

Analysis Of The State Of The Market For Export-Oriented Products Transported By Rail In The Republic Of Uzbekistan

Saodat A. Yuldasheva

Researcher Tashkent State Transport University Uzbekistan.

Abstract: Today, Uzbekistan has become a country with an independent voice in the international community and a member of authoritative international organizations. Political, diplomatic, trade, economic and cultural ties have been established with the leading industrialized countries of the world. Bi- and multilateral mutually beneficial relations are developing. Under these conditions, the foreign economic potential of the country is determined by the availability of natural resources, production and scientific and technical potential, infrastructure, social services, export of goods and services to foreign and domestic organizations, enterprises and organizations, as well as joint ventures in the country.

Key words: economic indicator, trade relations, commodity group, chemical products, textile materials, textile products, industry,

INTRODUCTION

The most important economic indicator that determines the foreign economic potential of the country is the volume of GDP, including per capita, the share of exports of goods and services, as well as the total volume of exports of industrial goods in GDP.

MATERIALS AND METHODS

Export (English export, lat. exporto) is the export of goods, services, investments, securities, technologies and others to foreign markets.

The importance of exports for the country's economy is expressed as follows:

1. It contributes to GDP growth and creates new jobs for enterprises and organizations. The greater the volume of exports, the more funds will go to the state budget. It also creates a need for more production, which requires significant recruitment. Therefore, export is not only a way to improve the economy, but also an important way to combat high unemployment.

2. This situation contributes to an increase in the flow of foreign currency into the country. By selling goods abroad, the company and enterprises in Uzbekistan earn US dollars or euros. That is why exports are an important

source of attracting foreign exchange into the country. The growth of exports will be able to strengthen the national currency and balance trade relations. However, it should also be noted that a sharp increase in exports could have a negative impact on the trade balance. If the exchange rate of the national currency is steadily rising, then, as a result of rising prices for goods and services, their demand and competitiveness will fall in the external market, which will lead to a reduction in exports. Therefore, countries are trying to maintain a balance of exports and imports.

RESULTS AND DISCUSSION

To date, the Republic of Uzbekistan has trade relations with 182 countries of the world. The foreign trade turnover of the Republic of Uzbekistan amounted to 8.7 billion US dollars. The largest volume of foreign trade turnover was recorded with the Russian Federation (17.9%), China (17.7%), Kazakhstan (9.3%), Turkey (8.1%), the Republic of Korea (4.5%), Kyrgyzstan (2.3%) and Turkmenistan (2.1%)

The share of Uzbekistan's exports for 2021 amounted to \$16.6 billion, which indicates an increase of 10% compared to the previous year. The share of imports amounted to \$25.4 billion, that is, it increased by 24% compared to

the previous year. In 2021, Uzbekistan exported industrial goods, which account for 26.1% of total exports, gold and precious metals - 24.7%, services - 15.3%, food products - 8.3%. Uzbekistan imported mainly machinery and equipment (32.4%), manufactured goods (18.5%), chemical products (14.3%), food products (9.9%), services (6.8%).

At the end of 2021, it can be seen that Russia has become partner No. 1 in foreign trade relations ahead of China, which since 2014 has been the leading partner of Uzbekistan. The share of the Russian Federation in the total

volume of foreign trade turnover is 17.9%. And China moved to 2nd place with a share in foreign trade turnover of 17.7%.

The trade turnover of Uzbekistan with Russia for the year increased significantly by 32.8% to \$7.517 billion, with China - up to \$7.44 billion, which indicates an increase of 15.5%. Kazakhstan remains in the top three major foreign trade partners of the republic - \$3.9 billion (+30%).

Consider a table that shows partner countries with a high share of Uzbekistan's exports in January-February 2022.

Table 1.

1.	Russia	\$346.8 million
2.	China	\$310,5 million.
3.	Turkey	\$238,4 million.
4.	Kazakhstan	\$141,7 million.
5.	Kyrgyz Republic	\$115 million.
6.	Afghanistan	\$94,6 million.
7.	Tajikistan	\$65,3 million.
8.	Ukraine	\$36,1 million.
9.	Iran	\$23,7 million.
10.	Turkmenistan	\$18,8 million.

