

WAYS TO IMPROVE THE REGIONAL POLICY OF UZBEKISTAN'S INDUSTRY

Maftuna Norpulatovna Farmonova

Lecturer, Tashkent University of Applied Sciences,

Faculty of Economics, Department of Sectoral Economics and Accounting

Email: farmonovam8@gmail.com

Abstract

This article presents an in-depth analysis of the regional development of the industrial sector in the Republic of Uzbekistan, highlighting disparities among regions based on statistical data. Practical proposals are developed to balance industrial policy at the regional level, establish competitive industrial clusters, and increase investment activity.

Keywords: industrial policy, regional development, economic balance, industrialization, clustering, state programs.

Introduction

In the context of current global economic transformations, achieving balanced development of Uzbekistan's industrial sector across regions has become a pressing issue. The reforms carried out since independence have served to restore industrial capacity and establish new production facilities. However, statistical analyses indicate that a significant portion of industrial output remains concentrated in a few central regions, while others lag behind economically.

For example, in 2024, over 20 percent of the country's industrial output was produced solely in Tashkent city. Although regions such as Navoi, Fergana, and Andijan are among the leaders, the shares of the Republic of Karakalpakstan, Syrdarya, Jizzakh, and Namangan regions remain relatively low. This situation contradicts the country's long-term strategic development goals.

Research Methodology

During the study, interregional industrial indicators were compared, and their impact on socio-economic development was analyzed. In addition to statistical methods, SWOT analysis was used to assess the industrial potential of each region. Moreover, alternative directions were developed based on foreign experience, particularly regional industrial policy models implemented in countries such as China, Turkey, and South Korea.



Results

Distribution of Industrial Output by Region (2024)

Region	Industrial Output (trln UZS)	Share (%)
Tashkent City	88.5	20.3
Navoi Region	75.1	17.2
Fergana	42.3	9.7
Andijan	38.7	8.9
Tashkent Region	36.5	8.3
Samarkand	30.1	6.9
Syrdarya	11.2	2.6
Republic of Karakalpakstan	13.0	3.0
Kashkadarya	20.4	4.7
Jizzakh	10.8	2.5
Others	68.7	15.9
Total	435.3	100

The analysis shows that three regions—Tashkent City, Navoi, and Fergana—account for more than 47 percent of the total industrial output. This indicates that the economic potential of other regions is not being fully utilized.

Industrial Production Volume by Region in Uzbekistan (2023)

Region	Industrial Output (trln UZS)	Growth Rate (%)
Tashkent Region	105.8	5.1
Namangan Region	12.6	9.8
Khorezm Region	19.0	6.2
Bukhara Region	7.0	4.5
Jizzakh Region	4.0	7.0
Surkhandarya Region	5.0	5.5
Samarkand Region	8.0	6.0
Andijan Region	10.0	6.5
Kashkadarya Region	12.0	5.8
Fergana Region	15.0	6.3
Navoi Region	25.0	4.2
Tashkent City	20.0	5.0



Discussion

To improve regional industrial policy, the following factors were analyzed:

- The level of investment activity;
- The presence of small businesses and clustered industries;
- Availability of production infrastructure and transport-logistics facilities;
- Human capital potential and the scientific-educational base.

For instance, although Syrdarya region has energy and transport infrastructure in place, the number of industrial enterprises is low, and the share of finished goods is minimal. In contrast, despite having abundant raw materials, Kashkadarya lacks adequate processing facilities.

Therefore, a tailored development model is required for each region.

In formulating and implementing industrial policy, it is essential to promote innovation, enhance competitiveness, and ensure sustainable development. At the same time, diversifying the industrial base helps reduce the economy's vulnerability to external shocks, create more employment and income opportunities, and foster innovation and competitiveness.

Recommendations Based on International Experience

1. Increase the number of industrial free zones (e.g., Jizzakh and Namangan zones).
2. Establish clusters based on local resources (e.g., cotton, metals, food industries).
3. Expand the number of innovation parks and technoparks.
4. Promote the digital industry through the development of digital infrastructure.

Conclusion

Existing regional disparities in Uzbekistan's industrial development hinder the pace of economic growth. Strengthening intersectoral cooperation—taking into account each region's specific resources, infrastructure, and human capital—is essential. The proposals presented in this article may serve as a practical foundation for improving industrial policy in Uzbekistan.

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