

ANALYSIS OF THE EXPORT ACTIVITY OF THE TEXTILE INDUSTRY OF THE REPUBLIC OF UZBEKISTAN

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ABSTRACT

In this article, the nature and tasks of the export policy and the export management system in the Republic of Uzbekistan are studied. The current state of the development of the textile industry of the Republic of Uzbekistan, the state of export activity has been analyzed. "Konteks Tashkent" LLC has developed practical recommendations on ways to increase the export potential of our Republic.

Keywords. Export potential, balance of payments, volume of production of textile industry, cluster system of production.

INTRODUCTION

The textile industry of Uzbekistan has a centuries-old tradition of processing cotton fibers. The Great Silk Road passed through Uzbekistan, and the goods produced by Uzbek artisans, especially silk, silk and satin fabrics, became known to the whole world.

If we take into account the growing demand for products made from natural fibers in the world market today, it is necessary to emphasize that Uzbekistan has ample opportunities to be recognized as an exporter of not only raw cotton, but also ready-made textiles and light industrial products in the world market.

According to the Decision of the President of the Republic of Uzbekistan "On the introduction of a new procedure for the formation and financing of development state programs of the Republic of Uzbekistan" dated December 18, 2019 No. and a number of important tasks to expand its export were defined [4].

As consumer goods are produced in the textile sector, industrial production takes center stage, which in turn saturates a large part of our markets. In addition, the industry provides the republic with a large number of jobs, including the employment of mainly women in this industry, which allows maintaining the demographic balance in industrial regions. One of the main and important factors is the growth of export potential. The growth of the export potential is in direct proportion to the growth of the republic's economic potential and the standard of living of the population.

Therefore, the country's role and potential in the world community is determined by its level of economic and social development, and increasing the export potential of the textile industry of our Republic is one of the most important tasks for Uzbekistan. Therefore, the chosen topic is relevant.

METHODS

The basis of the methodology used in the research is the normative documents developed by our government on the development of export activities of the textile industry and the scientific research works of foreign and Uzbek scientists focused on the problems of management and development of export processes. It consists of the data of the "Uztoqimachilik sanoat" association, as well as the

"Konteks Tashkent" LLC JSC, as well as the author's calculations and analysis based on these data.

RESULTS

The textile industry of Uzbekistan has a centuries-old tradition of processing cotton fibers. The Great Silk Road passed through Uzbekistan, and the goods produced by Uzbek artisans, especially silk, silk and satin fabrics, became known to the whole world.

If we take into account the growing demand for products made from natural fibers in the world market today, we must emphasize that Uzbekistan has ample opportunities to be recognized as an exporter of not only raw cotton, but also ready-made textiles and light industrial products in the world market.

During the years of independence, the network received 2.5 billion. more than 200 foreign investments were attracted, and more than 200 enterprises were launched with the participation of investors from Germany, Switzerland, South Korea, Turkey, Japan, Singapore, USA, and India. Among them, investment projects producing more than 100 ready-made products (outer and underwear, sportswear, clothes for adults and children, etc.) were implemented.

Modern machines for spinning, weaving, silk fiber, dyeing, weaving, finishing and sewing products of the world's most advanced machine tool manufacturing companies were put into operation. The export index of the products of the enterprises included in the association is 1 bln. exceeded the dollar.

Textile industry products produced in our country are exported to more than 50 countries. Uzbekistan is a member of the International Textile Federation, and has signed cooperation agreements with textile associations of more than 30 countries.

In 2019, the volume of goods produced in the enterprises of the association "Uztoqimaliksanoat" amounted to 3714.5 billion. soums, of which the annual export amount is 1170.0 mln. amounted to US dollars. Import-substituting raw materials, materials and consumer goods in 2018 increased by 118% compared to the same period of the previous year, or 473.0 mln. Produced more than US dollars. Export of light industrial products produced in our republic increased 25 times compared to 1994. Export volume is 70.2% of total manufactured products.

Table 1 The dynamics of the volume of export of products of the "Uztoqimaliksanoat" association in 2016-2019

Indicators	2016 y.	2017 y.	2018 y.	2019 y.
Export volume, mln. dollar	865,1	1050,1	1170,0	1350,0
Growth rates, %	100	121,4	111,4	115,5

Since 2000, a new era has begun in the export of textile, knitwear and silk products. In the 1990s, the light industry of Uzbekistan exported only raw cotton, but we must emphasize that Uzbekistan has ample opportunities to be recognized as an exporter of not only raw cotton, but also ready-made textiles and light industrial products in the world market.

