

Goals And Development Prospects Of The Carpet Industry In Uzbekistan

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Abstract: This article discusses a deep study of the activities of enterprises for the production of carpets, the most promising segment of the textile industry in Uzbekistan, an analysis of the competitive environment of local participants in the carpet market, the principles of a scientific approach to marketing.

Key words: Market, production, industry, carpet, analysis, competitor, fiber, industry.

The carpet industry is an industry that produces a wide range of carpets made from natural (animal and plant fibers) and synthetic fibers. Carpet weaving as a branch of artistic craft has developed in a unique way in different countries. The textile industry plays an important role in the development of the economy, providing the population with clothing, household goods and industrial goods. It is no secret that the textile industry works closely with agriculture and other industries. The production of carpets is one of the most important branches of the textile industry.

According to a study by IndexBox, a world-renowned market research firm, the United States is the world's largest carpet-making country, producing about 1.1 billion square feet of finished products per year. The country's share in world carpet production in 2016 was 28 percent. China (12%), Turkey (12%), Egypt (7%), Canada (6%), Belgium (5%), India (5%) and the Netherlands (4%) are the next largest carpet producing countries in the world.

In 2016, the United States accounts for 34% of global carpet and carpet consumption. Other countries in the world, including Egypt (8%), Canada (7%), China (7%), United Kingdom (5%), Australia,

Turkey, Indonesia and Japan (3% each), India and Iran (each) one 2%) are leading consumers of carpet products. Carpets make up 23% of world consumption in other countries.

The President of our country attaches great importance to the development of the textile industry in the country. It is especially important to process domestically grown cotton fiber and enter the world market with high quality textile products.

Ensuring high and stable growth rates of the textile and clothing industry of the republic, attracting and absorbing foreign direct investment, producing and exporting competitive products, creating new high-tech jobs through the implementation of strategically important modernization projects, systematic work is underway. With a view to further deepening, a structural reorganization of enterprises is being carried out, aimed at technical and technological modernization, the introduction of an advanced "cluster model". For example, the President of the Republic of Uzbekistan "Resolution of the Cabinet of Ministers No. P30-4186 of February 123, 2019 "On measures to further deepen the reform of the textile and clothing industry and expand its export potential", Resolution of the Cabinet of Ministers No. 230 on measures for further development. to develop the cotton and textile industries.

In the Concept for the accelerated development of the textile and clothing industry for 2019-2025, approved by the Cabinet of Ministers of the Republic of Uzbekistan:

processing of raw materials on the basis of an integrated approach, production and export of finished products, including the expansion and support of industrial cooperation, the study of domestic and foreign markets for textile products;

implementation of measures to ensure the competitiveness of products in the domestic and foreign markets, the creation of a single value added chain;

By 2025, it is planned to increase the volume of textile exports to \$ 7 billion by processing the entire volume of cotton yarn produced in the country.

In recent years, major changes have taken place in the textile and clothing industry. One of the main factors was a wide range of opportunities created by the Government for entrepreneurs, improving the investment climate and policies for entering foreign markets, as well as the Development Strategy developed by the Uztextile Industry Association and enterprises.

At present, the Uztextile Industrial Association unites more than 1970 large textile and clothing enterprises. Currently, the total number of enterprises in the country is more than 7 thousand. In recent years, the industry has undergone dramatic changes, resulting in \$ 3.2 billion in foreign investment, exports to \$ 2.1 billion, and the industry employs over 360,000 people. Textile enterprises have been established in all regions of the country and have become one of the drivers of the economy.

In particular, we clearly see positive changes in the activities of carpet enterprises in Uzbekistan. According to the State Statistics Committee of Uzbekistan, the carpet industry has made great strides in recent years (Table 1.2).

Table 1.2 The volume of export-import of carpets in Uzbekistan in 2016-2019, USD mln.

	2016 Nov.	2017 Nov.	2018 Nov.	Dec 2019	Change
Export	19.5	34.4	31.0	32.0	+12.5
Import	0.9	3.1	1.4	5.2	+4.3
Differences	+18.6	+31.3	+29.6	+26.8	-

