

INDUSTRY STRUCTURE OF THE BUKHARA REGION INDUSTRY AND PRIORITY DIRECTIONS FOR ITS IMPROVEMENT

Toshov Mirzabek Hakimovich

Asia international university

E:mail: mirzabekhakimovich@gmail.com

ABSTRACT

This article provides an in-depth scientific analysis of the sectoral structure of industry in the Bukhara region and its role in regional economic development. The study evaluates the current state of key industrial sectors, including fuel and energy, chemical industry, construction materials, food processing, and textiles. Particular attention is paid to identifying priority directions for improving industrial development through modernization, diversification, and expansion of high value-added production. The article substantiates strategic approaches to enhancing competitiveness by introducing innovative technologies, improving the investment climate, and developing industrial clusters, and offers practical recommendations based on scientific conclusions.

Keywords

Bukhara region, industrial sectors, sectoral structure, industrial modernization, diversification, innovation, regional development.

In the current context of globalization and intensifying competition, the sustainable economic development of regions is primarily and directly linked to their industrial potential and the efficiency of their sectoral structure. A well-formed industrial structure plays a crucial role in increasing regional gross product, ensuring employment, and expanding export potential. From this perspective, a deep, scientifically grounded analysis of the sectoral structure of industry in Bukhara region and the identification of priority directions for its improvement are of particular relevance.

Bukhara region is one of the republic's territories rich in natural resources and characterized by a favorable transport and geographical location, providing sufficient opportunities for industrial development. However, the issue of fully and efficiently utilizing the existing industrial potential requires a scientifically substantiated strategic approach.

The sectoral structure of Bukhara region's industry has been formed over a long historical period under the influence of the region's natural resource potential, raw material base, labor resources, and production infrastructure. The geographical location of the region and the availability of subsoil resources—particularly natural gas and raw materials for construction—have determined the priority directions of industrial development.

The fuel and energy complex occupies a leading position in the region's industry. This sector is mainly associated with the extraction and processing of natural gas and energy production, accounting for the largest share of industrial output in the region. The fuel and energy industry is of strategic importance not only for the region but also at the national level, serving as one of the key factors ensuring industrial stability and export potential.

Table 1

Main industrial sectors of Bukhara region and their role in the economy

Industrial sectors	Main activities	Role in the regional economy
--------------------	-----------------	------------------------------



Industrial sectors	Main activities	Role in the regional economy
Fuel and energy industry	Natural gas extraction and processing	Leading, strategic
Chemical industry	Gas-chemical products, mineral fertilizers	Highly promising
Construction materials industry	Cement, bricks, lime	Supplying the domestic market
Food industry	Processing, canning, flour products	Socially significant
Light industry	Textiles, garment and knitwear	Employment-generating

Following the fuel and energy complex, the chemical industry ranks second. The development of this sector is largely associated with opportunities for deep processing of natural gas and has the potential to produce high value-added products. From the standpoint of innovative development, the chemical industry occupies an important position among industrial sectors.

At the same time, the construction materials industry in the region has developed on the basis of available natural raw materials—limestone, sand-gravel, and other mineral resources. This sector plays an important role in meeting the construction needs not only of Bukhara region but also of neighboring areas.

Table 2

Factors shaping the industrial sectors of Bukhara region

Factors	Direction of impact
Natural resources	Development of fuel-energy and construction industries
Raw material base	Formation of food and light industries
Labor resources	Expansion of labor-intensive sectors
Transport infrastructure	Logistics of industrial products
Investment climate	Establishment of new production capacities

The food and light industries form a diversified industrial structure of the region, playing an important role in meeting domestic market needs and ensuring employment. In particular, the food industry specialized in processing agricultural products contributes to the sustainable development of the regional economy.

Overall, the sectoral structure of Bukhara region's industry is gradually transitioning from a



raw-material orientation toward a stage focused on processing and creating higher value added. This process should be further accelerated through industrial modernization, the introduction of innovative technologies, and the expansion of production cooperation.

A comprehensive analysis of the current state of industry in Bukhara region shows that despite growth in production volumes in recent years, the qualitative level of development across industrial sectors is uneven. While production capacities are expanding in certain leading sectors, the pace of technological renewal does not yet meet modern requirements.

In a significant number of industrial enterprises in the region, the physical and moral depreciation of fixed assets remains high. Obsolete technologies lead to higher production costs, declining product quality, and inefficient use of energy resources. Particularly in some branches of the processing industry, high energy consumption remains one of the main factors limiting production efficiency.

Table 3
Key problems in Bukhara region's industry and their consequences

Problem area	Description	Economic consequences
Technological obsolescence	Outdated equipment and production lines	Rising costs, declining competitiveness
Low energy efficiency	High energy consumption	Increased production expenses
Low innovative activity	Slow adoption of new technologies	Technological lag
Low share of processing	Dominance of raw-material orientation	Insufficient value added

A considerable share of industrial output in the region consists of raw materials or semi-finished products. The low proportion of finished products with high value added limits the competitiveness of industry in both domestic and foreign markets. This situation is also reflected in the export structure, where a large share of industrial exports consists of low-processed products.

