

ISSUES OF IMPROVING PRODUCTION LOCALIZATION SYSTEM IN UZBEKISTAN

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Abstract— The article explores the problems of implementation and localization of production in the Fergana region. The author analyzes changes in the volume of the authorized capital of natural monopoly enterprises of Fergana region in 2011-2016, total revenue, net profit, dividend payments, profitability of sales and liquidity.

Index Terms— localization, GDP, small business, entrepreneurs, investment, programs.

1 INTRODUCTION

Providing financial support, comprehensive support for small business and entrepreneurship in Uzbekistan, creation of favorable conditions for their effective development and development, constant use of high-quality goods, eliminating excessive interference of state bodies in small business special attention is paid. In accordance with the laws and regulations of the Republic of Uzbekistan on small business and private entrepreneurship, the state guarantees the promotion, protection of their rights, obligations, responsibilities and interests of business and entrepreneurship. This, in its turn, created opportunities for small business entrepreneurs to increase their business activity, increase the gross national product, slow down inflation processes, stabilize and develop the economy. The Decree of the President of the Republic of Uzbekistan dated February 7, 2017 № P-4947 "On the strategy of further development of the Republic of Uzbekistan" focuses on small business and private entrepreneurship. Experts note that in recent years, a number of emerging economies in the emerging market have been abandoning many of the functions previously undertaken by their own subdivisions and transferring these functions to smaller businesses.[1]

For this reason, the number of large industrial enterprises is shrinking and the number of small enterprises is growing. This process allows the market economy to be dynamic, mobile, innovative and responsive to market demand and changes. Therefore, further development of small business and entrepreneurship is not only an opportunity to prevent economic and social problems, but also a factor for diversifying the economy of the country and the region in particular, increasing its competitiveness.

2 LITERATURE REVIEW

Issues of assessing the production localization system in the CIS countries I.V. Deputatova, N.A. Dorofeeva, D.V. Krylov, E.E. Smirnov, A.I. Sorokina, A.V. Suvorov, E.P. Fomin, F.F. Hanafiev, E.D. Shepeleva.

Some scientists researched issues of textile development

in Uzbekistan as well as N.Q.Yuldoshev [8], Ergashxodjaeva Sh.J. [11], K.S.Kyvvyakin [11;12], B.O.Tursunov [8;9;10;11;12;13;14] and many other scientists.

Many economists in our country have been doing research on localization aspects. Among them are Shodiev T.Sh. [2], B.B. Berkinov [3], Bobakulov T.I. [4], Umarova Z.S. [5], D.S. Nasyrkhodzhaeva [6], Salimov B.T.[7] and others.

3 ANALYSIS AND RESULTS

In the Ferghana region, the gross regional product increased 1.6 times in the last five years, with the industry's share increasing from 23.6 to 27.5 percent. More than 96% of industrial production is produced in such modern sectors as chemical, petrochemical, light industry, food industry, mechanical engineering and construction materials. Large industrial enterprises such as Fergana Oil Refinery, Ferganaazot, Avtooyna, Kokand Mechanical Plant, DEU Textile Fergana, Kokand Indorama Textile are the pride of not only the region, but also the economy of the country.

Table 1 Role of Ferghana in Uzbekistan's economy

	2014 y	2015 y	2016 y	2016 as a percentage of 2014
Gross regional product	9137,0	11 278,9	13922,9	152,4
Industrial products	5744,2	7170,2	8103,2	141,1
Consumer goods	1777,5	2888,1	3274,0	184,2
Agricultural products	3103,9	3579,3	4032,4	129,9
Investment in fixed assets	1963,0	2153,3	2346,8	119,6
Construction	1390,9	1648,9	1968,4	141,5
Retail trade	5146,3	6150,8	7654,4	148,7
Paid services to the population	2121,2	2510,5	3087,8	145,6