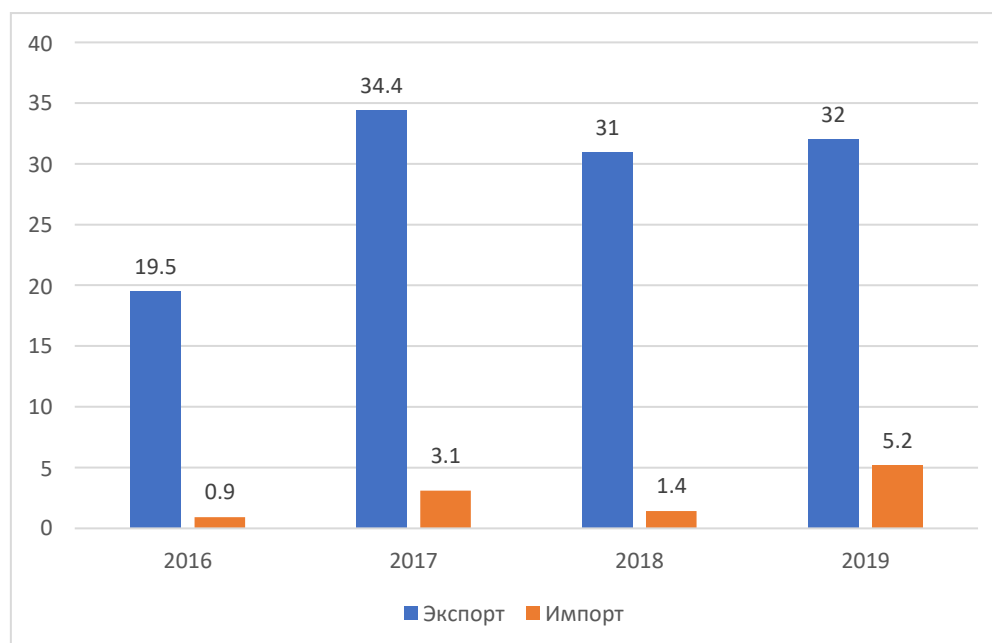


Figure 1.3. Dynamics of export and import of carpets in the Republic of Uzbekistan in 2016-2019

It can be seen that the export of carpets is much higher than the import, that is, several times more. At the same time, a sharp increase in the import of carpets in 2019 indicates increased competition in the international market, and the carpet market in Uzbekistan will become an object of interest for foreign companies.

The textile industry is going through a tough time in 2021. As a new vector for the development of the textile industry, cotton-textile clusters were created, which completely covered the production chain from cotton to finished products. It is through the clusters that water conservation and drip irrigation, eco-cotton growing and certification systems have been widely introduced.

In order to accelerate reforms and training of personnel, the Uzbek-Korean textile technopark was created at the expense of the government of the Republic of Korea. This technopark is aimed at training technologists and creating new types of products using new intelligent technologies.

In order to improve the quality of products and their purchases in foreign markets, in cooperation with the German Society for Foreign Cooperation, a textile incubator program was launched to bring textiles to the European market. This, in turn, requires the EU to provide Uzbekistan with the GSP + system of preferences and the introduction of international standards at enterprises, which is an important factor

in the sharp increase in exports. And within the framework of this program, the Dutch Control Union certification company is doing a lot of work in cooperation with the Association.

In particular, in January-March of this year, the enterprises-members of the association used 252 thousand tons of cotton fiber.

The volume of industrial production amounted to 7.5 trillion. Sumy (growth rate - 122.5%).

Including,

- 169.4 thousand tons of yarn (growth rate - 106.9 percent);
- cotton fabric 118.7 million sq. M (127.2 percent);
- knitted fabrics 39.4 thousand tons (124.7 percent);
- Knitted goods 112.6 million pieces (110.6 percent);
- 63.5 million pairs of socks (116.5 percent);
- garments amounted to 120.2 billion soums (109.3%).

Within the framework of the localization program, products worth 141.8 billion soums were produced. The cost of the product is 30.4 billion soums. soums.

Within the investment program, \$ 54.2 million (186.2 percent of the plan) was invested in 21 projects, including \$ 49.2 million (10 projects, 244.3 percent of the plan for the reporting period).

At the end of the 1st quarter of 2021, the export of textiles amounted to \$ 648.1 million (29% of the country's exports), which is 143.5% more than in the previous year (\$ 452 million in the 1st quarter of 2020).). Of these, the volume of exports in March amounted to \$ 243.5 million, an increase of 123.6% compared to January and 117.6% compared to February (in January-February they amounted to \$ 197 and 207 million, respectively).

Today, new facilities for the production of textiles and clothing are being created in almost all regions of the country, including remote and high-demand areas. The construction of sewing and knitting complexes, especially for the employment of women, will provide them with permanent work in densely populated areas.

First of all, these projects will make it possible to completely process the cotton fiber grown in the regions on site, produce products with high added value and increase the real incomes of the region's population.

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56.1% of the total volume of textile and clothing products produced in the country is exported, and the rest is directed to the domestic market.

