

## Regional Analysis of Strategic Directions for the Development of Light Industry

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**Abstract:** This article discusses the modernization and diversification of the textile and garment and knitwear industry in Uzbekistan, the expansion of the volume and types of finished competitive products that are in high demand in foreign markets, the development of light industry, the scope of opportunities for the production of competitive products for the world market, and the specific features of development.

**Key words:** technological innovation, product diversification, quality improvement, jobs, local market, global competition, energy efficiency, environmental sustainability, innovations.



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### INTRODUCTION.

Light industry plays an important role in the country's economic growth and improving the well-being of the population. This sector serves to meet demand in domestic and foreign markets through the production of clothing, textiles and other daily necessities. In recent years, the share of industry in the gross domestic product (GDP) has increased significantly, reaching 26.7% from 21.1% in 2017-2022. The share of light industry products was 3.1%. The development of this sector contributes not only to economic growth, but also to the creation of new jobs, ensuring employment of the local population and increasing their incomes.

According to the Decree of the President of the Republic of Uzbekistan No. PF-71 dated May 1, 2024, important directions were identified for the transition to a new stage of development of the light industry sector. In particular, the main priorities are to expand the production of woven and knitted fabrics, assist enterprises in selling products in domestic and foreign markets, and diversify export markets. The Head of State noted that it is necessary to produce products with high added value through full processing of raw materials and to divert from traditional markets to developed countries. To this end, in addition to markets such as Russia, China, and Turkey, the issue of increasing exports to Europe and other developed countries is urgent.

Today, Uzbekistan's light industry has become a large industrial sector, including about 10,000 enterprises. Also, more than 300 joint ventures are operating effectively in the country. The

reforms being carried out to develop the light industry sector are aimed at liberalizing the economy, eliminating factors that hinder the development of small businesses, and creating favorable conditions for foreign investors.

The development of light industry is closely related to technological modernization, improving product quality, and adapting to market demand. The introduction of modern technologies accelerates production processes and creates the opportunity for efficient use of resources. Innovative materials and designs serve to increase the diversity of products. This, in turn, enhances competitiveness and contributes to the further rapid development of the industry.

One of the strategic directions for the development of light industry is to identify and eliminate problems based on regional analysis, which serves to ensure the sustainable growth of the industry. Therefore, an in-depth analysis of the development of light industry in the regions and the development of effective measures are one of the urgent issues of today.

### **LITERATURE ANALYSIS.**

The study of the characteristics of production processes in the textile industry has become a research area for many foreign scientists. In this area, the scientific works of scientists such as J. Bullon, Anjelica Gonzalez Arrieta, Faheem Uddin, Emrah Ozturk, Hasan Koseoglu, Mustafa Karaboyaci, Michael Porter, K. Dickerson, G. Nordas, K. Verma, S. Xiajun, A. Juyoung Lee, D. Mayukh[3] are of great importance and are among the classic studies.

In the countries of the Commonwealth of Independent States (CIS), there are studies in this area by scientists such as Metelev I.S. [4], Sorokin M.A. [5], Y. Yevgenievich, A. Statsura, I. Prazyan, T. Fradina, S. Genova[6] who paid attention to the development factors of the textile industry, technological modernization and effective organization of the activities of industrial enterprises.

In Uzbekistan, the scientific research of such scientists as E.Abduvaliyev[7], A.Olimov[8], I.Iskandarov[9], S.S.Gulomov [10], B. Y. Khodiev, Y. A. Abdullayev, A. Soliyev, M. S. Qosimova, M. R. Boltabayev [11], Z. D. Adilova, G. G. Umarova [12] plays an important role in this field. Their works deeply study the light industry of Uzbekistan, the processes of textile production and the factors affecting the industry.

The analysis of the conducted scientific and theoretical research shows that the issue of increasing the competitiveness of textile light industry enterprises has not yet been fully studied. In particular, scientific research on the introduction of innovative technologies, increasing production efficiency and strengthening their position in the global market is not sufficiently comprehensive. Therefore, research in this area is scientifically and practically relevant.

