

## DEVELOPMENT OF THE COTTON PROCESSING INDUSTRY

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**Abstract:** The growth of national competitiveness, increasing the efficiency of domestic enterprises in the world and domestic markets is the goal of the economic policy of any state.

**Keywords:** **competitiveness** , cluster policy, cotton growing, cotton -textile cluster , production efficiency .

At the present stage, the actual problem of the development of intersectoral relations in the agro-industrial complex is the formation of clusters. In cotton growing, this problem is especially important because of the underdevelopment of intersectoral interactions and the lack of effective links between science, production, processing and marketing.

The cotton-textile cluster will turn out to be economically beneficial for participants in the cotton market, since it accelerates bringing the created product to the end consumer, which contributes to the growth of productive forces, an increase in the volume of production, the improvement of production relations and an increase in production efficiency.

The current difficult and unstable period once again clearly shows the decisive role and importance of the agricultural sector on a global scale. An important issue was providing the population with agricultural products, creating new jobs in the field, further increasing interest through the reasonable use of available resources and opportunities.

Today, the issues of accelerated development of agriculture, increasing its economic efficiency, further improving the living conditions of the rural population are directly related to the modern method of farming - the cluster system. This new structure in a short time became the driving force - the driver of the agricultural sector.

What does the cluster give to our economy? How does cotton benefit the farmer or members of the cotton farm?

Firstly, the widespread introduction of modern market relations in agriculture makes it possible to create new jobs and ensure interest.

Secondly, it facilitates the introduction of advanced agricultural technologies in cotton growing and increases competitiveness.

Thirdly, it serves to provide farms with modern agricultural technology.

Fourth, it will further increase the volume of production of finished cotton products and ensure its exportability.

The cluster system in our republic was introduced in 2017. Based on the Decree of the President of the Republic of Uzbekistan No. PP-2978 dated May 19, 2017 "On measures to create a modern cotton-growing and textile cluster in the Bukhara region", a cluster of LLC JV "BCT cluster" was created in the Bukhara region, as well as LLC JV "Bek cluster" on the basis of Resolution No. PP-3279

dated September 15, 2017 “On measures to create a modern cotton-growing and textile cluster in the Syrdarya region”.

During the trial period, these clusters performed better than expected. As a result, the number of cotton-textile clusters in 2018 reached 16, in 2019 - 77, in 2020 - 97, in 2021 - 122, in 2022 their number reached 134, and the clusters covered 100% of the cotton fields of the republic.

Most of the cotton fiber produced in Uzbekistan is exported as the domestic textile industry is going through a recovery phase. The use of the cluster model in the development of the textile industry in Uzbekistan is an important factor in the competitiveness of individual companies and the entire economy.

Thus, an important direction in increasing the economic efficiency of the cotton processing industry in Uzbekistan is the integration of all links on the basis of in-depth specialization in the production of cotton products. For these purposes, it was expedient to form a cotton-textile cluster, representing a spatial-organizational form of interaction between independent specialized industries and complementary enterprises, organizations aimed at creating competitive cotton products with a high degree of added value. The technological chain of the cotton-textile cluster will include the production of raw cotton, its processing, the production of yarn from cotton fiber, fabrics, textiles and clothing production .

Thus, the expediency of creating a cotton-textile cluster is manifested in its profitability both for economic entities for the production of raw cotton and for processing enterprises.

Producers of raw cotton get the opportunity to sell their products in a timely manner and in full. Processing enterprises are provided with demand and operate with maximum production capacity.

In this case, the economic effect of the functioning of the cotton-textile cluster in Uzbekistan will be achieved by increasing its scale, deepening the specialization of enterprises, improving the quality and competitiveness of products, reducing costs, including the sale of products, determining priority areas for investing in the introduction of scientific and technological progress . and increase the profitability of production.

Introduction of a system for signing a quadripartite agreement.

In order to further improve the activities of cotton and textile clusters, increase their role and responsibility in the efficient use of agricultural land, the widespread introduction of market principles to ensure the interest of producers and processors of products, on November 16, 2021, Decree of the President of the Republic of Uzbekistan No. PF-14 "On measures to regulate the activities cotton-textile clusters”.

On the basis of this Decree, a republican commission was created to coordinate the activities of cotton and textile clusters. A procedure has also been introduced for signing a quadripartite agreement on the creation of cotton-textile clusters. At the same time, on the basis of the resolution of the Cabinet of Ministers on the creation of a cotton-textile cluster, a four-party agreement is concluded between the Ministry of Agriculture, the Association of Cotton-Textile Clusters of

Uzbekistan, the Council of Ministers of the Republic of Karakalpakstan or the khokimiyat of the region, respectively, and the applicant for the creation of a cotton-textile cluster for a period of thirty years . At the same time, if the applicant is an enterprise with the participation of foreign investments or a foreign legal entity, then the four-party agreement is concluded for a period of up to twenty-five years.

In addition, all cotton-textile clusters in one region (in the Republic of Karakalpakstan or the corresponding region) are allowed to carry out activities with farms on a contractual basis and farms to voluntarily enter into futures contracts with these clusters for the supply of raw cotton. This, in turn, gave freedom to farms and increased their interest.

Practical results of research the following:

- To date, 1034.2 thousand hectares (100%) of land plots are assigned to 134 cotton-textile clusters in the republic;
- 1.3 million tons (34%) of fiber produced from 3 million 800 thousand tons of raw cotton produced by clusters in 2022;
- At the moment, the clusters have 1.9 million tons of fiber production capacity, and grown raw cotton provides 58% of the available capacity (there are 705 thousand tons or 42% of the fiber production capacity);
- For this, the clusters purchased 21.4 thousand units of high-performance equipment and units in the amount of 5.4 trillion soums, thereby updating the technical park of agriculture ;
- Water-saving technologies have been introduced on 83.4 thousand hectares of cotton fields, 30.3 thousand hectares of land have been returned to use ;
- In 2021, 25 cotton-textile clusters were launched on an area of 106 thousand hectares.

The key factor for sustainable economic growth throughout the world is the efficient operation of industry, which, in turn, has a serious impact on the development of other sectors of the economy and, no less important, on the social sphere. Not only the internal situation depends on how developed the industry, especially the processing one. One of the determining conditions for the successful entry of the state into the world market and participation in the global division of labor is the competitiveness of the national economy and its compliance with international quality standards.

Therefore, the primary task of the current stage of development of the Kazakhstani economy is to attract investment in non-primary sectors of the economy and the rapid implementation of projects for the development of clusters, a chain of interrelated industries and industries, which will allow the production of competitive goods and services.

The full use of innovations for the further dynamic development of the economy and society is possible when the state pursues a targeted innovation policy.

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