Table 2.4 shows that in 2016-2019, the export volume of textile industry products was 865.1 mln. dollar from 1350.0 mln. dollar , or in other words, the volume of exports increased by 1.6 times. In 2019, the growth rate of product export was 115.5%.

If we analyze the export structure of the product, we can see that the share of cotton kalava yarn in the total export of textile industrial products is decreasing, and the share of yarn and ready-made

knitted and crocheted goods is increasing (Table 2).

Table 2 Export structure of the association "Uztoqiliksanoat" in 2010-2019

Export of light industrial products, %	Cotton thread	Ready-made knitwear	Threading	Knitted fabric	Silk thread
2010 y	58	25	7	5,2	2,8
2016 y	44,2	33,8	16,6	4,4	1,0
2019 y	38,5	35,2	19,6	5,5	1,2

If in 2010, the share of cotton yarn in the volume of product export was 58%, in 2019 this figure is equal to 38.5%, and the weight of the export of ready-made knitted and crocheted goods has increased from 25% to 33.2%, and the export of yarn is 7 % increased to 19.6%. However, despite this, the export of cotton fiber is still the leading export in Uzbekistan. However, it is now well known that the republic can benefit more from the export of textile products, and even more so from the export of finished products.

It can be understood from this table that if 1 ton of cotton fiber is exported from our republic instead of finished products, the foreign currency income to the republic will be 3200 US dollars more. At the same time, additional jobs will be created in enterprises built for the production of finished products. This, in turn, ensures a decrease in unemployment among the population.

The development of the sewing industry is of great importance in this area. Because among various enterprises operating in the light industry, the share of knitting and sewing enterprises is 45.1%. If 01.01.2019. as of now, the number of enterprises within the "Uztoqimaliksanoat" association is 410, of which 138 are knitting and sewing enterprises.

The society's product export geography is expanding year by year. In 2018, the products produced by the enterprises included in the society were exported to 58 countries, the EU and the CIS, as well as China, South Korea, Turkey, India, the UAE and other countries. In particular, the export volume to Turkey - 8.3%, EU countries - 12.6%, South Korea - 14.1%, PRC - 5.4%, CIS - 61.0%, 3, 6% were sent to others. An advertising and marketing agency for textile products has been established under the "Uztoqimaliksanoat" association, which studies the state of the global textile industrial products markets, analyzes the situation in terms of demand, develops proposals for product export directions, implementation of pricing policy by enterprises. Also, they help the producers of goods of our country to establish contacts with foreign consumers and conclude mutually beneficial contracts.

Analyses

In the association, great attention is paid to the issues of production of products that substitute for imports, and the composition of imports by its own enterprises is carefully studied. In particular, 237.2 million in January-December 2019. Products worth US dollars were imported, of which 99.4 mln. The US dollar accounted for the share of equipment and spare parts, which accounted for 67% of the total volume of imported products.

In 2018, if we analyze the geography of the export of textile products produced by the enterprises of the "Uztoqichiliksanoat" system, we can see that the products are mainly exported to Europe, Asia, Africa, and North America.

Table 3 Geography of exports of textile industry products in 2019

Импортёр мамлакатлар	Экспорт қилинган маҳсулот ҳажми, минг АҚШ доллари	Нисбий ҳажми, %
Importing countries	170112	12,6
European countries	112057	8,3
Turkey	189013	14,1
South Korea	823560	61,0
MDX	72905	5,4
China	48604	3,6
Other countries	1350100	100

Mainly spun yarn and yarn yarn were exported from European countries to all countries except Russia, Ukraine and Belarus.

Table 4 Geography of export of textile products produced by enterprises in the system of the
"Uztoqimalixsanoat" association (as of 01.01.2019)

