## INTERNATIONAL JOURNAL ON ECONOMICS, FINANCE AND SUSTAINABLE DEVELOPMENT E-ISSN: 2620-6269

LIEFSD

Available online at www.researchparks.org

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https://journals.researchparks.org/index.php/IJEFSD

Vol. 5 No. 7 | Jul 2023



# Efficiency of Use of "Logistics" Projects in Surkhandarya Region and Prospects of Ensuring Economic Growth of the Region

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#### ABSTRACT

in this article, the information on the foreign experience in the formation and development of logistics in the agricultural economy is presented in an indepth analysis and processing. The article also describes the data of the logistics efficiency evaluation index.

## ARTICLEINFO

Article history: Received 04 May 2023 Received in revised form 04 Jun 2023 Accepted 15 Jul 2023

Keywords: agriculture, logistics, foreign experience, evaluation index.

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As we mentioned in the above chapter, Surkhandarya region's borders with 3 foreign countries, climate and fertile land show that the production capacity and export potential of the region is much higher than the current potential.

The region has particularly fertile gardens, large pastures for the development of livestock and cattle breeding, a favorable climate and favorable geographic location. These, in turn, are of great importance in increasing the export capacity of the region. Based on the favorable location, climate and conditions, it is possible to expand production in the region, to further increase the export potential of the region by

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introducing a logistics system, and to ensure stable economic growth of the region.

Today, huge reforms are being implemented in all areas in order to increase the export potential of our country.

In particular, in order to create favorable conditions and provide ample opportunities for participants of foreign economic activities, the following requirements were canceled:

- ➤ 10 types of permits issued by the state customs service authorities;
- registration of export contracts for all goods in the state customs service bodies;
- > mandatory customs inspection of exported fruit and vegetable products (except for cases where the risk of violation of customs legislation is identified);
- > providing information on the prepayment of export goods (except for raw materials) or the opening of a bank guarantee, insurance policy, letter of credit.

These positive changes and the attention paid to export by our State are bearing fruit. In particular, in 2019

During 12 months, products worth 169.5 million US dollars were exported from Surkhandarya region, which increased by 21.1% or 29.5 million US dollars compared to the same period last year.

The main countries where products exported from the region went during the last 12 months:

- ➤ Islamic Republic of Pakistan;
- ➤ Islamic Republic of Afghanistan;
- People's Republic of China;
- > Russian Federation.

The figures show that the export potential of the region is increasing year by year. The customs service, which is one of the important sectors of the logistics system, has a large contribution to these positive growths. In particular, customs clearance of exported goods is carried out at any time of the day by the "Termiz", "Denov", "Zharkurgan", "Daryo port" foreign economic activity customs posts of the regional customs department. In addition, the leadership of the regional customs department and customs posts regularly hold meetings with entrepreneurs under the slogan "Customs officer - support of an entrepreneur" and provide practical assistance within the scope of their authority.

In the Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis dated January 24, 2020, it is stated that the persons who have committed the crime of violating the customs legislation for the first time, but paid the fees on time, should be exempted from criminal liability, and the control system and infrastructure related to foreign trade should be improved, including from foreign experience. Based on this, it was emphasized that the activities of the customs, sanitary, quarantine, veterinary and other agencies carrying out control at the customs posts should be reformed.

There is no doubt that these changes will be implemented in order to ensure the stability of the consumer market, increase the competitiveness of local producers and create more opportunities and conditions for entrepreneurs.

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In recent years, many decisions and decrees have been adopted by our honorable president Sh. Mirziyoev regarding increasing the export potential of Surkhondarya region, providing agriculture with modern machinery and technologies, and organizing the activities of logistics centers, and their execution is being strictly controlled. As an example, on August 22, 2020, under the leadership of the Deputy Prime Minister of the Republic of Uzbekistan S. Umurzakov and the heads of ministries, agencies, industrial associations, commercial banks and local governments, the President of the Republic of Uzbekistan No. PF-6042 "To further develop export and investment potential in the Republic" We would like to point out that the Government Commission on Export and Investment Development, established in accordance with the Decree of August 18, 2020 "On additional measures" in Surkhandarya region, went to the places to study the state of industrial enterprises, identify reserves to increase production and strengthen investment activities.

In accordance with the decree, the main tasks of the Government Commission are to study the identified problems in the implementation of export activities and, if necessary, to take measures to eliminate them on the spot, to develop practical proposals for further expansion of the export potential, to monitor the implementation of investment projects, to monitor the implementation of investment projects, including foreign investments. monitoring and identification of current and systemic problems that hinder the growth of investment flow and their attraction, industrial development and design organizations, scientific research laboratories, production and logistics complexes, personnel training, training and retraining centers in the territories of the republic establishment of "clusters", support for the implementation of investment projects that ensure the creation of an additional value chain based on the effective use of local raw materials and materials, strict control over the activities provided for in the "roadmaps", including the full implementation of export agreements and the timely implementation of investment projects installed.

The preliminary results of the analysis showed that industrial products worth 4,402.8 billion soums were produced in Surkhandarya region in 2019. In January-June 2020, the volume of goods production amounted to 2,445.9 billion soums (a 106.1% increase compared to the same period last year). 42% of the region's industry is textile, 17% - food, 12% - chemical and petrochemical industry, 9% - building materials production.

A total of 3,786 industrial enterprises, including 29 large and 3,757 small enterprises and microenterprises, operate in the region.

As a result of field trips, the members of the Commission studied the effectiveness of using the industrial potential of the region and identified systemic problems that prevent the full use of existing opportunities, as well as 290 enterprises that have stopped or temporarily suspended their activities, have reduced production or are not working at full capacity, and regional enterprises. a preliminary list of projects included in the investment program and localization program was formed.