From this table, it can be understood that this ten are the countries to which Uzbekistan most of all exported goods of various kinds. Russia, China, Turkey and Kazakhstan dominate this list with the largest share.

The main goods that Uzbekistan exports are industrial products, food, animals, chemical products, mineral fuels, lubricants, machinery and equipment, and much more.



Fig. 1. Goods exported by Uzbekistan in January-April 2022

Uzbekistan also exports goods to the countries of the Eurasian Economic Union (EAEU), which account for 30-31% of Uzbekistan's total merchandise exports. The member states of the Eurasian Economic Union are the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation.

In January-September 2020, the volume of exports of goods from Uzbekistan to the EAEU decreased to \$1.62 billion, which is 18.2% compared to January-September 2019, due to the crisis due to the coronavirus pandemic.

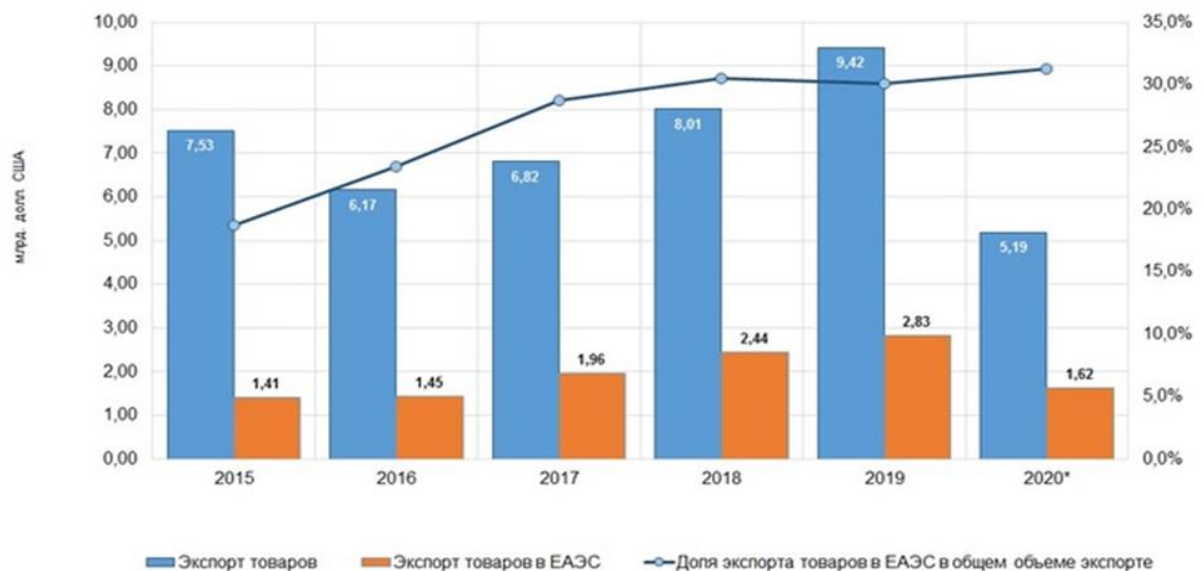


Figure 2. The total volume of exports of goods from Uzbekistan to the EAEU countries (based on the data of the State Statistics Committee of Uzbekistan and the EEC for January-September 2020 (excluding gold))

Consider the main goods exported to the EAEU. The main commodity groups in the structure of Uzbek exports to the EAEU countries are:

- mineral fuel, oil and products of their distillation, bituminous substances, mineral waxes — by \$700.4 million in 2019 (share in total exports to the EAEU countries — 24.7%);
- edible fruits and nuts, citrus peel or melon peel - \$329.9 million (11.6%);

- cotton - 278.5 million dollars (9.8%);
- garments and clothing accessories, knitted or crocheted - \$271.3 million (9.6%);
- plastics and products from them - 264.1 million dollars (9.3%);
- vegetables and some edible root vegetables and tubers – \$164.7 million (5.8%);
- means of land transport, except for iron or tram rolling stock - \$ 106.5 million (3.8%) (Fig. 3).