Data of Ferghana Regional State Statistics Department

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In the Fergana region at the end of 2014 GDP growth rate was 8.4%, in 2015 - 8.0%. 13,922.9 billion in 2016 (growth rate - 7,6%). By the end of 2014, GRP per capita was 2904,1 thousand soums. At the end of 2015, it amounted to 3,345.7 thousand soums and in 2016 it was 3938.7 thousand soums.(table 1)

As a result, 11.6 million US dollar saved currency reserves. In particular, regional enterprises produced goods worth 33.7 billion soums, the forecast was fulfilled at 109.1 percent. The sale of goods amounted to 33.7 billion soums, and the achieved foreign exchange savings of 11.6 million. These enterprises created 26 new jobs.

In 2016, the targeted program included 25 projects, of which 11 are new and 14 are for modernization. 10.0 million dollars were invested in these projects. It is planned to spend US \$ 1 million and create 780 jobs. By the end of the year, 25 enterprises were put into operation and provided 10,0 mln. This resulted in the creation of 807 new jobs.

Ensuring the fulfillment of important tasks in the region in all spheres of economic and social life of the region in the framework of the planned programs in 2016, enhancing production of competitive and market-quality products, increasing export potential, saturation of the domestic consumer market with cheap and quality agricultural products; large-scale work is carried out on the basis of the measures taken to ensure price stability and ultimately increase the real incomes of the population. In particular, the volume of gross domestic product in current prices amounted to 4032.4 billion soums, or 106.2% more than in the respective period of the previous year. 34.1% of total production, or 1,376.0 billion soums. In January-September of this year, the volume of production of animal husbandry increased by 63.9% or 2577.6 billion soums, by 2.0% or 78.7 billion soums. The share of private farms in total GDP was 32.6%, dehqan farms - 64.0%, and other farms - 1.6%.

The conditions and practical assistance provided by our government are helping to achieve the desired results in the cotton sector in the region. In 2016, the region plans to plant 98.7 thousand hectares of land with a total yield of 274.0 thousand tons. In order to advance the cotton harvest in 2016, commercial banks will allocate 141.1 billion soums to farmers for cotton production. At the same time, 22.2 thousand tons of nitrogen, 4932 tons of phosphorus and 1479 tons of potassium fertilizers were delivered for the cultivation of cotton. In 2016, a total of 236,400 tons of cotton was produced.

At the heart of the achievements in the field of grain growing is the creation of a separate system in the field, the rich experience accumulated over many years, the attention paid to seed breeding and the timely organization of agrotechnical measures. In 2016, farmers are expected to sow 108.5 thousand hectares of land with a total of 653.5 thousand tons of grain. In order to promote grain yield, commercial banks will allocate 56.6 billion soums to farmers for grain production. At the same time, 25.5 thousand tons of nitrogen, 4322 tons of phosphorus and 211 tons of potassium fertilizers were delivered.

Out of the total sown area 751,9 thousand tons of cereals, including 284,3 thousand tons of grain, are planned to be sold to the state. In the reporting period in 2016 farms of all categories produced 755,5 thousand tons of cereals, average yield 61, 7 cents / ha. 303,200 tons of grain were sold to the state. The plan for the state grain sale was fulfilled at 107.0%.

Also, according to the Decree of the President of the Republic of Uzbekistan from December 29, 2015 № PP-2460 "On measures for further reforming and development of agriculture in 2016-2020", the total area of the region in 2016-2020 totaled 17.5 thousand hectares, including 12, It is planned to reduce the area of 5,000 hectares of cotton and 5,000 hectares of grain.

Currently, the total area under cultivation is 245.5 thousand hectares. The area under cotton is 100.1 thousand hectares, with grains - 111.7 thousand hectares, and other areas - 33.7 thousand hectares. According to preliminary estimates, 7,500 hectares of vegetables were planted and 126,000 tons of vegetables were replaced by 17.5 thousand hectares of cotton and wheat crop; 61,100 tons of potatoes were planted on 4,1 thousand hectares; 3.3 thous. Ha of feed crops were planted, 132 thous. 700 hectares of oilseeds were planted, 3.2 thousand tons of products were planted, and 1,800 hectares of intensive gardens were created, 36,000 tons of fruit; About 600 hectares of vineyards have been established and it is planned to produce 12,000 tons of grapes.

