

Main Directions of Investment Project Management in Light Industry Enterprises

Khodjamuratova Gulbakhor, Khalimova Fayoz, Nurfayzieva Mokhinur, and Yuldasheva Dildora

Abstract--- *In the article, the author made an analysis of the development of light industry of the Republic of Uzbekistan, studied a number of scientific works of foreign and domestic authors. Based on statistical data, the author compiled a multifactor econometric model for the development of light industry in Uzbekistan, which allowed to identify individual patterns of the industry. Based on the correlation matrix, the relationships between the factors involved in the econometric model, as well as the private and paired relationships affecting the resulting factor, are revealed. By authors were proposed main directions of investment project management in light industry enterprises. The results of the study can be used in light industry enterprises to determine the development path.*

Keywords--- *Light Industry, Textile, Econometric Models, Correlation, Probability, F-Statistics.*

I. INTRODUCTION

Over the past few decades, sustainable supply chain management practices have been developed to incorporate ecological issues into business by decreasing unintentional destructive effects on the environment in the process of manufacturing and purchasing. At the same time, circular economies push the boundaries of environmental sustainability by highlighting the notion of innovative goods, creating a viable relationship between ecosystems and economic growth. Through a systematic literature review, this paper identifies four themes—drivers, barriers, practices, and indicators of sustainable performance when applying a circular economy in the textile and apparel industry. We establish a conceptual model based on these four themes, which illustrates the relationship between them. We highlight challenges in circular economy implementation and provide some suggestions for managers in the textile and apparel industry. We conclude by suggesting several future research directions.

Although the history of world economic development has accumulated considerable experience in the organization of industrial production, management of production capacities, large industrial companies have not yet fully utilized the capacity of the production facilities. "5.0% of world trade turnover and 6.4% of industrial production are textile industry products." According to the results of 2017, production capacities in this sector will be "88.0% in India, 81.2% in the Netherlands and 81.0% in China" (WTO, 2017). In other developing countries with a high labor force, this indicator is even lower.

Research centers around the world conduct research on optimization of workforce capacity at enterprises, resource management at the enterprise, and improving the supply chain of textile enterprises. At present, the priority directions for improving the management of production capacities in textile enterprises, development and

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management strategies of the enterprise. These situations determine the relevance of the topic. [1]

II. LITERATURE REVIEW

The issues of The circular economy in the textile industry, and an empirical study for textile dyeing are reflected in the scientific works of the following foreign scientists: Fu Jia, ShiyuanYinb, LujieChenc, XiaoweiChend [1], Chien-ChunKu, Chen-FuChien, Kang-TingMa [2],

On the other hand, dynamic energy performance evaluation of Chinese textile industry [3], eco-labeling and sustainability in Pakistan [4] and impact of technological progress on China's textile industry and future energy [5] saving potential forecast were studied by foreign researchers.

Circular Economy in Textiles and Apparel Processing, Manufacturing, and Design [6], some potential applications for the Philippine textile industry [7], Exogenous Factors of the Textile-related Low-tech Industries Competitiveness in Lithuania [8], results of analysis and econometric approach of Portuguese industry [9], Competitiveness of the Turkish [11], Bangladesh, China, Germany and Turkey [12] were investigated by several scientists.

Aspects of the organization of the use of production capacity in industrial enterprises and its management were studied by Uzbek scientists Sh.Mustafakulov [13] and Tursunov B.O. [14;15].

The last twenty years have been studies in the study of production capacity, the organization of production at industrial enterprises and the management of production processes were analyzed by Y. Levin, M. Nediak and H. Topaloglu [16], A. Sebastiano, V. Belvedere, A. Grando and A. Giangreco [17], C. Chien, R. Dou, W. Fu [18], M. Davis, M. Dempster, S. Sethi and D. Vermes [19], D. Huang, Z. Lin and W. Wei [20], Jingfeng Shao and Yonggang Li [21], T. Koltai and K. Stecke [22].

III. METHODS

Study of theoretical and methodological bases of improving financial and economic performance of enterprises, identification of areas for improving the efficiency of financial and economic results, effective management decisions using econometric methods in the analysis of financial and economic situation, forecasting financial and economic performance of enterprises and strategic decisions acceptance is a key issue of research.

Econometric modeling relies on a foundation that is stochastic in nature by the relationship between economic indicators and factors of production. Econometric modeling of business entities plays a key role in studying the process of their development in time and space. These models are adapted to identify production trends and patterns.

Even the most advanced econometric model is unable to cover the whole interrelationship of economic events and processes. Accordingly, there will always be elements of uncertainty in the application of economic analysis and econometric modeling. In general, one of the main conditions for the effectiveness of the application of econometric modeling is its real appearance and exact fit to the process.