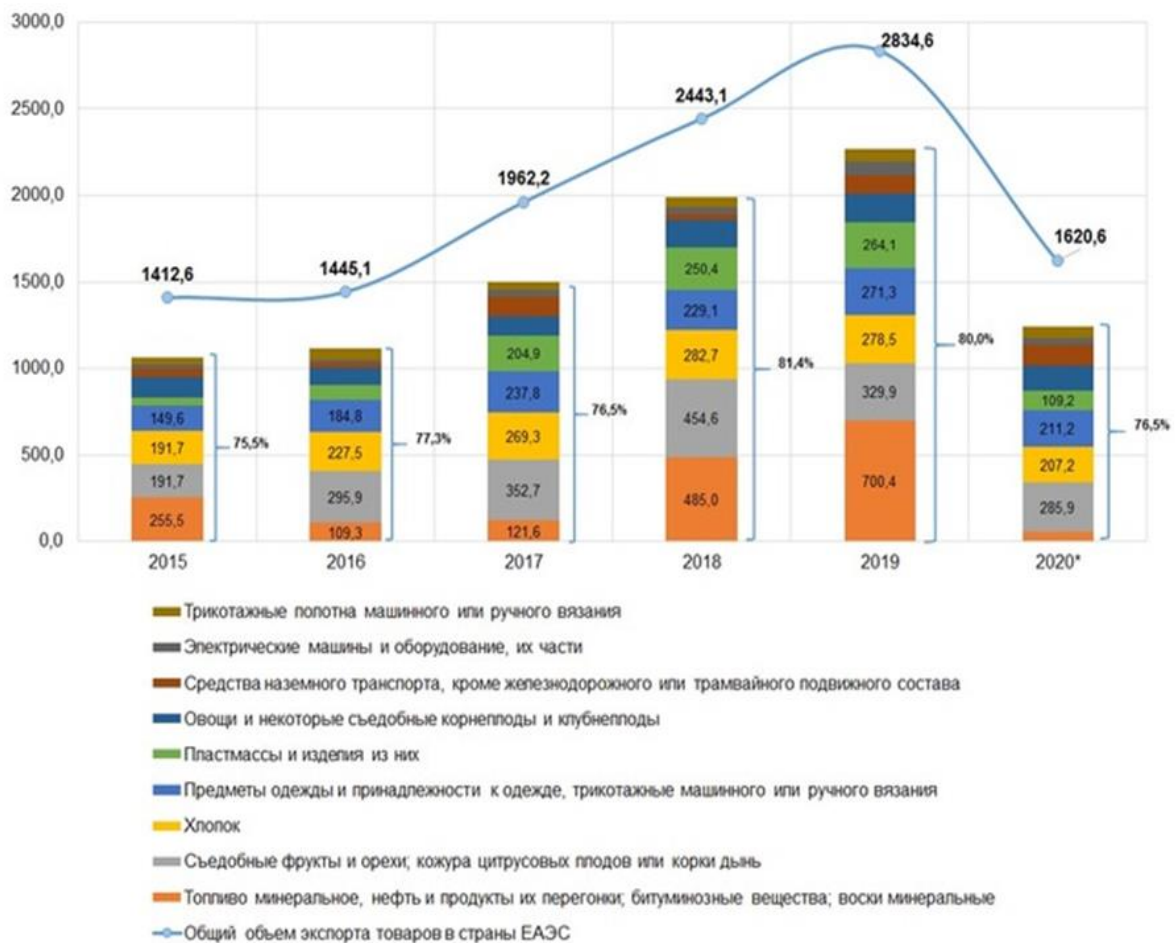


Figure: 3. Export of Uzbekistan by commodity groups to the EAEU countries, million US dollars. Calculation based on EEC data for January-September 2020.

This chart shows that there is a significant decline in export goods in 2020 compared to previous years. The total volume of exports of goods to the EAEU is \$1,620.6 million, which is practically the same as in 2016. This decline was due to restrictions associated with the coronavirus pandemic.

Exports of mineral fuels, oil and products of their distillation, bituminous substances and mineral waxes turned out to be relatively volatile and can unexpectedly change depending on the

economic situation in the EAEU countries and external shocks, on oil prices on the world market.