Over the next five years, it will be possible to produce a total of 370.7 thousand tons of agricultural products. In 2016, 2,300 hectares of cotton fields were cut down in the region, 539 hectares of potatoes, 920 hectares of vegetables, 434 hectares of feed crops, 79 hectares of oilseeds, and 237 hectares of intensive gardens and 92 hectares of vineyards were planted.

At present, plans to reduce 3,500 hectares in 2017 to 2,500 hectares of cotton and 1,000 hectares of grain are being developed. These areas include 850 hectares of potatoes, 1,400 hectares of vegetables, 660 hectares of feed crops, and 120 hectares of oilseeds.

It is planned to create 360 hectares of intensive gardens and 110 hectares of vineyards. Production of fruits and vegetables, potatoes, meat, milk, eggs, honey, fish and fish in order to meet the population's demand for food, increase the volume of foodstuffs and saturate the domestic consumer market based on the priorities set by our government. Targeted storage and recycling programs are underway.

Implementation of the Decree of the Cabinet of Ministers of the Republic of Uzbekistan dated January 4, 2016 № 1 "On the prospect of production and use of fruits and vegetables, potatoes, melons and grapes in 2016", development of fruits, vegetables, potatoes, melons and grapes in the region. In order to create favorable conditions for production and timely processing, as well as increase the volume of exports of fruits, vegetables, melons and grapes this year, the decision of the governor of the region dated January 8, 2016 № 10 According to the resolution, in the reporting period, the region produced 859.2 thousand tons of vegetables, 336.7 thousand tons of potatoes, 108.7 thousand tons of melons, 416.5 thousand tons of fruit, 106.5 thousand tons of grapes. In 2016, all catego-

ries of farms in the region produced 465.3 thousand tons of fruits (112.3% compared to the previous year), 867.2 thousand tons of vegetables (110.0%), 304.4 thousand tons of potatoes (110.0%), The region produced 77.9 thousand tons of melons (109.6%) and 127.8 thousand tons of grapes (112.6%).

There are 3357,9 thousand people in the region, demand for fruits and vegetables is 220,000 tons, grapes 46,000 tons, vegetables.

383.7 thousand tons, melons - 76.2 thousand tons, potatoes - 169 thousand tons, the crop for 2016 will be covered by 212%, grapes 278%, vegetables - 226%, melons 102%, potatoes - 180%.

According to the statement of the meeting № 34 dated February 29 at Cabinet of Ministers of the Republic of Uzbekistan in 2016, "About measures on construction of new refrigeration capacities and modernization of existing facilities in the republic in 2016" construction of new refrigerating cells with a total capacity of 16.2 thousand tons in 2016 in the region 500 tons at other enterprises and 15.7 thousand tons at other private enterprises). A total of \$ 19.5 billion was invested in these projects. soums, of which 10.8 bln. Owners' own funds, UZS 8.7 bn. According to the report of the meeting, new refrigerators with total capacity of 16,200 tonnes (100%) in the region (including 500 tonnes at the Uzbekozirkovkozhira association system and 15.7 thous. tons in other private enterprises) will be used in 2016. About 27.1 billion soums were allocated for establishment of refrigerated warehouses. soums, of which 13.7 bln. Bank loans, 13.4 bln. Soum entrepreneurs' own funds were spent.