All indicators that make up the enterprise can be divided into the following 3 groups:

1. Input data - the scope and structure of the cost of material resources (raw materials, fixed assets, labor, etc.);
2. Conditions of use of resources in the production process (technological conditions of production, natural conditions, etc.);
3. Output data - production results (volume of the finished product, its composition, quality, etc.) [7].

There is some legitimate connection between the output indicators on the one hand and the impact of the input indicators on the other hand and the conditions of production needs in the output data. Having such a communication model allows you to perform calculations of an economic nature and manage output data.

According to the essence of reflecting the dynamics of economic processes, there are static and dynamic models.

Static models cover some, recorded interval of time. The dynamic model reflects the state of a consistent time interval system. Depending on the nature of the variable, it is possible to specify models that include primary economic production factors or mixed factors.

The initial factors of production are understood as simple factors that cannot be distributed later, for example, the cost of resources - live labor, tools, tools of labor. Depending on the structure of the model, they can be included in the model with different units of measurement (natural, value) and different levels of accuracy. In this case, their original character is preserved.

The following types of models provide different combinations of starting and production factors:

1. Complete models that characterize the dependence of production results on the level and composition of the cost of initial resources and the conditions of production needs;
2. The model of "tasks - production", which is used when the conditions of production needs are considered stable in a group of objects or time;
3. Different models that characterize the relationship between the technical and economic indicators of production and the initial factors of production [4].

Models are divided into general and special models according to their variability. The general model includes all of the measured characteristics as well as one aspect of the production process under study, such as signs of natural conditions. By comparing a specific (e.g., only natural conditions factors) model with a model that includes all of the symptoms, it is possible to determine when production is more likely to be affected by natural climatic factors, and when. It is necessary to be able to distinguish differences in the autonomous system of economic indicators on the level of generality. The first type of model is an independent use, while the second type of model is an organic component of the models in any system. This, in turn, imposes on them a certain set of requirements and determines the nature of their application.

The process of classifying models according to their structure consists of classifying them according to the nature of the use of models and the nature of the primary information used. Two different statistical models can be shown for the first different symptom (sign). They are models for describing and explaining forecasts.

Descriptive models are regression equalization models that best describe variable interactions. In such cases, the

model parameter does not make sense. In determining the value of these parameters, the approximation, that is, the statistical correspondence stability between the described variable input and the described output is solved.

Often mixed facts of economic indicators are used when constructing descriptive models. In such cases, researchers are interested in statistical evidence as to whether or not the indicators selected as evidence caused changes in function. Explanation is the name of a forecasting model that clearly explains how it plays a role in the national economy. They are a set of established facts that determine the consistency between hypotheses. Such factors are based on the comparison of evidence to study the mechanism of forecasting the formation of the indicator, that is, to determine the driving forces of the development of the industrial facility.

A number of different functions are selected and their parameters are evaluated on the basis of personal experience gained through logical analysis and research. Then for each function the standard deviation errors are determined on the basis of the following formula:

$$S = \sqrt{\frac{\sum (y_t - \hat{y}_t)^2}{n - k - 1}}, \quad (1)$$

Where, y_t is the value of the row dynamics;

\hat{y}_t - equalization of values of row dynamics;

k - is the number of function parameters.

This method gives comparative results only in an equal number of parameters of the equation.

The second method is to compare the variances. The general variation of the dynamics of the studied series can be divided into two parts, namely the variations that occur due to trends and random variations or.

The total variation is determined by the following formula:

$$V = \sum_{t=1}^n (y_t - \bar{y})^2, \quad (2)$$

Where, \bar{y} - is the average level of row dynamics.

Random variations are determined by the following formula:

$$V_2 = \sum_{t=1}^n (y_t - \hat{y}_t)^2, \quad (3)$$

The difference between general and random variations is the variation of trends:

$$V_1 = V - V_2. \quad (4)$$

Correlation analysis is one way to determine the relationship between events. Only correlation analysis can provide a simple estimate of bond density. This situation provides an opportunity for the widespread use of correlation analysis in economic research. When talking about correlation analysis, regression analysis should not be forgotten. Regression analysis is a method of statistical analysis of the relationship between events and analyzes the

forms of the relationship. The results of regression analysis have a qualitative expression in regression equations and coefficients [8].

The first task of correlation analysis is to determine the forms of correlation relationships, i.e., the manifestations of the regression function (linear, hierarchical, logarithmic, etc.). The choice of connection forms begins with the development and analysis of regression analysis and specific hypotheses about the selected function.

Equation of regressions is an integral part of correlation models, and the ability to choose it correctly is the most responsible stage of modeling. During the analysis, although methods have been developed to assess the accuracy of some of the selected forms, it is very important to select the link form.