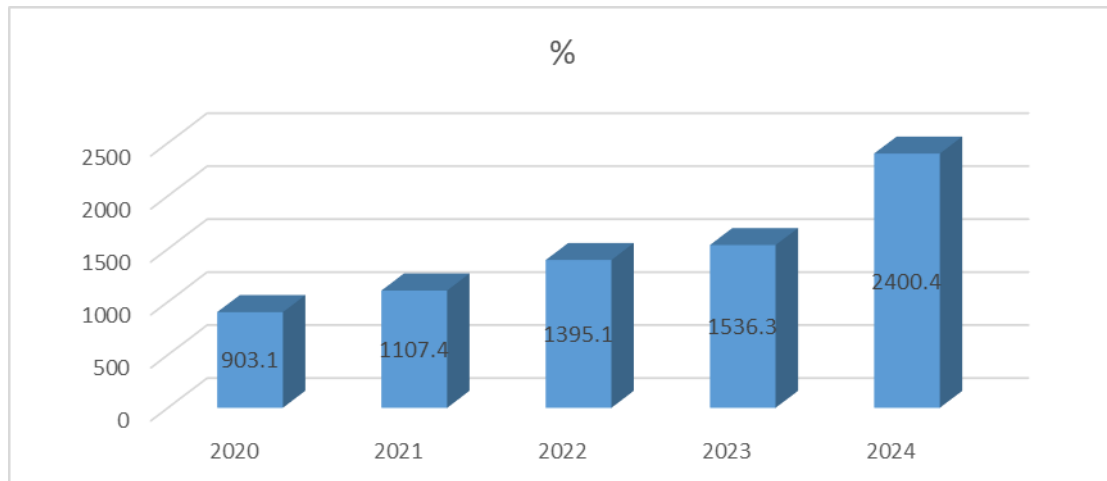
### **ANALYSIS AND RESULTS.**

Light industry is one of the most developed sectors of Uzbekistan's industry, and among the countries of the world it is distinguished by the formation of a unique favorable market environment for the development of this sector. Currently, light industry in the country, as a multi-sector industrial complex, is effectively operating with about 10,000 enterprises in the textile, spinning, sewing, knitting, footwear and silk industries, as well as more than 300 joint ventures[1].

In particular, the modernization and diversification of the textile and sewing and knitting industries is the most important condition for expanding the volume and types of finished competitive products that are in high demand in foreign markets, increasing the efficiency and profitability of the cultivation and processing of cotton raw materials. Taking this into account, practical measures are being consistently implemented in our country to ensure the further development of this sector.

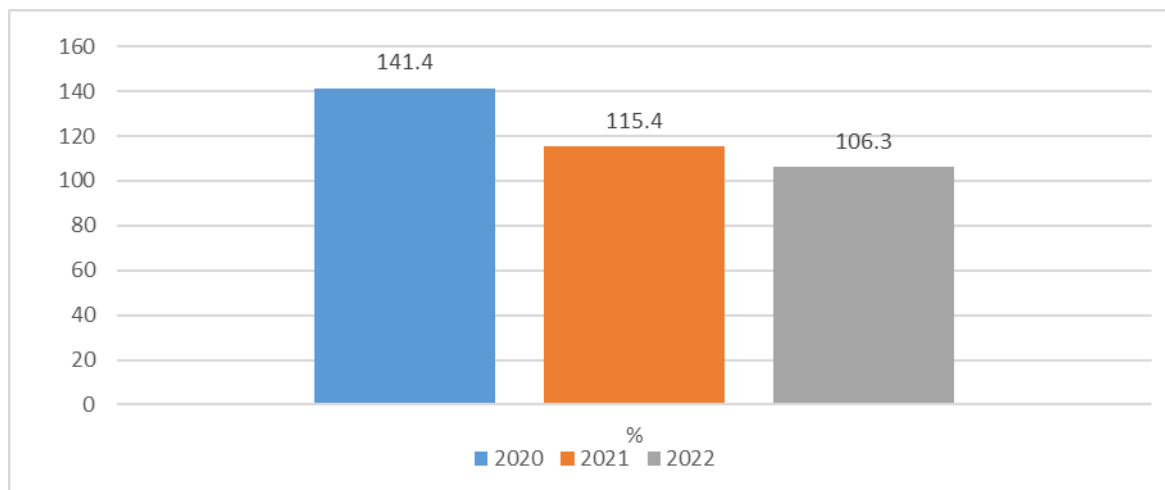
The textile industry is characterized by an economic activity, the purpose of which is the production of fibers, yarns, fabrics, clothing and textile products, as well as household and decorative, as well as technical and industrial purposes. Within the framework of production, Textile is one of the oldest and most complex sectors, which includes many sub-sectors that cover the entire production cycle, from raw materials and intermediate products to the production of final products.

