



THE MAIN DIRECTIONS OF INCREASING THE COMPETITIVENESS OF THE TEXTILE INDUSTRY NETWORK

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Annotation:

This article presents the role of Uzbekistan in the production of cotton products in the world, the number of exporting enterprises in our country, the main competitors in the market of textile products, the main directions of increasing the competitiveness of the textile industry.

Keywords: export, import, foreign market, competitiveness, cluster model, modernization, foreign exchange income, quality management system.

Аннотация

В данной статье представлена роль Узбекистана в производстве хлопчатобумажной продукции в мире, количество предприятий-экспортеров в нашей стране, основные конкуренты на рынке текстильной продукции, основные направления повышения конкурентоспособности текстильной промышленности.

Ключевые слова: экспорт, импорт, конкурентоспособность, внешний рынок, кластерная модель, модернизация, валютные доходы, система менеджмента качества.

Introduction

Economic reforms are deepening in our country, and the processes of establishing a new independent national economy based on market relations are accelerating. In accelerating these processes, the role of modernization of production enterprises and management of their competitiveness is of great importance.

Today, the state pays great attention to the development of the industrial sector. According to the decree of the President of the Republic of Uzbekistan dated January 28, 2022 "On the development strategy of the new Uzbekistan for 2022-2026" No. PF-60, by increasing the export potential of the Republic, the export volumes of the Republic will reach 30 billion US dollars in 2026, for this purpose: supporting the activities of exporting enterprises increase the republic's export potential by actively continuing the support system; further development of the export potential of local industries, fully utilizing the available





opportunities; introducing standards that meet foreign market and international requirements and attracting famous brands; increase the share of the private sector in exports to 60%; increasing the volume of finished and semi-finished products in the export structure by 3.3 times, expanding the export of finished products to European countries within the framework of the GSP+ system; to increase the number of exporting enterprises from the current 6,500 to 15,000, and the geography of export of goods from 115 to 150 due to the improvement of the system of assistance in the export of products produced by local manufacturing enterprises to foreign countries; Based on the idea of "New Uzbekistan - the country of competitive products", select 200 exporters based on an open competition, turn them into leading exporters and provide comprehensive support; Issues such as the establishment of free trade zones in the border areas with neighboring countries were set as a goal [1].

A number of decisions and formalities have been adopted in our country regarding the implementation of the goals set before us. For example: Decree No. PF-2 of the President of the Republic of Uzbekistan dated January 10, 2023 "On measures to support the activities of cotton-textile clusters, fundamentally reform the textile and sewing-knitting industry, and further increase the export potential of the sector" In the next five years, cotton by deep processing of high-valued finished products, textile products by 2.1 barabar and the export indicator by 2.6 barabar, and several measures will be developed to bring the production of carpets and home textile products to a new level. passed [2].

Analysis of Literature on the Topic

A number of decrees and decisions have been adopted by our President on the development of the textile industry, and the theoretical and practical issues of increasing the competitiveness and export potential of the textile industry have been extensively researched in the scientific works of many scientists [1;2]

N.N. Burtsov and M. In the work of Best, attention is paid to important issues related to increasing the competitiveness of products in the development of industrial production.

G.A. Vlaskin and E.B. In Lenchuk's works, the theoretical and practical aspects of the innovative development of the industry were studied in the development and management of the industrial policy.

M.R. In Baltabaev's scientific works, the issues of developing the export potential of the textile industry were studied.





RESEARCH METHODOLOGY

Economic, statistical, chronological observation and comparative analysis methods were used in the research process. At the same time, scientific works of Uzbek scientists and foreign scientists published on this topic were also used.

ANALYSIS RESULTS

To ensure high and stable growth rates in the republic's textile and sewing industry, to attract and absorb foreign direct investment, to produce and export competitive products, to create new high-tech jobs due to the implementation of strategically important modernization projects, Systematic works are being carried out to further deepen the structural reorganization aimed at technical and technological updating of enterprises, introduction of an advanced "cluster model".

The introduction of our republic to the world market with its competitive products can be successfully realized only when the textile and light industry sector is supported by the state, as well as when a number of organizational and economic issues are resolved by the country's authorities. Since the independence of Uzbekistan, the government of our country has been regularly pursuing the policy of increasing the export potential of the textile and light industries and developing import-substituting production. As a result, the policy of increasing competitiveness and export potential is bearing significant results. These are:

- increase in export volume;
- increase of technically re-equipped enterprises;
- creation of new jobs;
- provision of import substitution;
- replenishment of the state budget with new sources of money, etc. [3].

