



Issues of innovative development of textile enterprises

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Abstract: *The article examines the priorities of innovative development of textile enterprises, based on international experience. The main directions include increasing the production of high-tech goods, optimizing production costs, attracting foreign investment, and focusing on global and domestic markets.*

Keywords: *Innovation in the textile industry, foreign investment, export potential of textile enterprises, investment activity.*

In the process of forming an innovative and technological economy in order to increase the economic efficiency of production and carry out structural changes in the industrial sector, much attention is paid to attracting foreign investment. At the present stage of development of Uzbekistan and its integration into the world economic community, it is impossible to ignore the issue of creating a favorable investment climate and the active involvement of foreign investment in the national economy. One of the key factors in the innovative development of the economy of Uzbekistan is the implementation of a program of modernization and technical re-equipment of key industries, which is inextricably linked with attracting foreign capital.

Modern Uzbekistan stands out as a leading industrial state in the Central Asian region, playing a significant role in ensuring stability and economic development of the entire region. The country's economy provides attractive conditions for foreign companies, such as political and macroeconomic stability, favorable natural conditions, hospitable and hardworking people, and many other advantages.

Among the key factors for successful business in Uzbekistan are:

1) Rich resource base: The presence of vast natural resources contributes to the diversity of industries and creates favorable conditions for investment.

2) Advantageous Geographical Location: Strategic location in the center of major regional markets provides access to key trading partners.

3) Integrated transport and logistics system: Developed infrastructure ensures the efficient movement of goods and raw materials.

4) Diversified Industrial Base: Diverse industries such as automobiles, agricultural machinery, biotechnology, pharmaceuticals and information technology provide stability and diversified economic growth.

5) Scientific, intellectual and personnel potential: The presence of qualified personnel and research resources contributes to innovative development.

Uzbekistan also has significant investment potential, which is reflected in the development of industries such as automotive, agricultural machinery, biotechnology, pharmaceuticals and information technology in the post-independence period.

Innovative development of the textile industry plays an important role for Uzbekistan, providing several key aspects of significance:

Economic diversity: The development of innovation in the textile industry contributes to the



creation of new types of products and diversity of the national economy, which mitigates dependence on individual industries.

Stimulating investment: Innovative projects in the textile sector attract domestic and foreign investment, contributing to economic growth and the creation of new jobs.

Increasing competitiveness: The introduction of new technologies and production methods improves the quality of textile products, which helps to increase their competitiveness in the world market.

Export potential: Innovative developments make it possible to create unique and in-demand products, which can stimulate export growth and increase Uzbekistan's share in the global textile market.

Creation of high-tech jobs: The development of innovation requires highly qualified personnel, which contributes to the creation of high-tech jobs and the development of human capital in the country.

Improving the country's image: Innovative successes in the textile industry raise Uzbekistan's reputation on the world stage, drawing attention to the country's investment and trade opportunities.

Reducing dependence on imports: The development of domestic innovations helps reduce dependence on imports in the textile sector, which ensures economic sustainability. Therefore, innovative development of the textile industry is a key factor for sustainable economic growth and long-term prosperity of Uzbekistan.

The textile and knitting industry of Uzbekistan is one of the leading and dynamically developing industries. The annual growth in industry production in recent years has been approximately 18 percent, and exports - 10 percent. It plays a significant role in solving government problems and meets the vital interests of many regions. The industry promotes the harmonious development of regions, providing employment to the population and improving their well-being, and provides assistance in the formation and development of small and private businesses¹. The most important area of internal reserves and capabilities was the gradual increase in the depth of processing of domestic raw materials, as well as the expansion of the volumes and range of production of products with high added value.

Today there are more than 7 thousand enterprises operating in the industry. The volume of production by enterprises in 2016 was 12.6 trillion sums and at the end of 2020, production volume increased 3.4 times and amounted to 44 trillion sums².

Enterprises included in the Association also produce a variety of goods, including products with a specific profile. Their products include medical products, non-woven materials, wool products, specialized work clothes, terry products, and they also develop and introduce into production a new generation of products - innovative products.

The main emphasis was on increasing the production of finished products with high added value, the share of which exceeded 57 percent in total industrial production. The greatest increase in added value in the cotton textile production chain is in the field of sewing finished knitted and

¹ Kostyuchenko Z., Arkhipova O. Textile industry: main results of the implementation of the Development Strategy of Uzbekistan in the period 2017-2020 // 2021. <https://ifmr.uz>

² Review of the development of the textile industry of Uzbekistan in 2017-2020 // <https://yuz.uz/ru>



garment products³.

The stable inflow of foreign investment is a significant indicator of the dynamic development of the textile industry. Effective management, the introduction of advanced equipment and technologies, as well as attracting new investments are key factors contributing to the development of the textile, clothing and knitting industry of Uzbekistan and increasing its export potential.

Taking into account the experience of other countries, the following priorities for the development of the textile industry are considered: Priority is given to increasing the production of resource-intensive products, such as terry products, home textiles, as well as the development of knitting and clothing production. Attention is also paid to innovative areas, such as the production of mixed and technical fabrics; the need for further optimization of product costs, including ensuring the availability of raw materials, related materials, spare parts and energy resources; when implementing investment projects, the emphasis is on taking into account the specific needs and demand in global and domestic markets, using the competitive advantages of Uzbekistan; further improvement of the business climate and investment attractiveness of the industry; supporting businesses in overcoming the challenges of entering foreign markets, including identifying promising markets, implementing promotion programs, resolving logistics issues and ensuring access to favorable trading conditions; expansion of targeted work to support and develop the Uzbek textile brand in the international market.

³ Nigora N.R. & Yodgorova Z.Ya. (2023). Prospects for innovative development of the textile industry. *Science and Education*, 4(2), 829-834.