The complexity of the relationships between economic events often results in a situation that cannot be covered by the analysis of the whole complex of existing events. The concrete equation of regressions is always constructed on the basis of a certain degree of abstraction. The construction of regression equations is a hypothetical experiment in determining the concrete form of the relationship between events.

The correlation between two variables is called a simple correlation. The purpose of analysis by simple correlation is to determine the presence and density of the relationship between two events. The generalized value of the bond density between two variables is the correlation index and is calculated using the following formula:

$$R = \sqrt{\frac{\sigma_y^2 - \sigma_{y^x}^2}{\sigma_y^2}} = \sqrt{1 - \frac{\sigma_{y^x}^2}{\sigma_y^2}}, \quad (5)$$

σ_{2y} – result indicator variance;

σ_{2y^x} – the mean square of the deviation from the theoretically calculated index based on the regression equation from the index of practical value results.

Econometric methods are a key tool in the study of mass, recurring events and play an important role in predicting changes in economic indicators, relying on the trends identified as a result. Mathematical programming methods are the main tool in solving problems of production - optimization of economic activities. Public service theory studies mathematical methods for quantifying public service processes based on probability theory. Heuristic methods are informal methods of solving economic problems, which are associated with intuition, previous experience, expert assessments of experts, etc., based on the formed economic situations [3].

Quantitative laws in the economy and their qualitative confirmation are made as a result of an in-depth economic analysis of the statistical data collected about this process or event. These methods are a major part of the science of econometrics, which studies economic phenomena from a quantitative point of view. The first point is that the economic system is seen as a huge production process that transforms its available resources into goods that society consumes, and is the structure of the formed production technological process of the economy.

IV. RESULT AND DISCUSSION

For the development of light industry, which is the leading sector of our economy, the Republic of Uzbekistan has favorable natural and climatic conditions, a strong raw material base, sufficient human resources and qualified

personnel, developed infrastructure.

Currently, the level of use of light industry raw materials in the country does not exceed about 35%, the rest is exported as raw materials, which means that the country is deprived of the opportunity to produce finished products with high added value and sell them in domestic and foreign markets.

As a result of econometric analysis and forecasting of the sector's development indicators, the dynamics of the gross output of the light industry (ESYM - billion soums) and investments in the network as factors influencing it (KI - billion soums), the number of employees (IS - thousand people)) and the number of enterprises operating in the network (KS).

In econometric analysis, a correlation coefficient is used to determine the relationship between two or more economic factors. That is, the correlation coefficient of two or more factors (Xi and Y) is the result of the product of the differences of these quantities to the ratio of the product of the standard deviations of these quantities, i.e.

$$r_{xy} = b \frac{\sigma_x}{\sigma_y} = \frac{\text{cov}(x,y)}{\sigma_x \cdot \sigma_y} = \frac{\overline{yx} - \bar{y} \cdot \bar{x}}{\sigma_y \cdot \sigma_x} \quad (1)$$

One of the main rules of multi-factor econometric construction on light industry development indicators is to determine the link densities between the factors selected for this model, i.e. to investigate the multicollinearity problem (dense links between influencing factors) among the selected factors. To do this, the correlation coefficients between the factors are calculated and a correlation matrix is constructed in the following form (Table 1).

Table 1: Correlation Matrix of Relationships between Factors

Factors	ESYM	KI	IS	KS
ESYM	1			
KI	0,9751	1		
IS	0,5804	0,4302	1	
KS	0,9512	0,8710	0,7016	1

From the data in Table 1, it can be seen that the correlation between the light industry gross domestic product (GDP) and the number of investments in the sector (KI) and the number of enterprises (KS) is sufficiently close (respectively and). However, there is a moderate correlation () with the number of processors (IS) in the network.

However, the close correlation between two random quantities indicates that there is some statistical correlation in this sample, but this correlation does not have to be observed in the other sample and must be of a cause-and-effect nature. In many cases, the sufficient simplicity of the correlation analysis leads the researcher to draw false intuitive conclusions about the existence of cause-and-effect relationships between the two factors, but the correlation coefficients only establish statistical correlations.

We will create a multifactor econometric model for the development of light industry in the Republic of Uzbekistan

$$\begin{aligned}
 ESYM = & -776,91 + 1,5224 \cdot KI + 0,0071 \cdot IS + 12,2482 \cdot KS \\
 & (-3,178) \quad (13,928) \quad (1,903) \quad (5,696) \\
 R^2 = & 0,9953 \quad F = 851,7282 \quad DW = 2,021 \quad (2)
 \end{aligned}$$

The numbers in parentheses indicate the t-statistical value of each parameter in the model.

