finished products.	Light industry, textile industry, textile products, textile market, export, clothing and knitwear products.

Introduction:

The textile industry is one of the largest industries in the world. Increasing demand for textile products requires rapid development of this sector. The main regions supplying textile products to the world market are East Asia, South Asia, Russia, European countries and the USA. China is the leading country in the production of textile products in the world market. Reforms undertaken by developing countries such as China, Turkey and India to develop the textile industry have led to the rapid growth of the industry [1,2,3,4].

The unique geopolitical position of Uzbekistan allows for direct economic dialogue with many countries, mutually beneficial cooperation with the countries of Europe and Asia. The textile industry occupies one of the most important places in the economy of the republic; it is one of the main industries producing consumer goods such as garments, fabrics, gauze and knitwear, which are the most important element of the market [5,6,7].

Importance of the topic

Light industry refers to industries that usually produce small or light products and need less capital investment than heavy industries. These could include industries such as electronics, household goods, clothing, or food production. In this era of rapid industrialization, understanding the fundamentals and growth trends of various sectors becomes incredibly vital. As per Market Data Forecast, the global Light Industry Market is expected to grow at a CAGR of 4.2 percent between 2022 and 2027. This

growing parameter not only symbolizes the escalating value of light industries around the world, but it also points towards potential opportunities that might materialize within this time frame. Delving into these growth forecasts, therefore, paves the way for a deeper understanding of the market dynamics at play, giving readers a nuanced perspective on the future landscape of the Light Industry. Decree of the President of the Republic of Uzbekistan №PF-60 of January 28, 2022 "On the new development strategy of Uzbekistan for 2022-2026", №PF-53 of January 21, 2022 "Deep processing and finished products with high added value in textile and sewing and knitting enterprises Decree №PQ-5989 dated May 5, 2020 "On measures to promote production and their export" №PQ-99 dated January 24, 2022 "On measures that cannot be delayed to support the textile and sewing-knitting industry" - "On measures to create an effective system of development of production and expansion of industrial cooperation in the Republic", approval of the regulation of the Cabinet of Ministers of the Republic of Uzbekistan on February 23, 2021 on the procedure for the formation and use of the funds of the fund for the development of the textile and sewing and knitting industry of the "Uzto'qimaliksanoat" association №93, as well as the implementation of tasks defined in other regulatory legal documents related to the sector, is a clear proof that the development of the textile industry at the country level has become a necessary condition [8-11].

Analysis and Results

The economic and social significance of the effective development of the industry and the textile industry, which is considered the main link in the whole, the high demand and the increase in deep processing raw materials and the increase in the finished product, and the analysis of the state of development of the industry [12-18].

In Uzbekistan, under the influence of global changes, the share of textile products in the gross domestic product is steadily increasing. Currently, Uzbekistan not only has a large and diverse textile industry, but also processes raw materials and supplies competitive finished products to the world market. In 2023, there were 1,989 economic entities operating on a republican scale, specializing in the production of textile products, the share of the textile industry in the gross domestic product of the republic was more than 8%, and the manufacturing industry corresponds to this network at 13.6%. At the same time, 13% of the republic's industrial workers work there [19-23].

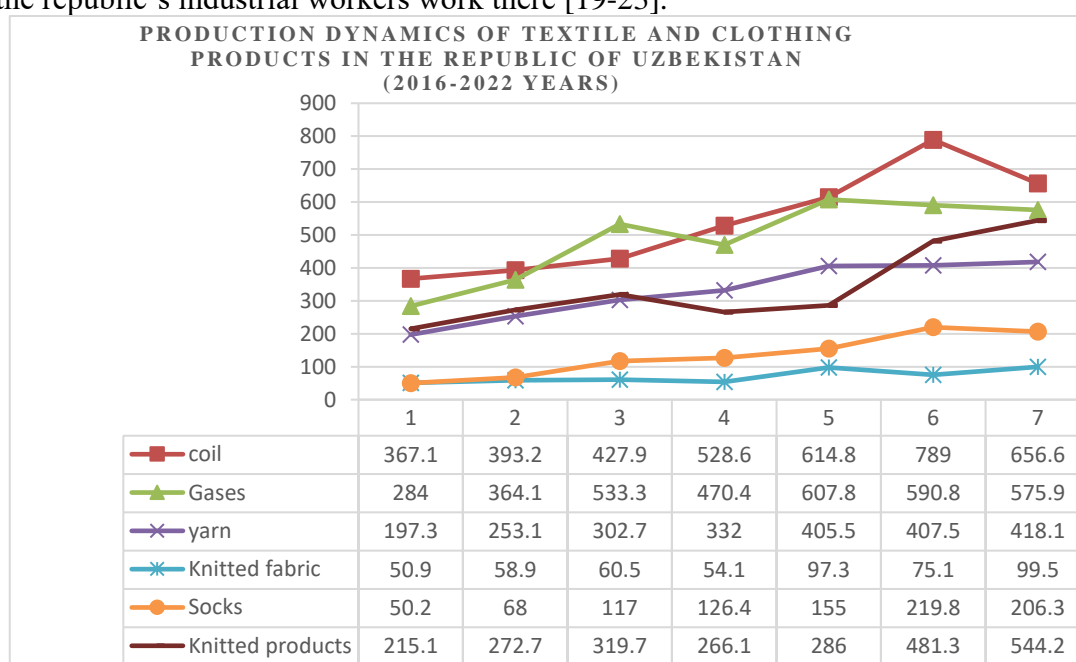


Figure 1. Dynamics of production of textile and clothing products in the Republic of Uzbekistan