In particular, in Uzbekistan, the textile industry is one of the fastest growing sectors today.



**Figure 1. Textile production**

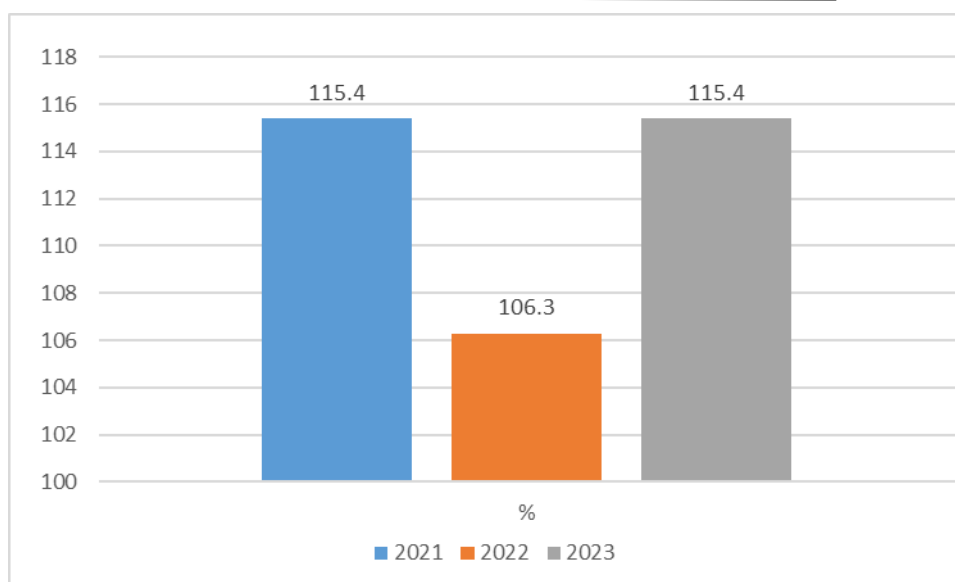
Textile manufacturing industry Textile manufacturing includes the preparation and spinning of textile fibers, as well as the production of textile fabrics and finished textile products, the decoration of woven products and clothing, and the production of finished textile products other than clothing. In 2024, the share of textile manufacturing in the manufacturing industry was 39.0%, the physical volume index increased by 10.0% compared to the same period last year, and the production volume amounted to 2400.4 billion soums.



**Figure 2. Textile manufacturing industry**

So, as can be seen from the table, in 2021, the share of textile production in the structure of the manufacturing industry was 36.6%, while its physical volume index was 141.4%.

Also, in 2022, the share of textile production was 38.6%, while its physical volume index increased by 106.3%, and the production volume amounted to 1395.1 billion soums.



**Figure 3. Textile manufacturing industry**

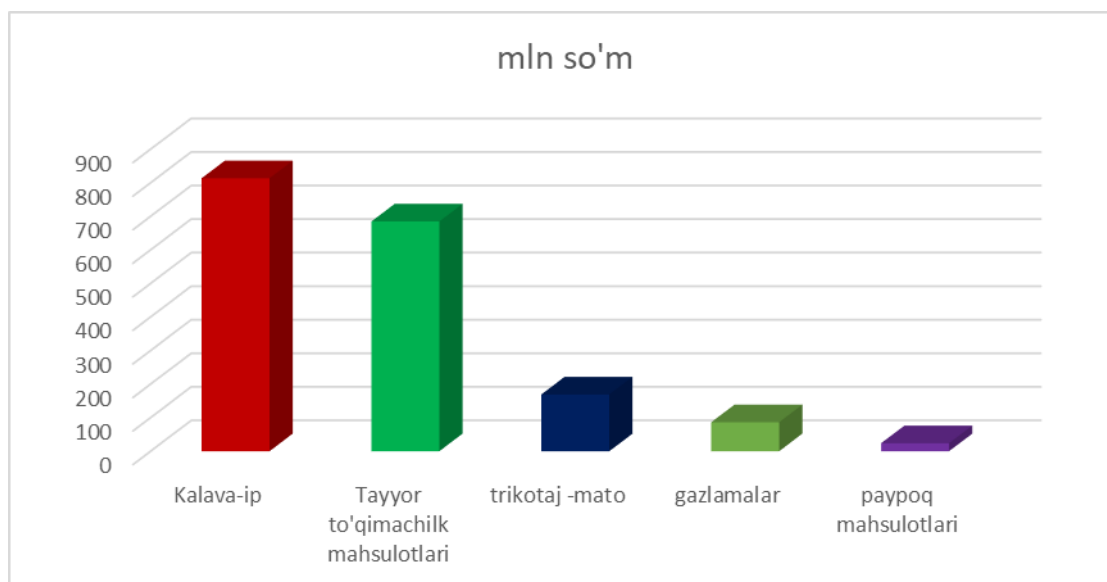
This table shows that in the structure of the manufacturing industry, the share of textile production in 2022 was 36.6%, and its physical volume index was 106.3%.