The dominance of raw materials in the export structure of Uzbekistan causes the foreign trade of our republic to remain one-sided in the world market. The decrease in foreign exchange earnings from the sale of our traditional goods is also characterized by the purchase of advanced technologies, components, components, which in turn serves to develop the real sector of the economy, textile and light industry. Production and export of an assortment of raw materials is typical for most productive sectors of the economy, including textiles and light industry. If we consider the total composition of production and export of products in the past years according to the level of readiness for final consumption, raw materials (cotton fiber, washed wool, processed leather), semi-finished products (yarn, raw yarn, fabric) and final products (gassing, sewing, knitting) goods, shoes) we can see that the weight of raw





materials is high in the total volume. Today, the share of ready-made sewing and knitting products in the share of exports is increasing significantly.

The export share of textile products of the Republic of Uzbekistan is 52% in CIS countries, 21% in Europe and Turkey, 23% in South and East Asia, and 3% in Middle East and African countries.

The role of Uzbekistan in the production of cotton products in the world [5]

Types of cotton products	Production. Among the countries of the world	Production Weight	Export, Among the countries of the world	Export Weight
1. Cotton fiber	5-чи	6%	2-чи	15%
2. Thread	19-чи	0,9%	13-чи	1,5%
3. Fabrics	22-чи	0,6%	40-чи	0,2%

As can be seen in the table, Uzbekistan ranks 5th the in production of cotton fiber, ranks 2nd in the last 10 in the production of cotton yarn and 3rd in the production of gauze.

The goal of the export direction is the industrialization of the economy. However, it is achieved not by the development of domestic production that replaces imports with the help of foreign trade restrictions and reduction of imports, but by ensuring an open economy and its liberalization (liberalization) and increasing the export potential.

Today, the developing countries of China, India, Turkey, Pakistan, South-East Asia and Latin America are the main competitors of Uzbekistan in the market of textile products. It is known that the availability of raw material reserves (mainly cotton fiber), the low cost of energy carriers, and the availability of skilled and relatively cheap labor force are the unique advantages of our country's manufacturers [4].

The cost of water used for industrial needs is also a factor of competitiveness in our republic, although it is not the main one. For example, in the conditions of Uzbekistan, this indicator is the price of 1 cubic meter of international financial organizations. If it is 0.13 US dollars per m, it is 0.15 US dollars in China, 0.16 US dollars in India, and 0.26 US dollars in Pakistan. High water prices are set in countries such as South Korea (US\$0.60), USA (US\$0.51), and Turkey (US\$1.50), and Western European countries (US\$1.23-1.93) [5].

China has a competitive domestic industry in the supply of raw materials for textile enterprises, including fiber, yarn, fabrics and accessories. In addition to cotton, the country has a large number of suppliers of natural fibers such as hemp, silk and wool, and the government continues to encourage the production of these fibers. In addition, China is the largest producer of man-made fibers, although it still imports a certain amount of fiber.



India is also one of the world's largest producers of cotton, cotton fiber, yarn and artificial fibers.

The easy availability of local cotton in Pakistan has been an important factor in the development of the textile industry, and Pakistan is the fourth largest producer of cotton after China, the United States and India. In addition, Pakistani companies started buying better quality cotton. US retailers believe that Pakistani firms will remain competitive in the yarn industry due to their large production capacity, long-term investments and consistent quality.

India's labor productivity is much lower than China's, but China's labor costs are 40 percent higher. India, which has sufficient raw materials and manpower in the textile industry, is gradually becoming one of the world's most important outsourcing sources, according to experts. India and Pakistan have been engaged in the export of textile and apparel products for 15 years and are recognized as having a skilled workforce capable of producing quality products of various types.

As for the USA, according to a study conducted by the US International Trade Commission, the time to bring goods to the East Coast of the USA is 18 days in China, 25-27 days for Pakistan and India, 2-7 days from the Caribbean countries, and at the same time for Uzbekistan suppliers it takes at least 40-50 days [5].

CONCLUSIONS AND SUGGESTIONS

Since the Republic of Uzbekistan can access the open sea only through other countries, and the cheapest way to transport goods is sea transport, the main part of goods transportation is carried out by railway or road transport.

Thus, it can be concluded that Uzbekistan currently has certain value advantages over other countries in terms of most of its resources used in the production process, but taking into account the serious competitive advantages of other countries such as transportation costs and delivery times, in order to maintain competitiveness, it is necessary to reduce the cost of production and it is necessary to carry out continuous work on ensuring the highest level of quality of products. Also, the issue of tariff barriers should be resolved positively through diplomatic channels as soon as possible. The introduction of quality management system is of particular importance in increasing the competitiveness of the textile and light industry sector.





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