In the commodity structure of exports of this commodity group, the share of natural and liquefied gas is on average 97%. While in 2019 the volume of exports of natural and liquefied gas to the EAEU countries (mainly to Kazakhstan) reached 690.7 million dollars (98.6% of exports of the commodity group), in

January-September 2020 this figure was 52. \$9 million (95.4%).

Despite the pandemic and strict quarantine restrictions, in January-September Uzbekistan exported 188.7 thousand tons of apricots,

cherries, sweet cherries, peaches, plums and sloes for \$143.5 million, which is 14.4% more than in the same period in 2019 of the year. The volume of grape exports amounted to 72.1 million dollars (5.1% more) (Fig. 4).



Figure: 4. Export to the EAEU countries in the commodity group “Edible fruits and nuts; peel of citrus fruits or melon peels.

Calculation based on EEC data for January-September 2020.

Since January 2020, Russia’s reduction of the VAT rate to 10% on the import of certain food products has created an opportunity for Uzbek producers to increase the supply of fresh fruits and vegetables.

In the commodity structure of exports in the commodity group "Vegetables and some edible root crops and tubers", the largest share fell on tomatoes - 29.7% (22% in 2019), other vegetables - 15.6% (21.1%) and cabbage — 16% (17.7%), onion, garlic — 18% (14.6% in 2019) (Fig. 5).



Figure: 5. Export to the EAEU countries in the commodity group "Vegetables and some edible root crops and tubers".

Calculation based on EEC data for January-September 2020

The export of textile materials and textile products to the EAEU shows the comparative advantages of Uzbekistan in this industry. In

2019, it exported knitted T-shirts and sweatshirts worth \$94.4 million, which is 21% more than in 2018. The volume of exports of women's knitwear amounted to 36.1 million dollars (9.6% more) (Fig. 6).



Figure: 6. Export to the EAEU countries in the commodity group "Clothes and clothing accessories, knitted or crocheted".

Calculation based on EEC data for January-September 2020

CONCLUSION

During the coronavirus pandemic, the volume of exports of knitted T-shirts and sweatshirts, as well as women's knitwear, did not decrease. In January-September 2020, textile manufacturers exported 86 million pieces of knitted T-shirts and sweatshirts for \$78 million (6.3% more than in the same period in 2019) and 20.6 million pieces of women's knitwear for \$27.2 million dollars (1.5% more).

The share of cotton yarn and cotton fabrics in the total export value of textile materials and textile products remains high. The export of these goods accounts for 92-94% of Uzbekistan's exports to the EAEU countries in the commodity group "Cotton". For example, in 2019, the export volume of cotton yarn with a cotton fiber content of 85 wt. % or more amounted to 213.1 million dollars (76.5% of exports of the commodity group "Cotton"), cotton fabrics - 45 million dollars (16.2%). In the commodity structure of imports to the EAEU countries, the share of exports of goods from Uzbekistan is 1.0%. However, for these countries, the export of certain goods from Uzbekistan is very important to meet the demand in their domestic markets.

References

1. Development of transport infrastructure in Uzbekistan as a factor in increasing the competitiveness of the country's economy / G. Oripova, I. Ilhomjonov. — Text: direct // Young scientist. - 2019. No. 22. URL: <https://moluch.ru/archive/260/60092/> (date of access: 06/20/2022).
2. <https://uz.denemetr.com/docs/768/index-286208-1.html>
3. www.stat.uz
4. Report on research work on the topic "Comparison of the cost of growing, transporting and selling popular types of agricultural products" I.A. Khaidarov, 2019
5. Railway Sector Assessment for Uzbekistan (March 2021)
6. European Coal and Steel Association // Great Soviet Encyclopedia: [in 30 volumes] / ch. ed. A. M. Prokhorov. - 3rd ed. - M.: Soviet Encyclopedia.
7. Bazyleva S.P., Chernenko E.F. Cooperation between Uzbekistan and Russia as a stabilizing factor in the Eurasian space // Bulletin of the Peoples' Friendship University of Russia. Series: International relations. 2016. No. 3.