Also, in 2023, the share of textile production was 36.7%, and its physical volume index was 106.3%, which increased by 115.4%, and the production volume was 1536.3 billion soums.

In 2024, Uzbekistan exported textile products worth about 1.8 billion US dollars. This figure was 12% of total exports.

In the structure of exported textile products, finished textile products (38.5%) occupied the main share.

In 2024, textile products were exported to 55 countries around the world [2].



**Figure 4. Composition of textile products**

Growth rate of certain types of products produced by large enterprises in the manufacturing industry (compared to the corresponding period of the previous year, in %\*)

In the total manufacturing industry, the share of the textile, clothing, and leather products production sector was 45.1% (physical volume index 110.8% compared to January-July 2023), the

share of food, beverages, and tobacco production was 14.8% (physical volume index 113.1% compared to January-July 2023), and the share of other non-metallic mineral products production was 10.2% (physical volume index 107.9% compared to January-July 2023).

## CONCLUSION.

The textile industry of Uzbekistan has developed rapidly in recent years and has become an important sector of the economy. The availability of a raw material base, investment and modernization processes, expansion of product types, and increased export volumes contribute to the growth of the industry. The textile sector also plays an important role in increasing employment and ensuring social stability.

In the future, the introduction of innovative technologies, ensuring environmental sustainability, manufacturing products in accordance with international standards, and developing local brands will further increase the competitiveness of the textile industry. At the same time, paying attention to education and training is also an important factor for the continuous development of the sector.

The textile industry of Uzbekistan has developed significantly in recent years and has become one of the important sectors of the country's economy. The development of this industry is associated with the following factors: Uzbekistan is one of the world's leading countries in cotton production. This allows for domestic supply of the main raw material for the textile industry - cotton fiber. In recent years, the ecological and productive aspects of cotton cultivation have also improved.

There is no accurate numerical data on the production of artificial fibers and their share in Uzbekistan. However, according to general data, the production of artificial and synthetic fibers has been developing rapidly in recent years. For example, by 1968, the amount of synthetic fibers produced worldwide exceeded the amount of man-made fibers.

The volume of production of artificial and synthetic fibers is also increasing in Uzbekistan. This process serves to expand the raw material base of the textile industry and increase the competitiveness of products.

Also, the rapid development of the production of artificial and synthetic fibers contributes to the continuous expansion of the raw material base of the textile industry.

**Source of raw materials:** Uzbekistan is one of the world's leading countries in cotton cultivation. This allows for domestic supply of the main raw material for the textile industry - cotton fiber. In recent years, the ecological and productive aspects of cotton cultivation have also improved.

**Investment and modernization:** The government is investing heavily in the textile sector, and the process of introducing new technologies and modernizing production processes is ongoing. This is helping to improve product quality and ensure competitiveness in international markets.

**Expansion of product range:** While initially focused mainly on raw material exports, the volume of finished textile products is now increasing. Uzbekistan produces not only cotton fiber, but also yarn, fabric, ready-made clothing, and home textiles.

**Increased export volume:** Uzbekistan exports textile products to Russia, China, the European Union, and many other countries. Export volumes have increased significantly in recent years, which helps to increase the state's foreign exchange earnings.

**Job creation:** The textile industry has become an important source of employment for a large part of the population of Uzbekistan. It is gaining social importance, especially in rural areas, by creating jobs for women and youth.

**Government Support:** The Uzbek government is providing tax incentives, subsidies, and other support mechanisms for the development of the textile industry. This, in turn, contributes to the rapid development of the industry. In conclusion, the Uzbek textile industry is making significant

progress and strengthening its position in the international market. In the future, further modernization and export growth, as well as attention to environmental and social issues, are expected to further develop this industry.

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