Thus, Uzbekistan's light industry will receive 1.0 billion soums. If the investments are made, the gross output of the industry will average 1.5224 billion soums. If the number of employees increases by 1,000 people, the gross output of the industry will average 0.0071 billion soums. soums, if the number of enterprises increases by one unit, the gross output of the industry will average 12.2482 bln. soums.

Thus, the most influential factors in the development of the light industry in the country are investments in the industry and new enterprises in the industry. This is also a theoretically correct hypothesis, because investments in light industry will be primarily in the form of modern foreign equipment and technologies. Their high productivity, in some cases, does not require manpower, that is, robotic technological lines perform almost all operations themselves using appropriate software tools. The growth of enterprises in the industry, on the other hand, gives a scale effect based on the theory of the function of production, viz

$$m \cdot y = m \cdot f(K, I, L)$$

If production resources are increased m times, product production will also increase m times.

Fisher's F-criterion is used to determine the statistical significance of the constructed multifactor econometric model (2) and its relevance to the process under study.

The calculated value of the F-criterion is equal to. If the calculated value of the F-criterion is greater than the value in the table, then the constructed multi-factor econometric model is said to be statistically significant or adequate to the process under study.

We find the table value of the F-criterion. To do this, we calculate the values according to the degrees of freedom as well as the degree of significance. Depending on the level of significance and the degrees of freedom and, the F-criterion is equal to the table value.

$F_{\text{hisob}} > F_{\text{jadval}}$ satisfies the condition, which is statistically significant since the calculated value of the F-criterion is greater than the value in the table, which can be used to forecast the gross output of the light industry for future periods. $F_{\text{hisob}} = 851.7282$ and $F_{\text{jadval}} = 2.4$.

Therefore, the calculated value of the F-criterion is larger and statistically significant than the value in the table, which can be used to forecast the volume of gross output of the light industry of the Republic of Uzbekistan for future periods.

We check the reliability of the parameters and correlation coefficients of the multifactor econometric model (2) using the Student's t-criterion.

When there is a probability of reliability and a degree of freedom, the t-criterion is equal to the table value.

For the calculated parameters of the multifactor econometric model for the gross output of light industry, the condition of this table must also be satisfied.

In the multi-factor econometric model constructed above (2), the values of all parameters calculated by the t-criterion are greater than the table values. This indicates the reliability of the parameters in the multifactor

econometric model (2).

In addition, the determination coefficient should be used to verify the significance of the econometric model (2). As a result, the coefficient of determination R², which represents the magnitude of the coefficient, was 0.9953. This indicates that the outcome factor is sufficiently closely related to the selected factors, i.e., the light industry gross domestic product (GDP) is 99.53% dependent on the investment (KI), number of employees (IS) and number of enterprises (KS) participating in the multi-factor econometric model. . The remaining 0.47 percent is the effect of factors not taken into account.

In conclusion, the multifactor econometric model obtained in terms of gross output of light industry of Uzbekistan (Y), and the investments (KI), number of employees (IS) and number of enterprises (KS) affecting it, is statistically significant when examined by all criteria. , the model parameters were found to be reliable.

Using the multifactor econometric model, the results of our forecast for 2017-2020 on the value of the gross output of light industry of Uzbekistan and the factors affecting it are as follows.

Table 2: Products of Light Industry of the Republic of Uzbekistan and its Dynamics of Influencing Factors in 2005-2018 and Forecast Values for 2019-2020

Years	Gross product, ESYM	Investments, KI	Number of employees, IS	Number of enterprises, KS
2000	361,5	17,50	31245	68
2001	567,2	43,15	48479	75
2002	876,5	47,32	71260	83
2003	1208,6	104,8	82218	100
2004	1556,7	129,5	96689	117
2005	1833,1	146,9	111774	135
2006	2133,1	168,0	117203	154
2007	2532,8	194,3	126700	176
2008	2993,8	299,0	126500	202
2009	3436,0	170,6	110200	221
2010	4593,1	1487,8	98600	248
2011	5640,7	1696,1	103645	260
2012	6566,6	2035,3	108763	282
2013	7616,5	2544,1	113763	295
2014	9139,9	3307,4	119013	306
2015	10967,8	4464,9	124353	334
2016	11495,5	4611,6	136670	350
2017	12266,5	4947,2	141055	369
2018	13037,6	5282,9	145440	388
2019	13808,6	5618,5	149825	407
2020	14579,6	5954,1	154209	425

As can be seen from Table 2, in the forecast period, ie in 2020, the gross output of the light industry of the Republic of Uzbekistan in comparison with 2016 amounted to 3084.1 billion. soums or 1.27 times, the number of employees may increase from 136,607 thousand to 154,209 people, or 1.13 times. The number of enterprises will reach 425 in 2020 and the growth rate is expected to increase by 1.15 times.