The region has great potential for processing agricultural products. In Fergana region, a number of activities are underway to produce and process agricultural products. Currently, most of the cotton and cereals produced are processed in the region. In particular, 100.0% of cotton and about 70% of cereal grain are for processing. This year, 17.1% of grapes grown, 18.4% of vegetables, 19.2% of fruits, 14.2% of meat, 14.3% of milk are processed. Livestock Development Program farms of all categories produced 148.0 thousand tons of meat (106.6% to the previous year), 909.6 thousand tons of milk (106.4%), and 349.9 million tons. eggs (114.5%).

As part of the livestock development in 2016, a total of 396 projects were implemented. A total of 54.5 billion dollars were allocated for these purposes. soums, including 34.3 bln. soums of bank loans. As a result of the projects 1374 new jobs were created. In total, 3653 head of cattle was created in 140 projects on cattle development (with 140 plans). About 35.3 billion soums was allocated for these projects. soums, including 25.4 bln. Commercial banks used credit resources. As a result of the projects 646 new jobs were created. In accordance with the established poultry development programs, 550,000 poultry breeding was provided in 60 projects (60 plans). For these projects it is necessary to invest 8,4 billion. soums, including 3.5 bln. Commercial banks used credit resources. As a result of the projects 274 new jobs were created. 56 projects on fishery development were fully implemented in the region, including 289 hectares of lakes, of which intensive fishing on 21 hectares. About \$ 5.6 billion was invested in the projects.

soums, including 2.1 bln. Commercial banks used credit resources. As a result of the projects, 216 new jobs were created. 124 projects on development of beekeeping have been completed and they have created more than 10,200 bee nests. In total, beekeeping farms totaled \$ 3.9 billion. soums, including 2.4 bln. soums of bank loans. Due to the projects 195 new jobs were created.

In addition, in 6,545 households, 100 to 654.5 thousand poultry farms were established. To this end, \$ 11.8 billion is required. soums, including 4.9 bln. The bank has fully implemented 15 projects on development of sheep breeding with more than 1,000 sheep breeding farms. For these projects 678,0 mln. sum, including 225,0 mln. soums of bank loans. As a result of the projects 39 new jobs were created.

In 2015, the share of services in the gross regional product was 49.6%, in 2016 it reached 51.0% and increased by 0.4 points compared to the previous year. Growth in the total volume of services in 2016 was 116.4% (forecast 114.9%), in 2015 - 117.3% (forecast 117.3%). In 2016, 1156 retail and consumer services establishments were established (in rural areas). 935). The total amount of loans allocated to support the industry in 2016 amounted to 36,840 million soums.

At the end of 2016, the share of small business in the gross regional product was 63.4% (63.2% in 2015).

The development of industrial sectors, localization of production and services in the Fergana region is one of the key factors in the growth of employment and income of the population in the country's economy. As a result of further expansion of the development potential of these sectors, consistent implementation of measures to reform industrial production and services sector will be the fastest-growing sector of the economy and increase the share of agriculture in GDP per year. -decision resulted in reduction. At the same time, the decrease in the share of agriculture in the GRP structure of the region occurred against the background of positive average annual growth rates of agricultural production.(Table 2)

Table 2
GRP structure by sectors of economy of Fergana region
(in% to the previous year)

Indicators	2010	2011	2012	2013	2014	2015	2016
GRP	100	100	100	100	100	100	100
including:							
Gross value added to networks	86	88,4	89,6	90,9	91,4	92,7	93,3
Net taxes on products	14	11,6	10,4	9,1	8,6	7,3	6,7
Gross value added to networks	100	100	100	100	100	100	100
Agriculture	23,4	22,7	23,5	24,1	23,2	21,7	18,3
Industry (including construction)	30,4	30,1	29,1	30,5	32,6	30,8	30,7
Services	46,2	47,2	47,4	45,4	44,2	47,5	51

Data of Ferghana Regional State Statistics Department [16]

In the early stages of economic reform, privatization and decentralization of facilities, along with the development

of small business and private entrepreneurship in the Fergana region, were a key factor in the formation of a diversified economy.

