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GOALS AND PROSPECTS FOR THE DEVELOPMENT OF THE CARPET INDUSTRY IN UZBEKISTAN

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Abstract: This article examines the strategic importance of ensuring high and stable growth rates in the textile and garment and knitwear industry of the Republic, attracting and absorbing foreign direct investment, producing and exporting competitive products, modernizing, creating new high-tech jobs, technical and technological upgrading of enterprises, and introducing an advanced "cluster model".

Keywords: Enterprise, technology, investment, production, export, cluster model, strategy.

Introduction. Our country is recognized as a modern state with rapidly developing industry and growing economic power and potential. This is because during the years of independence, all sectors of industry based on high technologies have been steadily developing in our country.

Currently, the most pressing issues are to increase the range and quality of goods produced, ensure their stable sales in domestic and foreign markets, increase competitiveness in a highly competitive environment, extend the life of goods, create new product designs based on market demand, strengthen the position of local goods, and ensure their brand recognition.

The main goal of the "Strategy for the Development of Competition in Commodity and Financial Markets for 2020-2024" established by our President is to stimulate economic growth and innovation, increase investment flows, and create new jobs by creating effectively functioning markets and a healthy competitive environment. This is also aimed at developing relations between economic entities.[1]

The rise of market relations to a new level requires the scientific organization of marketing activities in enterprises, the widespread promotion of marketing management principles. Considering the great tasks facing exporting enterprises today, it is possible to confirm the relevance of the topic.

Currently, the expansion of exports opens up new opportunities for ensuring economic growth, increasing production efficiency, creating new jobs and improving the living standards of the population. We know that in recent years, Uzbekistan has seen a significant increase in the foreign trade economy of enterprises and an improvement in the export structure. The role of export-oriented enterprises in the growth of foreign trade and export potential and, as a result, in strengthening the competitiveness of the national economy is increasing.

In the development of society, each participant in market relations develops the skills to evaluate their economic activities, conclude contracts related to foreign economic activity, select partners, use international marketing principles in their activities, make decisions based on them, and become a powerful factor in increasing production efficiency and producing competitive products on the world market. Since the research conducted today is based on a marketing approach, we comprehensively scientifically and methodologically study such concepts as export potential,

[1]Decree of the President of the Republic of Uzbekistan No. PF-6019 dated July 6, 2020Decree"On additional measures to further develop the competitive environment and reduce state participation in the economy"

export production, export opportunities, and export specialization, and assess their place in our national economy. At the same time, it is intended to reveal the theoretical and practical essence of export-oriented production and pay attention to its place in the international division of labor.

It should also be noted that without modern knowledge, new techniques and technologies, it is impossible to achieve success in the market. Therefore, mastering knowledge related to economic management, organization of production, research of the global and domestic market situation, supply and demand relations, modern management and marketing is becoming a requirement today.

Analysis of literature on the topic. Based on foreign experience, it should be noted that the competitiveness of an enterprise in the market is determined by the effectiveness of its market-oriented policy. Many economists have been engaged in the development and application of marketing principles. Among them, we can include such well-known scientists as F. Kotler, M. Porter, D. Evans, I. Ansoff, M. Berman, M. Golubkov, P. Samuelson, D. Marshall.

While the research in the field of marketing conducted in our country for many years is based on national characteristics, it is also necessary to recognize the scientists who have made a significant contribution to the development of marketing theory. These include R. Ibragimov, YO. Abdullaev, A. Saliev, M. Sharifkhodjaev, D. Rakhimova, Sh. Ergashkhodjaeva, Sh. Musaeva and others.

Research methodology. The study used a systematic approach, marketing analysis, benchmarking, and digital metrics. Mass surveillance methods were used to collect and analyze data from social media platforms.

Analysis and results. The carpet industry is an industry that produces various types of carpets using natural (fibers obtained from animals and plants) and artificial fibers. Carpet weaving, as an artistic and craft branch, has developed in its own 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 closely cooperates with agriculture and other sectors. Carpet production is one of the important branches of the textile industry.