Achieving the above forecast indicators will lead to a further increase in the role of light industry in the country, the growth of the country's economy, an increase in employment and welfare.

One of the most pressing issues today is the identification and implementation of factors that can contribute to the formation and development of a favorable investment climate in the short term in the context of modernization of the economy in Uzbekistan. Public administration also plays an important role in shaping a multi-sectoral market economy. It is the state that can carry out structural reforms, resolve intersectoral and regional disparities, and ensure the development of science and technology.

Investment policy in Uzbekistan is implemented by the government and is based on a number of official documents. At the end of the year, the Investment Program for the New Year will be approved by the Decree of the President of the Republic of Uzbekistan. The program clearly outlines the priorities of investment policy, investment projects to be implemented in all sectors and sectors of the economy, their sources, the main state and non-state enterprises. A quarterly program implementation monitoring system will be developed. This monitoring is mainly carried out by the Ministry of Economy. Monitoring of foreign investments is carried out by the Ministry of Foreign Economic Relations, Investments and Trade.

In formulating the annual investment program, the measures taken by the government, targeted programs are taken into account. The main directions of medium-term investment policy are reflected in the programs of the economy developed and approved by the state.

In accordance with the Resolution of the President of the Republic of Uzbekistan No. -PP-2687 of December 2016, the "Program of measures for further development of the textile and knitwear industry in 2017-2019", the total cost of which is 2.2 billion soums. doll. It is planned to attract 132 investment projects, of which more than 50% are foreign investments and loans. Under the program, a number of benefits provided to local textile producers, as well as to foreign investors, have been extended, as well as new benefits.

Sustainable development of the industry, especially the processing of textile, light, machinery and agricultural products, which are its main sectors, will form the basis of future investment policy. First of all, attracting foreign direct investment in these sectors plays a key role in increasing investment activity (Table 3).

Table 3: Implementation of the Public Investment Program of the Association of Textile Industry in 2014-2017

τ/p	Years	Number of investment projects	Intended investments, mln. doll.	Attracted investments, mln. doll.	Execution of the program, %
1.	2014 y.	39	154,0	154,1	100,0
2.	2015 y.	33	166,0	174,6	105,4
3.	2016 y.	27	182,3	187,2	102,7
4.	2017 y.	33	178,6	196,5	110,0

Source: Author's development based on the data of the Association "Uztextilprom".

In 2016-2017, in Tashkent, BO Group, in cooperation with the Turkish Association, will invest \$ 17 million in a spinning mill project. doll. 5,000 tons per year. finished fabrics were produced from yarn. At the same time, 300 new jobs will be created and the annual export volume will reach 10 million. dollars.

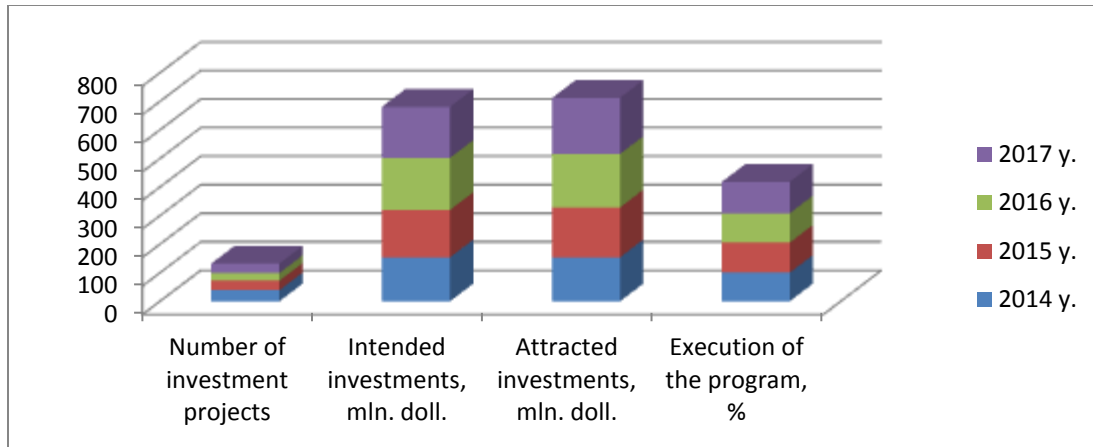


Fig. 1: Diagram of Implementation of the Public Investment Program of the Association of Textile Industry in 2014-2017

In 2014-2017, in Bukhara, Sanflag Group, in cooperation with British associations, invested \$ 53 million in a spinning, weaving and sewing enterprise. doll. 20,000 tons of investments will be attracted annually. finished fabrics and garments were produced from fiber. At the same time, 450 new jobs were created.(Fig.1)

In 2014-2017, according to the investment project "RITER Uzbekistan-Switzerland" in Tashkent, 2.0 million soums will be allocated for the establishment of an enterprise specializing in the production of textile equipment. doll. investment was attracted.