Rich raw material base (cotton, wool, coal, oil, gas, etc.) for the development and supply of all sectors of the textile industry of Uzbekistan, as well as sufficient conditions for rapid economic development (natural, climatic, territorial and labor resources). The textile industry of our republic is developing rapidly. If in 1991 7% of the cotton fiber grown in our republic was processed, now 100% of raw cotton is processed by textile industry enterprises. In particular, in the case of the Fergana region, as of 2012, raw cotton worth \$29.4 million was exported, and by 2022, all raw cotton in the region is processed on the domestic market [24-27].

Today, there is a rapid increase in the production of textiles and clothing: in 2016-2022, the nominal value increased by 4.5 times, yarn - by 1.8 times, the total amount of fabrics - by 2 times, including gauze yarn - 2.1. times, knitted fabric - 1.9 times, socks - 4.1 times, sewing - 1.8 times, knitwear - 2.5 times.(Figure 1.)

As a result, the share of the textile industry in the gross domestic product of the republic in 2022 exceeded 9%, and more than 150 enterprises process more than 1 million tons of cotton fiber. A clear confirmation of this is the export of textiles and clothing and knitwear products in the amount of 3 billion 229.2 million US dollars in 2022, the growth rate of which increased by 10.2% compared to the previous year. The share of finished products in exports amounted to 41.5 percent. This represents an increase of 44 percent compared to 2021. An important factor in achieving such a positive result was the increase in the number of exporting enterprises by 96 to 1503 [28-31].

In the strategy for the development of the textile industry of Uzbekistan for 2019-2030, by 2025, 100% of cotton raw materials grown in the country will be processed, and the priority areas are to increase production volumes by 4.3 times. Today, 45 percent of the cotton fiber and yarn produced in the republic is processed, and the industry's annual export potential has exceeded \$3.2 billion.

In 2022, Uzbekistan exported textile products worth US\$3,178.0 million, accounting for 16.5% of total exports and an increase of 8.6% compared to the previous year. Of this, textile yarn, fabrics, ready-made garments and similar products were exported worth US\$ 2,227.5 million, which can be considered as a growth of 99.3% compared to 2021. Since the beginning of the year, 552 types of textile products have been exported to 73 countries. Among the exported textile products, the main share was occupied by cotton yarn (44.4%), finished knitwear and sewing clothing (29.2%). The largest share of exported textile products fell to the Russian Federation (USD 1,264.9 million - 39.8%) and Turkey (USD 519.1 million - 16.3%).

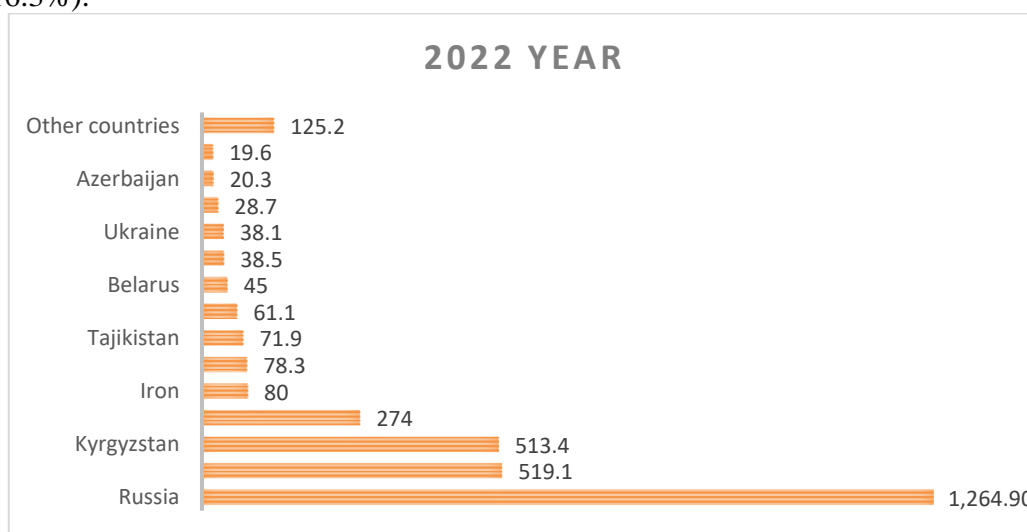


Figure 2. Dynamics of textile products export of Uzbekistan across the countries

In total, the industry's enterprises carry out export deliveries to more than 55 countries around the world. The number of exporting enterprises amounted to more than 780, 120 new enterprises were involved in export activities.

Conclusion

Increasing competition in world markets, the development of technology and the reduction of production costs by foreign manufacturers require the development of additional measures for the development of light industry. In the following years, one of the most important tasks of today is to organize textile and sewing-knitting complexes in the republic, to produce finished products with high added value, to expand the volume of products that are in high demand in domestic and foreign markets. It is necessary to ensure the rapid and stable development of light industry, diversify and expand the production of textile products with high added value, competitive in foreign markets, through deep processing of local raw materials, as well as attract potential foreign investors.

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