According to research conducted by IndexBox, a global marketing research company, the United States is the world's largest carpet producer, producing approximately 1.1 billion square meters of finished products per year. The country's share of global carpet production in 2016 was 28 percent. The next largest carpet producers in the world were China (12 percent), Turkey (12 percent), Egypt (7 percent), Canada (6 percent), Belgium (5 percent), India (5 percent), and the Netherlands (4 percent).

The United States accounted for 34% of the world's carpet and rug consumption in 2016. Other countries in the world include Egypt (8%), Canada (7%), China (7%), the United Kingdom (5%), Australia, Turkey, Indonesia and Japan (3% each), and India and Iran (2% each). The remaining countries accounted for 23% of global carpet consumption.

The President of our country attaches great importance to the development of the textile industry in the republic. In particular, it is of great importance to process domestically grown cotton fiber and enter the world market with high-quality textile products.

Systematic work is being carried out to further deepen structural reorganization aimed at ensuring high and stable growth rates in the textile and garment and knitwear 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, technical and technological upgrading of enterprises, and introducing an advanced "cluster model".

The Concept for the accelerated development of the textile and garment and knitwear industry in 2019-2025, approved by the Cabinet of Ministers of the Republic of Uzbekistan:

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

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

It is planned to increase the volume of textile exports to 7 billion US dollars by 2025 by processing the entire volume of cotton yarn produced in the republic.

In recent years, the textile and garment industry has undergone significant changes. The main factors behind this are the wide opportunities created by the Government for entrepreneurs in the sector, the improvement of the investment climate and the policy pursued to enter foreign markets, and the Development Strategy developed by the "Uzto'tsikhismsanoat" association and enterprises.

Currently, the “Uzto'tsikhismsanoat” association includes more than 1970 large textile and sewing and knitting enterprises. Currently, the total number of industry enterprises in the republic is more than 7,000. In recent years, the industry has undergone dramatic changes, as a result of which 3.2 billion dollars of foreign investments have been absorbed, product exports have reached 2.1 billion dollars, and more than 360 thousand people are working in the industry. Textile enterprises have been established in all regions of the republic and have become one of the driving sectors of the economy.

In particular, we can clearly see positive changes in the activities of Uzbek carpet manufacturing enterprises. According to the State Statistics Committee of Uzbekistan, the carpet manufacturing sector has achieved great success in recent years (Table 1).

Table 1

Export and import volumes of carpet products in Uzbekistan in 2022-2025, million US dollars.

	2022	2023	2024	2025	Change
Export	19.5	34.4	31.0	32.0	+12.5
Import	0.9	3.1	1.4	5.2	+4.3
The difference	+18.6	+31.3	+29.6	+26.8	-

It is clear that the export of carpet products is significantly higher than the import, that is, several times more. At the same time, the sharp increase in carpet imports in 2025 indicates that there are more competitors in the international market, and the Uzbek carpet market is becoming an object of interest for foreign companies.

Significant work is being done in the textile industry in 2026. Cotton-textile clusters have been established as a new vector in the development of the textile industry, fully covering the production chain from cotton to finished products. It is with the help of clusters that water-saving and drip irrigation, eco-cotton cultivation and certification systems have begun to be widely introduced.

In order to accelerate reforms and train personnel, an Uzbek-Korean textile technopark was established with a grant from the government of the Republic of Korea. This technopark is aimed at training technological personnel and creating new types of products through new smart technologies.

In order to increase the quality of products and their demand in foreign markets, a fashion incubator program was launched in cooperation with the German Foreign Trade Association to export textile products to the European market. This, in turn, requires the introduction of

international standards at enterprises, which is an important factor in the sharp increase in product exports, given the GSP+ preference system granted to Uzbekistan by the EU. And within the framework of this program, extensive work is being carried out by the Dutch certification company Control Union in cooperation with the Association.