Countries	Woven yarn	Threading	Silk fiber	Cotton fiber	Hosiery products	Non- woven fabrics	Knitted fabric	Raw silk
European countries								
Armenia		0,4						
Belarus	0,9			9,4			1,2	
Belgium	1,9	10,0						
Bulgaria	1,0							
Great Britain		13,4						
Germany	0,6	11,6						
Greece	0,1							
Spain	0,7	2,5						
Italy	0,2	2,5						
Latvia		5,1						
Lithuania	0,1	1,3						
Moldavia	0,3							
The Netherlands	1,4							
Poland	6,4	19,0						
Portugal	4,6	0,9						
Russia	23,4	4,2		43,3	100	87,7	89,0	
Ukraine	0,7	1,0		12,3		7,8	1,4	
Czechia	0,1	5,2						
Asian countries								
UAE								3,9
Vietnam								29,6
South Korea	8,7	11,1						
Israel	0,4							
Saudi Arabia				9,5				
Iran	2,1							5,7
Kyrgyzstan	0,5							
Kazakhstan	0,1	1,8		4,6		4,5		
Turkey	27,2			19,2			8,4	14,6
China	18,4	6,8	100					22,5
Japan	0,1	1,8						
India								23,7
African countries								
Миср	0,1							
North American countries								
USA		1,4						
Canada				1,7				
Total	100	100	100	100	100	100	100	100

Here we should note that 100% of hosiery products are exported to Russia.

The main part of non-woven materials and knitted fabric, namely 89-90%, is exported to Russia. The Russian state occupies a key place in the export of textile industry products of our republic.

In the export of textile and light industrial products to Asian countries, the export of cotton thread has a special place. At the same time, cotton fiber, non-woven materials, knitted fabric and silk fiber and raw silk are also exported. Silk fiber is 100% exported to China.

0.1% of spun yarn is exported to Egypt, an African country. From North American countries, 1.4% of cotton yarn is exported to the USA, and 1.7% of cotton fiber is exported to Canada.

The import of modern machines and equipment, as well as fittings and auxiliary materials, has a special place in the development of the textile and light industry of our republic, as well as in ensuring the quality of the manufactured products.

Table 5 Import of valuables necessary for the production of textile products in the system of the "Uztoqimaliksanoat" association, mln. in US dollars

Type of import products	2016 y.	2017 y.	2018 y.	2019 y.
Total import volume	92,8	106,2	238,3	253,7
Including:				
Equipment and spare parts	55,1		107,3	122,1
Raw materials and auxiliary materials	37,7	44,4	131	135,6

From the data of Table 5, we can see that in 2016-2019, machines and equipment, as well as fittings and auxiliary materials were imported to the enterprises of the "Uztogamichiliksanoat" association. In the import structure, the import of machines and equipment occupies a significant place.

At this point, it is worth noting that Riter, one of the world's leading machine-building companies, has made investments, and now Riter textile machines are being produced at the Riter machine-building enterprise established in Tashkent in our Republic.

If we analyze the export of textile products in the Republic of Uzbekistan, we can see that today our products are exported to 56 countries (Table 6).

Table 6 Dynamics of export of textile products of Uzbekistan, in thousand US dollars

Countries	2008	2009	2010	2011	2016	2017	2016	2017	2018	2019
Austria	58	198	31	45	-	-	1	-	1	34
Azerbaijan	1934	2131	2339	1488	11	527	1390	1168	1564	1187
Argentina	-	-	-	-	-	-	221	478	1902	3714
Armenia	2246	1530	707	134	309	363	75	131	57	281
Afghanistan	274	408	183	119	589	806	680	562	865	1043
Bangladesh	-	1347	-	-	-	-	506	8736	9581	9607
Belarus	4174	3568	4151	4410	2300	3905	5706	6738	10681	13958
Belgium	16199	18126	18087	11419	8985	12440	6735	4383	7423	7151
Bulgaria	36	663	55	207	799	1347	968	136	33	1655
Bosnia and Herzegovina	-	-	-	-	-	-	1126	2085	3147	2290
Brazil	-	-	-	924	-	-	55	218	1265	141
Hungary	-	161	587	555	216	673	67	82	68	150
Venezuela	-	-	142	-	-	-	116	1429	387	102
Great Britain	1357	1679	2564	3996	2357	3042	1625	930	1266	778
Vietnam	2482	2800	1948	1817	4189	3611	5145	4899	5950	7965