In the structure of exported products 54.1% (\$ 350.7 million), textiles 4.7% (\$ 30.2 million), knitwear 8.4% (\$ 54.4 million), sewing 31.1% (\$ 201.4 million), hosiery 1.7% (\$ 11.2 million).

Products were exported to 55 countries (50 in 2020), including Russia - 33.8% (\$ 214 million), China - 25.5% (\$ 165.6 million), Kyrgyzstan - 13.1% (84 , 7 million dollars), Turkey. - 11.3 (73.6 million USD) major partner countries. The share of these countries in total exports amounted to 83% (\$ 537.9 billion).

The number of entities engaged in the export of products amounted to 831, an increase of 108% or 58 (2020 - 773).

GSP + system of preferences - new perspectives and new milestones. By the end of 2020, 102 businesses had exported \$ 74.1 million worth of textiles to the EU, a 136.4% increase over the previous year (up from \$ 53.3 million in 2019).

At the end of the 1st quarter of 2021, 71 business entities exported textile products worth \$ 27.5 million.

In the structure of exported products, yarn 49.1% (US \$ 13.5 million), fabric 21.9% (US \$ 6 million), knitwear 16.7% (US \$ 4.6 million), garments 11% (2 US \$ 9 million), hosiery 1.3% (US \$ 0.3 million).).

Products were exported to 16 EU countries, including Poland - 56% (\$ 15.4 million), Italy - 19.1% (\$ 5.3 million), Germany - 7.3% (\$ 2.0 million), which were the main partner countries. The share of these countries in total exports amounted to 82.3% (\$ 22.7 million).

These data require a deep study of the activities of enterprises for the production of carpets, the most promising segment of the textile industry in Uzbekistan, an analysis of the competitive environment of local participants in the carpet market, the principles of a scientific approach to marketing.

1. Taking into account the great changes taking place in Uzbekistan in the context of economic modernization, SAG LLC is one of the leading enterprises in the field of carpet production in Uzbekistan.

SAG Rugs is a carpet and carpet manufacturing company, during this time it has come a long way from a small textile factory to a company that is now a leader in Central Asia and the CIS.

The SAG brand is a guarantee of the use of the most advanced technologies in the carpet industry and regular quality control. The entire production cycle, from the production of yarn to the final packaging of the product, is carried out at the factory. The company uses only high quality and environmentally friendly raw materials. In addition, an international quality control system ISO 9001: 2008 has been introduced, which guarantees the compliance of our products with all international norms and quality standards. The plant is equipped with the most innovative equipment from Belgium and Germany, such as SchonerWohnen and VanDeWiele.

The most modern trends in carpet weaving in the world are being created and new collections of international carpets are being created. Today the company offers consumers more than 3000 carpet designs, which are included in 30 collections. SAG products are easy to clean, do not cause allergies and do

not build up static electricity. Carpets have a high density and soft feathers, non-slip latex base, different textures and colors, products will not leave anyone indifferent.

SAG is also one of the largest employers in the Republic of Uzbekistan. A friendly and organized team always sets great goals for itself and always achieves the set goals.

The company plans to increase production by purchasing more innovative equipment, creating additional jobs and increasing the number of offered collections.

The main goal of the company is to bring joy to people's lives, to create comfort and convenience, offering a wide range of high-quality carpet products.

Table 2.2. Dynamics of economic indicators of LLC SAG

	2000	2005 year	2010 year	2016 year	2020 year	2022 g.
Introduction of modern equipment	1	12	25	thirty	35 year	40
Production dynamics (min, m2)	1000	7000	12000	18000	20,000	30,000
Amount of workers	50	200	500	700	900	1000

The company has its own laboratory, founded in 2012. The laboratory produces up to 30-35 tons of dyes per month, it is the only carpet enterprise in Uzbekistan that has its own dye laboratory.

The company spins up to 38 tons of yarn per day and is one of the first in the country to produce polypropylene yarn (PP BCF, PP HS, PP HS FREEZE, TRICOLOR YARNS).

The production of woven yarn was launched in 2016 and currently employs about 350 people and processes an average of 2.5 tons of cotton fiber per year.



Figure 2.9 Yarn production process at the enterprise.

The company also produces polyester yarn, which was founded in 2016. The annual production capacity is 3.5 tons, and the production of polyester yarn is carried out by recycling plastic containers.

This enterprise has entered not only the national but also the foreign market, offering high quality carpets and rugs. Currently, the company exports its products to all CIS countries (Russia, Ukraine, Kazakhstan, Tajikistan, Azerbaijan, etc.) and countries such as China and Turkey. The export potential of the enterprise is very high.

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