Table 4: General Parameters of the Projects Implemented Under the Program of Priorities for the Development of the Textile Industry of the Republic of Uzbekistan in 2014-2017

№	Productname	Unitofmeasurement	Until 2017 created production powers
1.	cottonfiber	Thous.ton	345,9
2.	Yarn, silkfabric	Million.kv.m	211, 6
3.	Textilefabric	Thous.ton	245,7
4.	Sewingandtextileproducts	Thous.pic	227,1
5.	Socksproducts	Thous.pair	72,5

Source: Author's development based on the data of the Association "Uztextilprom".

Due to the projects envisaged in the program of priorities for the development of the textile industry in 2014-2017, the volume of yarn production will increase to 345.9 thousand tons, the volume of yarn and silk fabrics - 211.6 million. sq.m., production of textile fabrics - 245.7 thousand tons, the volume of sewing and textile products - 227.1 mln. pieces, and socks - 72.5 mln. increased in pairs (Table 4).

The implementation of investment projects will play an important role not only in increasing production, but also in solving social problems such as employment through the creation of new jobs. The creation of jobs through the establishment of new textile enterprises in the regions will contribute to the development of the regions of the Republic, to reduce the imbalance in their level of development, provide employment and reduce the number of unemployed.

The current level of development of the light industry of the Republic of Uzbekistan has ample opportunities to increase its investment attractiveness, production and export potential. They include high rates of economic growth and political stability, high level of science and technology, production and economic potential, availability of natural resources, human resources potential with a large enough population with sufficient knowledge and skills, investment attractiveness and favorable investment climate abroad. we can include factors such as the availability of a broad system of legal guarantees and benefits for investors and local businesses.

Table 5: New Jobs Created in the Textile Industry through the Implementation of Investment Projects in 2014-2017

Provinces, regions	2014 y.	2015 y.	2016 y.	2017 y.	Total created jobs
1. Karakalpakstan Republic	-	50	450	1450	1950
2. Andijanregion	-	300	740	1700	2740
3. Bukhararegion	350	600	930	2600	4480
4. Jizzakhregion	-	200	550	1700	2450
5. Navoiiregion	-	-	940	1400	2340
6. Namanganregion	735	800	650	890	3075
7. Samarkandregion	350	278	680	1550	2858
8. Syrdaryaregion	1113	500	820	1990	4423
9. Surkhandaryaregion	-	-	430	1470	1900
10. Tashkentregion	1075	871	540	2050	4536
11. Ferganaregion	1362	520	760	1300	3942
12. Kashkadaryaregion	-	-	480	1700	2180
13. Khorezmregion	50	210	660	2600	3520
14. Tashkentcity	485	1270	895	1600	4250
Overall	5205	5599	9525	24000	44644

Source: Author's development based on the data of the Association "Uztextilprom".

At the same time, along with the issue of attracting foreign capital, it is very important for the Republic to address the following tasks:

- Development of telecommunications and transport infrastructure in order to create the infrastructure for the expansion of export activities, the development of innovative activities, the introduction of advanced technologies, increasing the competitiveness of the national economy using the advantages of natural competition;
- Stimulation of export of industrial products and increase of foreign exchange earnings, development of new types of products, creation of industrial-export zones with a full production cycle;
- processing of raw materials and production of high value-added products;
- Improving the competitiveness of domestic products in foreign and domestic markets through the implementation of international quality, certification, standards;
- implementation of modern methods of management and administration through the adoption of international standards of business cooperation;
- integration of the local economy into the world market through the development of cooperative relations with transnational associations, in particular through access to their production chains;

- creation of new jobs, training and education of highly qualified personnel.

One of the mechanisms to stimulate economic development in the above areas can be special economic zones - the area of our country with clear borders.

Economic activity in these areas is carried out by economic entities in conditions that are different from those established by local legislation, with special customs and tax benefits.

It should be noted that the mechanism for establishing special economic zones requires the use of various benefits, including ineffective benefits. In addition, instead of providing additional benefits that exempt from customs duties on imports of technological equipment and components, there will be an opportunity to use the customs procedures of free warehouses and free customs zones. This allows standardization to be achieved for all potential investors by applying the benefits to the types of activities allowed in the limited area of the production area.

In addition, special economic zones aimed at providing a favorable investment climate in the form of a clear regulatory environment, simplification of administrative and customs procedures can be an effective mechanism to encourage foreign private investors, producers to place in Uzbekistan certain stages of their production cycles. This will reduce the cost of infrastructure creation due to the dense location of enterprises.