In particular, 252 thousand tons of cotton fiber were processed by enterprises belonging to the Association in January-March of this year.

The production volume of canoe products amounted to 7.5 trillion soums (growth rate - 122.5 percent).

Including,

– yarn 169.4 thousand tons (growth rate – 106.9 percent);
– 118.7 million square meters of yarn (127.2 percent);
– knitted fabric 39.4 thousand tons (124.7 percent);
– 112.6 million pieces of knitted products (110.6 percent);
– 63.5 million pairs of hosiery products (116.5 percent);
– sewing products 120.2 billion soums (109.3 percent).

Within the framework of the localization program, products worth 141.8 billion soums were produced. The cost of production was reduced by 30.4 billion soums.

According to the investment program, 54.2 million dollars (186.2 percent of the plan) were invested in 21 projects, including 49.2 million dollars in foreign direct investment (10 projects, 244.3 percent of the plan for the reporting period).

As of the end of the 1st quarter of 2026, textile exports worth $648.1 million were realized (their share in the republic's exports is 29%), a growth rate of 143.5% compared to the previous year (452 million dollars as of the end of the 1st quarter of 2020). Thus, the volume of exports in March amounted to $243.5 million, an increase of 123.6% compared to January and an increase of 117.6% compared to February (January and February amounted to $197 and $207 million, respectively).

Today, new capacities for the production of textile and sewing and knitting products are being created in almost all regions of the republic, including remote areas and areas with high demand for jobs. The construction of sewing and knitting complexes, especially to ensure the employment of women, provides them with permanent jobs in densely populated areas.

These projects will primarily allow the cotton fiber grown in the regions to be fully processed on the spot, producing high value-added products and increasing the real incomes of the region's residents.

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Of the total volume of textile and knitted goods produced in the republic, 56.1 percent was exported, while the rest was directed to the domestic market.

The share of exported products was 54.1% of yarn (350.7 million dollars), 4.7% of woven fabrics (30.2 million dollars), 8.4% of knitted fabrics (54.4 million dollars), 31.1% of knitted and crocheted products (201.4 million dollars), and 1.7% of hosiery products (11.2 million dollars).

Products were exported to a total of 55 countries (50 in 2020), with Russia - 33.8% (214 million dollars), China - 25.5% (165.6 million dollars), Kyrgyzstan - 13.1% (84.7 million dollars),

Turkey - 11.3 (73.6 million dollars) being the main partner countries. The share of these countries in total exports amounted to 83% (537.9 billion dollars).

The number of entities engaged in the export of products amounted to 831, an increase of 108% or 58 (2024 - 773).

GSP+ preference system - a new look and new goals. At the end of 2020, 102 enterprises exported textile products to the European Union countries worth $74.1 million, a growth rate of 136.4% compared to the previous year (at the end of 2025, it amounted to $53.3 million).

As of the end of the 1st quarter of 2026, 71 business entities exported textile products worth $27.5 million, a growth rate of 148.7% compared to the previous year (18.5 million dollars as of the end of the 1st quarter of 2019).

The share of exported products was 49.1% yarn (13.5 million dollars), 21.9% woven fabric (6 million dollars), 16.7% knitted fabric (4.6 million dollars), 11% knitted and crocheted products (2.9 million dollars), and 1.3% hosiery products (0.3 million dollars).

Products were exported to a total of 16 European Union countries, with Poland - 56% (15.4 million USD), Italy - 19.1% (5.3 million USD), Germany - 7.3% (2.0 million USD) being the main partner countries. The share of these countries in total exports amounted to 82.3% (22.7 million USD).

In conclusion, the presented information requires an in-depth study of the activities of carpet manufacturing enterprises, which are the most promising segment of the textile industry in Uzbekistan, an analysis of the competitive environment of local carpet market participants, and the proposal of principles for a scientific approach to marketing activities.

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