According to the table, the gross regional product (GRP) of Fergana region at the end of 2016 was 13,922.9 billion. and increased by 7.4% compared to the previous year. The structure of the GRP of the region in the sectors of economy for 2010-2016 is presented. The gross added value of the industry in 2010 was 23.4%, industry 30.4%, services 46.2%, and by 2016, agriculture was 18.3%, industry 30.7%, services 51.0%. The

Thus, the share of agriculture in GRP in the region decreased by 5.1%, and in the industrial sector - 0.3%.

The analysis of the main factors and sources of economic growth shows that during the last 7 years, the highest rates of economic growth in agriculture were 1.6 times (average annual growth rate of 7.0% for 2010-2016), 1.2 times in industry (3.0%). The growth was mainly due to the growth in construction by 2.8 times (16.1%) and services (by 2.0%).

Growth rates observed in the sectors of the economy at the end of 2016 were a major factor in the sustainable growth of gross regional product (GRP). In particular, the growth rate of agriculture, forestry and fisheries sector is 105.7% (share in GRP) 18.3%), industry - 104.3% (23.9%), construction - 111.0% (6.8%), trade, accommodation and catering 112.7%, (10.3%), transportation and storage, information and communication - 106.6% (11.8%) and other services - 109.9 percent (28.9 percent).

As a result of deepening economic reforms aimed at creating a favorable business environment, modernization, technical and technological renovation of production, Fergana region has shown high and stable growth rates of 10-12% on average for 2010-2016.

The analysis of industrial production by separate types of economic activity in Fergana region can see the following. Production of food, beverages and tobacco products amounted to 242.1 billion sums in 2010, production of textile, clothing and leather products amounted to 547.8 billion sums, chemical products, rubber and plastic products - 263.7 billion sums. By 2016, these figures will amount to 1551.8 billion sums in the production of food, beverages and tobacco, textile, clothing and leather goods amounting to 2071.3 billion sums, chemical products, rubber and plastics production 943. And UZS 3 bn.

In Fergana region in January-September 2017 was 6836.1 billion soums. soums, and the growth rate compared to the same period last year was 103.8%. In particular, large industrial enterprises totaled 3868,5 billion sums (102,8% to the corresponding period of the last year), small and micro enterprises - 333,2 billion sums (126,1%), small and micro enterprises - 1253,5 billion soums. (112.8%), industrial enterprises - 38.4 billion soums. soums (119.6%), individual entrepreneurs - 1,342,5 bln. worth of industrial products worth UZS.

Sustainable development of investment potential as a key criterion of regional economic development and competitiveness of the Fergana region can be considered. World experience shows that the implementation of economic reforms

will be ensured by effective implementation of investments, particularly investment projects in various fields. It is possible to draw conclusions about the changes and changes in the economy depending on the amount of investment projects being implemented.

One of the key regional factors to ensure the sustainable development of the regions of the Republic of Uzbekistan, intensive economic growth is to increase investment activity.

Active investment policy, as a result of implementation of production infrastructure and technical modernization of industrial sectors, creates new high-tech industries. Investments into fixed capital by sectors of the economy of Fergana region, which is one of the leading regions in investment activity in the region, have been steadily growing over recent years.

According to the analysis of sources of investment in fixed assets by sectors of the economy in the Fergana region, in 2005 centralized investments amounted to 37,437.4 billion. Centralized investments worth UZS 124877.8 bn. In 2010, centralized investments amounted to 150,362.6 billion soums. Non-centralized investments made up 698698.4 billion soums. The volume of centralized investments in 2016 will reach 49007.1 billion soums. sum of decentralized investments Soums.

The data on investments in fixed assets in the Fergana region are presented in the region. US \$ 72.6 million in 2010. US \$ 79.4 million in 2016 US dollars. In particular, the city of Fergana received 7.8 million USD in 2005. US \$ 27.8 million in 2010. US \$ 29.7 million in 2016 US dollars. In 2005, the city of Kokand supplied 1.2 million US \$ 7.8 million in 2010. US \$ 44.7 million in 2016 US dollars. In 2005, more than 0.5 million US \$ 3.6 million in 2010. US \$ 4.8 million in 2016 US dollars.