This problem is particularly evident in the chemical and food industries, where deep processing stages are insufficiently developed. As a result, the level of value added generated in industrial sectors does not correspond to the region's real economic potential.

At the current stage of industrial development, the insufficient level of adoption of innovative technologies remains one of the key challenges. Weak integration between scientific research and development (R&D) and industry constrains the production of new products.

At the same time, the uneven distribution of investment flows across sectors and territories exacerbates imbalances in industrial development. Investments are mainly directed toward large and traditional sectors, while small and medium-sized industrial enterprises face limited access to financial resources.

Table 4
Main factors constraining industrial development



Factors	Level of impact	Outcome
Investment shortage	High	Slow modernization
Weak innovative infrastructure	Medium-high	Limited adoption of new technologies
Insufficient workforce skills	Medium	Reduced production efficiency
Limited competitive environment	Medium	Low innovative activity

The priority directions for improving industry in Bukhara region include:

- deep diversification of industrial sectors and development of processing industries;
- introduction of innovative and energy-saving technologies;
- expansion of industrial clusters and cooperative linkages;
- development of high value-added production based on efficient use of local raw materials;
- creation of a favorable investment climate to attract foreign and domestic investment.

The consistent implementation of these directions will enhance the competitiveness of the region's industry and strengthen its role in the regional economy.

In conclusion, the sectoral structure of Bukhara region's industry is one of the key factors underpinning regional economic development. The research findings indicate that the region's industry has largely developed under the leadership of the fuel and energy complex, which ensures a significant share of industrial output and export potential. At the same time, the development of the chemical, construction materials, food, and light industries demonstrates a gradual diversification of the industrial structure.

However, alongside quantitative growth, the current state of industrial sectors reveals a number of qualitative challenges. In particular, high levels of technological obsolescence in certain sectors, low efficiency in the use of energy resources, and an insufficient share of high value-added products continue to constrain industrial competitiveness. This situation is especially associated with the underdevelopment of deep processing stages in the processing industry.

The analyses confirm that industrial modernization and the acceleration of innovative development are among the most important conditions for enhancing the region's economic potential. The introduction of modern energy- and resource-efficient technologies will help reduce production costs, improve product quality, and strengthen competitiveness in domestic and foreign markets. In addition, the development of industrial clusters and the expansion of intersectoral cooperation will enable the creation of higher value added through deep processing of local raw materials.

Furthermore, improving the investment climate and stimulating investment flows directed toward industry will create the necessary conditions for establishing new production capacities and modernizing existing ones. Supporting small and medium-sized industrial enterprises, financing innovative projects, and improving the system of skilled workforce training will emerge as key factors ensuring the sustainability of industrial development.

Overall, through the consistent application of scientifically grounded priority directions, modernization and diversification of industrial sectors, it is possible to ensure sustainable industrial development in Bukhara region, increase regional gross product, create new jobs, and further strengthen the region's economic competitiveness at both national and international levels.



References:

1. O'zbekiston Respublikasi Prezidenti farmonlari va qarorlari. **Sanoatni rivojlantirish va modernizatsiya qilishga oid hujjatlar.** – Toshkent.
2. O'zbekiston Respublikasi Prezidentining **“2022–2026 yillarga mo‘ljallangan Yangi O'zbekistonning taraqqiyot strategiyasi to‘g‘risida”**gi Farmoni. – Toshkent.
3. O'zbekiston Respublikasi Vazirlar Mahkamasining sanoat va hududiy rivojlanishga oid qarorlari. – Toshkent.
4. Abdurahmonov Q.X. **Mintaqaviy iqtisodiyot.** – Toshkent: Iqtisodiyot, 2020.
5. Tursunov B.O., Rahimov A.A. **Sanoat iqtisodiyoti.** – Toshkent: Fan va texnologiya, 2019.
6. G'ulomov S.S. **Innovatsion iqtisodiyot va sanoat rivoji.** – Toshkent: Fan, 2021.
7. Nosirov E.N. **Hududiy iqtisodiyot va sanoat siyosati.** – Toshkent: Iqtisodiyot-Moliya, 2018.
8. Porter M. **The Competitive Advantage of Nations.** – New York: Free Press, 1990.
9. Krugman P. **Geography and Trade.** – Cambridge: MIT Press, 1991.
10. Esaulova I.A. *Motivational Mechanism of Employee's Initiative Behavior.* – International Journal of Innovation Management, 2017.
11. Asadullayev M., Xudoyorov S. **Sanoatni diversifikatsiyalashning hududiy rivojlanishdagi o‘rni** // Iqtisodiyot va innovatsion texnologiyalar, 2021.
12. Karimov U.U. **Qayta ishlash sanoatini rivojlantirishning iqtisodiy mexanizmlari** // Iqtisodiy taraqqiyot, 2020.