Assessment of the investment potential of the country is estimated at 5 billion soums a year. doll. shows that there are opportunities to attract foreign investment. Therefore, the creation of industrial production zones producing high-tech products in the country will increase the investment activity of foreign investors, especially in high-tech industries such as electrical engineering, machinery and automotive, light industry.

The world experience of the establishment of special economic zones shows that in many countries the choice of location is based primarily on the geographical location of the region. At the same time, the mandatory conditions or signs of the location of special economic zones are the availability of large transport corridors, the necessary infrastructure.

Since the lands on which free economic zones can be located may cover a large number of zones of other countries, we will consider the competitive environment of their activities in the Republic of Uzbekistan.

Tax and customs administration have a special place among the mechanisms of management of economic activity of enterprises and the economy in general. Together, they create the main pillars of the effective operation of enterprises, increasing the competitiveness of products and services, a competitive environment, as well as the investment climate. The positive impact of the application of flexible tax and customs policies can be seen in the example of enterprises operating in free economic zones. In order to encourage the establishment and rapid development of enterprises in priority sectors, taxes and customs duties on materials normally used in the production of export-oriented goods, as well as on the export and import of machinery and equipment, will be abolished or reduced to a minimum. In addition, firm-investors are usually guaranteed tax holidays of 5 to 35 years, in some cases this period does not have clear boundaries at all and corresponds to the period of production of export products.

Zones may have different relationships with foreign entrepreneurs and employees, but in most zones preferential taxation applies not only to property, but also to the income of professionals and managers working in the zone, as well as the effective development of enterprises through the application of best practices.

The size of the benefits should be set in such a way as to ensure the attraction of investments, otherwise their granting will be unprofitable for the receiving state. It is based on the decrease in income tax revenues in free economic zones, the increase in state income tax, real estate tax, infrastructure use fees, and taxes paid by firms and their employees on the consumption of goods.

Each zone uses a unique combination of customs and tax benefits. Many investors believe that according to the system of indicators, all zones will have almost the same attractiveness. This is also due to the involvement of the same experts in the creation of free economic zones. At the same time, the origin of capital, its amount and other characteristics create certain priorities for enterprises of different industries. Therefore, it is advisable to consider the management of specific zones, rather than some moderate rules of management.

The world experience of organizing and operating special economic zones has shown that they really ensure the achievement of various goals. The main goal of creating free economic zones is to ensure that countries are more widely involved in the development of the international division of labor. This, in turn, will increase the production of competitive products for export and thus increase the inflow of foreign currency into the country. True, if for some reason the country is unable to provide a broad path in the economy for foreign entrepreneurial capital or to stimulate exports, then it can do so within the boundaries of free economic zones.

In order to attract more foreign direct investment, the association has developed a new investment strategy, which includes the following:

- Implementation of new projects in the form of foreign direct investment, with a completed production cycle, provided that foreign partners transfer at least 30% of the project cost;
- Modernization and technical reconstruction of existing textile and knitwear enterprises.

Today, Uzbekistan and China are establishing cooperation in the textile industry. With the participation of Chinese associations, the Association of Textile Industry has issued a total of 36.0 million soums. 9 projects worth USD 1 billion were implemented.

- 3 projects in spinning production: cotton yarn with a total capacity of 15.5 thousand tons (Nanyang Red Cotton Angels \$ 18.1 million, SP "Platinum Invest" \$ 0.3 million, SP "TashRossTextill" 7 , 0 mln. Dollars);
- 5 projects in the silk industry: raw silk with a total capacity of 350 tons (IP "Hua Lu" \$ 4.7 million, SP "Bukhara Brilliants Silk" \$ 1.5 million, SP "Mubarek Pure Silk" 0.5 mln., SP «Inter Silk Pro» 1.95 mln., SP «Ravnak Silk» 0.55 mln.);
- 1 project on the organization of knitted weaving production: annual capacity 12.0 mln. pair of sock products (IP "Shina-UK CLLD" - \$ 1.3 million). In 2013, exports to China amounted to 100.2 million US dollars. formed doll.

We can identify the following main priorities for the implementation of investment projects by the Association "Uztextilprom":

1. production of finished fabrics (denim fabric, terry towels, shirt fabrics);
2. production of finished knitwear;
3. Textile accessories:
 - Manufacture of umbrellas, buttons, zippers, etc .;
4. Textile machines:
 - Looms;
 - Production of spare parts for spinning.

In this regard, work was carried out on 5 major investment projects to be implemented in the Jizzakh Special Industrial Zone in 2013-2017.

We can consider these projects as one of the major, important steps in attracting foreign direct investment in the textile industry of Uzbekistan.