The financial results of enterprises and organizations in the Fergana region are well-established, the problems of the affected enterprises in the cities and districts are being studied and practically provided. This can be seen in the statistical data on the financial results of enterprises and organizations in our country for 2010-2016.

In 2010-2016 the number of affected organizations and enterprises in the country decreased by 6,620, or 85%. Fergana region ranks second in the country after Andijan in reducing the number of affected businesses. Over the past seven years, the number of affected businesses in the region has decreased by 1,734. This change indicates that the regional administration has undertaken certain organizational and economic measures in this regard.

The financial results of low-performing enterprises and organizations in the Fergana region are presented. In 2010, 3,030 enterprises had suffered 66,925.9 million soums. soums. This means that by 2016, the number of affected businesses in Fergana region decreased by 1537.

In the Fergana region, sectoral status of enterprises and organizations with low development is provided: in 2010 there were 948 enterprises in industry, 2 in agriculture, 324 in transport and communication, 401 in construction, 1552 in trade and catering, and 894 in services. In 2016, 631 enterprises in industry, 151 in agriculture, 159 in transport and communication, 181 in construction, 677 in trade and catering, and 588 in service sector. In 2010, the damage to these industries

amounted to UZS 66065.9 million, in agriculture - USD 110.5 million. soums, transport and communication - 758.8 mln., construction - 907.6 mln. soums, trade and public catering - UZS 3984.3 million and services - UZS 3083.9 million. In 2016, these figures amounted to 74,861.2 million sums in industry, 1162,4 million sums in agriculture, 2419,7 million sums in transport and communication, 2588.3 million soums in construction, 16176.9 million soums in trade and public catering, and services in the amount of 17033.5 million soums.

The information on the measures taken within the framework of the Program for Increasing Food Production in Fergana Oblast is provided. In 2016, it is planned to create 62 hectares of intensive gardens in the crop sector, 12 hectares of new vineyards, 74 hectares of greenhouses, 10 tons of refrigerated warehouses and 14 tons of fruit and vegetable processing. Projects planned this year include intensive gardens - 78 hectares (126 percent), new vineyards - 69 hectares (575 percent), greenhouses - 319 hectares (431 percent), refrigerated warehouses - 5350 tons (535 percent), and fruit and vegetable processing - 30,500 tons (2178 percent).

In the livestock sector, projects planned for 2016 include 205 head of cattle, 40,000 poultry, 42 ha of fishery and 28 beekeeping families. By the end of 2016 there were 3708 head of cattle, 455,000 heads of poultry, 129 hectares of fishery and 5,238 families of beekeeping.

Agricultural production in Fergana region for January-September 2017 amounted to 3 752.1 billion soums soums, which is 1.5% more than in the corresponding period of the previous year. The share of small business made up 97.3%, or 3,650.8 billion soums. soums.

Based on the aforementioned, it is worth noting that the development of high value-added finished goods in the Fergana region based on stimulation of technical and technological renewal and localization of the real sector is carried out through the established investment programs.

On implementation of the Decree of the President of the Republic of Uzbekistan dated August 7, 2017 "On measures to enhance coordination and increase of responsibility of ministries, agencies and local authorities for effective functioning of free economic zones" in the Fergana region.

For the purpose of execution of this resolution:

- approved the decision of the regional governor No. 412 dated August 12, 2017, and clearly outlined the work to be carried out by the regional khokimiyats, departments and organizations, city and district khokimiyats, and the Directorate of the FEZ "Kokand";

- The structure of the Regional Commission on coordination of activities of free economic zones and small industrial zones was approved under the leadership of the first deputy governor of the region.