Germany	6580	12469	20032	11584	4557	8289	4212	2655	2604	2162
Georgia	14	70	-	-	23	28	64	173	215	337
Egypt	242	817	621	5188	3943	1251	477	927	176	257
India	195	477	126	340	2398	2951	1590	878	1842	976
Israel	970	1042	943	1091	567	2592	3433	1061	145	140
Iran	1328	4257	7377	9088	7031	12255	18728	18183	29641	24347
Spain	3074	3455	5460	2017	2236	3114	2172	187	452	1757
Italy	3074	2644	3765	2691	1602	2655	2481	3365	5595	3200
Kazakhstan	1611	1549	4102	5551	5696	14348	32434	49858	60727	56546
China	5437	4998	3495	2599	18489	91829	45091	99476	151893	199755
Colombia	-	102	-	-	-	-	57	705	2201	2047
Kyrgyzstan	68	474	938	1537	1881	1079	491	2486	21544	19303
Latvia	1655	1452	2537	1307	1859	4162	2787	2958	3856	1390
Lithuania	468	765	959	1837	815	2468	3329	855	2171	1781
Malaysia	-	-	-	-	60	-	459	1163	767	113
Morocco		38	61	142	-	-		258	270	534
The Netherlands	3301	5179	7803	5789	3194	5388	3396	2012	1200	1110
UAE	1956	2561	1766	926	1603	4400	4242	4914	1046	498
Pakistan	118	196	113	42	153	399	507	14	4	43
Peru	-	-	5	-	-	-	657	74	279	141
Poland	3353	4566	11456	14330	14150	14434	6026	5742	9322	12863
Portugal	10455	11970	16665	14523	16621	19583	14910	11573	13093	8209
Korea	10878	10011	12508	15694	16916	25934	25004	18416	13048	24686
Moldavia	175	80	18	154	299	1453	4418	7077	9675	2669
Russia	41019	55105	86175	128957	165037	274254	367770	373229	396156	376138
Romania	157	80	8	39	8	323	173	52	95	90
Singapore	-	-	275	299	95	13	-	-	900	4935
USA	9780	6850	2552	457	406	389	154	58	148	19
Hong Kong	-	-	-	37	-	93	215		2115	1766
Tajikistan	408	159	316	103	1047	4	277	388	484	344
Taiwan	178	759	1559	482	-	194	56	-	-	116
Tunisia	65	78	-	-	-	-	-	73	355	615
Turkmenistan	196	66	59	198	932	1627	1072	1591	1170	2934
Turkey	67094	90750	116092	78544	84419	114690	68820	55074	79802	101553
Ukraine	2619	2069	2993	5707	6030	12466	17341	13075	13365	11277
Czechia	271	246	346	877	2605	3515	4550	3797	2855	3488
Chile	-	-	-	-	-	-	31	-	27	141
Switzerland	74	85	388	112	43	176	-	746	-	1023
Sri Lanka	-	-	-	-	416	-	248	-	115	2784
JAR	-	-	-	-	2	118	73	168	43	355
Japan	3478	5669	2343	3952	825	554	277	484	334	473

The table shows that the number of countries to which textile products are exported is increasing year by year. Since 2016, Argentina, Bosnia and Herzegovina, Peru, Chile, Sri Lanka, South Africa are among them.

Efforts are being made to meet the demand of the enterprises of the "Uztoqimaliksanoat" association for high-quality auxiliary materials and fittings.

It is necessary to emphasize that in the development of the textile and light industry of our Republic, as well as in increasing its export potential, it is appropriate to carry out activities aimed at the

production of high-quality ready-made textile and light industrial products with high added value, as well as increasing the weight of their export.

Discussion

Since the textile industry produces consumer goods, it is central to the production of industrial products, which in turn saturates a large part of our markets.

According to the Resolution No. 2687 of the President of our Republic on 21.12.2018, the processing of cotton fiber in 2019 was brought to 76%. Priority ways to re-produce 100% of cotton raw materials grown in our republic, to increase product export by 2.5 times, and production volume by 3 times have been defined.

The production capacities of weaving enterprises within the association "Uztoqimaliksanoat" are not fully utilized. Network enterprises have internal opportunities to increase the volume of production due to the full use of existing production capacities.

Taking into account the emerging market conditions, the volume of product production at the enterprises of the "Uztogamiliksanoat" association is being increased by 18-20% on average every year. This leads to the flooding of the domestic market with domestically produced textile, knitwear and sewing products.

At the present time, certain works are being carried out in the association "Uztoqimaliksanoat" to increase labor productivity, to fill the domestic market with quality products, to increase the export potential and to create additional jobs. In addition, the production of products that can compete in the world market due to the increase in the types of manufactured products, the introduction of new techniques and technology, is considered one of the urgent issues of today.

Textile industry products produced in our country are exported to more than 50 countries. Uzbekistan is a member of the International Textile Federation, and has signed cooperation agreements with textile associations of more than 30 countries.

Export of light industrial products produced in our republic increased 25 times compared to 1994. Export volume is 70.2% of total manufactured products.

Reference

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