Governors of regional districts and cities, as well as heads of industrial associations and commercial banks were attached to each of them in order to quickly bring these enterprises to the point of harmless operation and ensure stable operation. Responsible leaders were assigned the task of quickly solving identified problems and providing all-round assistance to entrepreneurs.

The current regional investment program was revised and optimized in order to increase the number of projects aimed at the creation of high-tech production facilities for the production of exportable products with high added value and characterized by the creation of many jobs. At the same time, special attention was paid to the creation of conditions for stimulating the growth of investment and

industrial activity and ensuring employment of the population in the less developed regions of the region.

In the same way, the localization program was revised: priority was given to projects with high economic efficiency, significant export potential, many jobs, and short implementation and commissioning periods. Optimization of this program allows to achieve a significant increase in production, export, budget income and create new jobs in a short period of time, which, in general, will increase the efficiency of absorption of attracted investments and ensure rapid economic growth in the regions of the Republic.

Based on the study of the economic potential, raw material base, infrastructure and logistics capabilities of the districts and cities of the region, as well as the assessment of the needs of importing certain goods, creating scientific and production clusters that fully cover the added value chains and are aimed at strengthening cooperative relations between enterprises of different industries and regions measures were taken to develop proposals.

It was determined that the priority areas for the development of specific projects in this direction are pharmaceutical, textile, leather-footwear and furniture industry, production of construction materials, as well as processing of agricultural products. The current state of investment and industrial activity in the free economic zones "Termiz" and "Boysun-farm" was also critically reviewed. The low level of utilization of the existing potential of these zones was noted, and instructions were given for the development of new investment proposals.

During the study, the Commission developed concrete practical measures in the district, city and enterprises aimed at increasing production, export volume, localizing the production of imported products and ensuring employment of the population in the Surkhandarya region.

As a result of the above works, the foreign trade turnover of the region is increasing year by year. In particular, after analyzing the foreign trade turnover of the region in 2017, 2018, 2019, 2020, 2021, we can say the following.

Foreign trade turnover in January-December 2018 was 4118.6 mln. The growth rate of the US dollar is 128.4%, including 1595.6 mln. US dollars - export operations or 113.5%, 2523.0 mln. compared to the corresponding period of the previous year. USD - import operations or 140.0% compared to the same period last year.

99.1% of exports are goods, mainly ferrous and non-ferrous metals (67.4%), other goods (13.1%), food products (10.8%), cotton fiber (3.7%), chemical products and products made from them (2.5%), machines and equipment (1.5%), services (0.9%), as well as energy sources and petroleum products (0.02%) are contributed by the groups .

In Surkhandarya region, in 2019, exports from the total volume of foreign trade turnover reached 218,289.2 thousand US dollars (a 9.4% decrease compared to January-December 2019), while imports amounted to 203,424.6 thousand US dollars (a decrease of 36.8%) established. An active balance of foreign trade turnover in the amount of 14,864.6 thousand US dollars was recorded.

Foreign trade turnover of Surkhandarya region According to the results of January-December 2020, the foreign trade turnover of the region (TSA in the text) amounted to 421,713.8 thousand US dollars and decreased by 140,938.9 thousand US dollars compared to the same period last year.

Below we can see the foreign trade turnover of the region for 2021. In 2021, the foreign trade turnover of Surkhandarya region is 443.1 mln. dollars (106.2 percent compared to 2020), export volume as part of foreign trade turnover is 235.3 mln. dollars (53.1 percent) and 1.4 percent of the share in the total export of the republic, the volume of import was 207.8 million dollars (46.9 percent) and 0.8 percent of the share in the total import of the republic.

The indicators of foreign trade turnover of Surkhandarya region at the end of 2022 were as follows.

As of January-December 2022, the region's foreign trade turnover is 372.8 million. USD, and decreased by 15.8% compared to 2021. The share of exports in foreign trade was 61.1%.

As can be seen from the above analysis, the share of export in the foreign trade turnover of the region is decreasing year by year.

In conclusion, we can say that logistics projects should be created and put into practice to increase export potential in the region and increase the share of exports in foreign trade turnover.

As we have seen above, the share of exports in the foreign trade turnover of developed and developing countries remains consistently high. The main factor for this is the introduction of new technical technologies into the production, and the wide implementation of the logistics system. All enterprises participating in the export of goods and services are connected by a logistics chain.

In order to ensure stable economic growth in the Surkhandarya region in the future and to maintain it, based on the experience of advanced foreign countries, all enterprises and organizations participating in the export of goods and services should be integrated through the logistics chain.

The implementation of logistics in our republic and Surkhandarya region has the following problems. Including;

- inventory management, pricing, transportation by private or hired transport, production planning, location of the enterprise;
- Routed traffic, service level, prices, park type;
- ➤ There are problems in taxation, product prices and tariffs of natural monopolies, stability of the financial system, operation and development of state infrastructure, legal regulation of economic relations, and other areas.

By finding a solution to the above problems, it is possible to increase the export potential of our country with the wide support of logistics.

Also, in order to develop logistics infrastructure in Surkhandarya region, it is necessary to carry out the following works:

- > creation of conversations and broad attraction of foreign investments in the logistics and transport system;
- consistent continuation of work on establishing modern logistics centers in the region and their effective use:
- paying special attention to the development of the country's transport infrastructure, including the establishment of logistics centers that support the development of local, export-import and transit trade;

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➤ The geographical location of Surkhondarya region is a strategically important aspect in the development of modern warehouse complexes and a network of logistics centers, which can reduce costs related to cargo transportation and effectively organize the logistics of production and trading companies.

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