1. №1 - investment project (textile complex) - the establishment of a textile complex for the production of denim and denim finished products:
 - Annual production volume: raw denim fabric 6.1 million ppm; finished denim fabric 15.0 million p.m .;
 - finished denim products 5.0 mln. dona;
 - Provision of raw materials: 1.0 mln. more than a ton of cotton fiber, 300 thousand tons of cotton yarn;
 - The cost of the project is 25.0 mln. doll.
2. №2 - investment project (textile complex) - establishment of a textile complex for the production of socks:
 - Annual production capacity: 10 mln. pair of sock products;
 - Provision of raw materials: 1.0 mln. more than a ton of cotton fiber, 300 thousand tons of cotton yarn;
 - The cost of the project is 3.5 million. doll.
3. №3 - investment project (textile complex) - establishment of a textile complex for the production of terry fabrics and towels:
 - Annual production capacity: 3,000 tons of ready-made woolen fabrics, fur towels - 1.5 million dona;
 - Provision of raw materials: 1.0 mln. more than a ton of cotton fiber, 300 thousand tons of cotton yarn;
 - The cost of the project is 20 mln. doll.
4. №4 - investment project (textile complex) - the establishment of a textile complex for the production of mixed fiber fabrics and finished products:
 - Annual production volume: raw mixed fiber fabric 8.1 million p.m .; finished mixed fiber fabric 20.0 mln.p.m .; finished products 5.0 mln. dona;
 - Provision of raw materials: 1.0 mln. more than a ton of cotton fiber, 300 thousand tons of cotton yarn;
 - The cost of the project is 26.0 mln. doll.
5. №5 - investment project (textile complex) - the establishment of a textile complex for the production of textile products for the household:

- Annual production capacity: 4.0 thousand tons of cotton yarn, 10.0 mln. fabric, dyeing 10.0 mln.p.m., Bad shirts: 1 mln. complete set;
- Provision of raw materials: 1.0 mln. more than a ton of cotton fiber, 300 thousand tons of cotton yarn;
- The cost of the project is 20.0 mln. doll.

In 2017-2018, the Karshi district of Kashkadarya region will receive 105 million soums worth of goods under the initiative of LT Textile International. doll. 22 thousand tons of mixed fiber yarn, 5.0 million sq.m. designed to create a textile complex with the capacity to produce mixed fiber fabrics.

The implementation of this project will create 800 new jobs and increase exports to 60 million. allows you to increase the doll.

Uztex Group JSC intends to organize the production of household textiles in Tashkent region in 2016-2019. doll. 3.5 million per year. an investment project with a production capacity of a set of bedding products has been developed. The investment project will create 750 new jobs and increase the export potential of the industry to 45 million. increases to doll.

Iftixor Kiyim Sanoat LLC intends to organize the production of denim fabric in Namangan region in 2016-2017 at a cost of 8 million soums. doll. which is 12.0 million sq.m. per year. an investment project with a production capacity of denim fabric has been developed. Due to the implementation of the investment project, 130 new jobs have been created, and the export potential of the industry has reached 6 million. increased to doll.

In 2017, Elite Stars Textile LLC will invest 15 million soums in the production of yarn and denim on ring spinning machines in Khojayli district. doll. 4,000 tons of yarn per year and 2 million sq.m. an investment project with a production capacity of denim fabric has been developed. Due to the implementation of the investment project, 500 new jobs have been created, and the export potential of the industry has reached 6.5 million. increased to doll.

In order to support the development of the industry, the Republic of Korea has developed an investment project for the establishment of a textile technology park in Tashkent on the basis of the Tashkent Institute of Textile and Light Industry in 2014-2017.

The cost of the project is 10 mln. doll. In order to ensure the rapid development of the textile industry, the technopark is equipped with high-tech experimental testing equipment and tools that allow to conduct research in the field of materials science, create new quality production cycles, technically train Uzbek specialists to work in modern technologies. At the same time, the Korean government brought technological equipment, equipment for scientific research, as well as specialists to set up production, conduct research and training.

V. CONCLUSIONS

The priorities set by the Uztexilprom Association for the development of the industry are aimed at the production of high-quality, competitive products that can meet today's requirements. based on the organization.

The main objectives of the establishment of free economic zones in the country include:

- Creation of a preferential regime for the production of goods, services and investment in the member states of the free trade zones in Central Asia;
- removal of barriers to the free movement of goods, services and investments;
- creation and development of an effective system of mutually beneficial settlements and payments for trade and other operations;
- harmonization of legislation necessary for the effective functioning of free trade zones;
- supporting the development of cooperative relations and creating favorable conditions for mutually beneficial investments;
- Organizational restructuring of the entire economy through the growth of production and services, increasing export potential, improving social protection, investment and GDP growth.

At the same time, investment is associated with innovation. Therefore, it is expedient to organize innovative activities in textile enterprises.

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