In this resolution:

- within one month to develop a roadmap for approved investment projects on the territory of the Kokand FEZ;

Prior to October 1, 2017, the State Committee for Investment, the Ministry of Economy in cooperation with other relevant ministries and agencies will develop specific project proposals and form a portfolio of investment projects for 2018

to be located in the Kokand FEZ;

- timely review and coordination of promising projects for implementation on the territory of FEZ "Kokand", provision of granting economic entities the status of FEZ participant on the basis of positive conclusions;

- making timely decisions on allocation of land plots and facilities for the projects placement on the territory of the Kokand FEZ.

Adoption of the Decree of the President of the Republic of Uzbekistan dated December 26, 2016 No. PPQ-2698 "On the Program of Localization of Production of Finished Products, Components and Materials for 2017-2019" is an important factor in improving the production and quality of products included in localization programs at local industrial enterprises. The decision of khokim of Fergana region was adopted at the local level.[15]

Also, if we analyze the measures to stimulate localization in the region, we can see that the share of localized goods and services at the newly added value has increased by 9.9 units over the last 7 years. This positive tendency is also reflected in the substitution of imports of consumer goods and components, which can be seen in the increased volume of saved currencies, and a number of positive measures have been done under the Localization Program of the regional khokimiyats (Table 3).

Table 3 Measures to stimulate localization in the Fergana region for 2010-2016

Indicators	2010	2014	2015	2016
Share of localized goods and services in newly added value (mln. UZS)	193416,7	43401,2	57147,6	84142,3

Data of Fergana Regional State Statistics Department [16]

Also the President of the Republic of Uzbekistan in 2016 23 new projects were included in the localization program for implementation in 2017-2019 in accordance with the Decree No. PP 2698 of 26 December. In 2016, 250 of our newly established companies will be worth \$ 314.7 billion. soums worth 13.0 million soums. US dollars were exported. In 2010-2016, the number of cooperatives increased from 14 to 25. (table 4)

Table 4 Information on import of consumer goods and components in Fergana region for 2010-2016

Indicators	2010	2014	2015	2016
Export currency, thousand US dollars	131 289,7	112228,3	93545,9	92131,5
In percent to 2010	100	85,48	71,25	70,17
The number of contracts	397	468	431	426

Data of Fergana Regional State Statistics Department [16]

In the program for the period of 2017-2019, proposals

were made for inclusion of 93 projects of 32 enterprises with the study of the potential of the regions in order to further increase the production of local raw materials. Currently, two of these projects are included in the program by the Resolution of the Cabinet of Ministers № 231 (08.07.2016) and VM 334 (30.09.2016).

According to the Presidential decree of the Republic of Uzbekistan from January 6, 2016 of No. PP-2716 As a result of the decision, in the first half of 2017, a number of positive steps were taken to expand industrial cooperation in the region.

4 Conclusions

In summary, we can see that centralized investments in Fergana region in 2016 increased by 130% compared to 2005 and decentralized investments by 153%.

Ferghana region's economy to receive 11.8 trillion soums, or 5.6% of total investments in the country. It should be noted that the share of regional budget allocation to the region is 14.7%, which means that the region has been allocated more budget funds than the population. In the period 2010-2016 Ferghana region invested \$ 636.3 million in fixed assets, of which 87.25% came from Yazyavan district, Kokand and Ferghana, and 12.75% to Koshtepa (3.05). (2.77), Besharyk (1.57), Fergana (1.35), Dangara (0.49), Buvida (0.16), Baghdad (0.14), Rishton (0.03), Furqat (1). 0,02), Kuva (0,02) and Kuvasay (0,02).

The foregoing - focusing on small business and private entrepreneurship in the regions, the process requires new innovations and initiatives, and only on this basis economic development can be achieved. Managers of small business and private entrepreneurship in the regions should pay particular attention to the introduction of the latest science and technology innovations.

It is advisable to consider the factors that influence the economic development of the regions in the implementation of the above tasks.

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