

Impact of Small Industrial Zones on the Economy of Regions

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Abstract: This article examines the importance of small industrial zones in the development of regional economies. Small industrial zones are recognized as an important factor in creating jobs, developing local production, increasing tax revenues, improving regional infrastructure, and strengthening export potential. The economic and social impact of small industrial zones is analyzed using the example of Namangan, and the relevance of supporting their development is substantiated.

Keywords: small industrial zones, regional economy, entrepreneurship, job creation, local production, innovation, export potential, infrastructure development, socio-economic balance.

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Purpose. Small industrial zones play a special role in the development of regional economies. This article provides brief information on the establishment of small industrial zones in the Namangan region and their impact on the regional economy.

Methods. The research methodology is based on the work being carried out in the Namangan region, which aims to increase the income of the population and increase the volume of GRP through the development of small industrial zones.

Results. Currently, the Namangan region is focused on increasing the regional GRP by developing the activities of small industrial zones. In accordance with the Resolution of the President of the Republic of Uzbekistan Shavkat Mirziyoyev No. PQ-3826 dated July 2, 2018 "On measures to establish small industrial zones in Namangan region", 6 industrial zones were established in Namangan region.

T/r	Name of the company	Name of the objects where the KSZ is established
1	Namangan city KSZ	"Orzu", "Pakhtalikkul", "Yuksalish", "Khanobod" industrial zones
2	Chust district KSZ	Buildings and structures of Chust Cotton Cleaning JSC
3	Namangan district KSZ	"New Life" industrial zone
4	Pop District KSZ	Former buildings and structures of "Uzruberoid" LLC
5	Naryn district KSZ	Unused land plots of "Norin Tola" JSC
6	Turakurgan district KSZ	Former JSCs "Dehkanmashta'minoti", "PMK-148" unused land plots

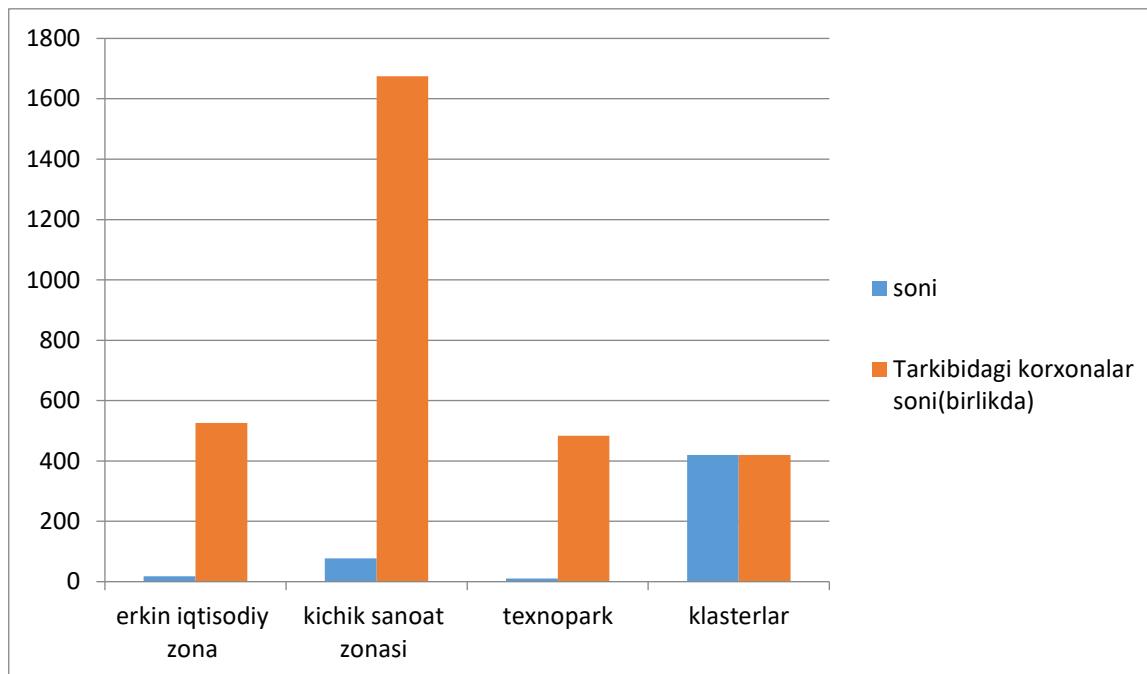
In a market economy, the stability of the regional economy directly affects the country's economy. Special attention is paid to the establishment of free economic and small industrial zones as an important factor in attracting foreign investment, primarily direct investment, to produce products that meet world standards and are in demand in the world market, comprehensively and effectively use the production and resource potential of the regions, create new jobs and increase the income of the

population. The establishment of small industrial zones plays an important role in organizing the production of modern competitive products and services, creating new jobs and ensuring the growth of the population's income, increasing the country's gross domestic product and socio-economic development of the regions, as well as increasing the volume of net exports.

The President of the Republic of Uzbekistan Shavkat Mirziyoyev held a meeting to discuss investment projects being implemented in free economic zones and small industrial zones in 2021. The resolution of the Head of State "On measures to further develop the engineering and communication infrastructure of special economic and small industrial zones" determined that 1.6 trillion soums will be allocated this year to improve the infrastructure of free economic and small industrial zones. In particular, 584 billion soums will be allocated for the construction of additional electricity, gas, drinking water and sewage networks, as well as highways in 17 free economic zones, and 395 billion soums for 145 small industrial zones. 232 billion soums are allocated to provide infrastructure for large investment projects. 264 billion soums will be allocated for the accelerated development of industry and business in 33 districts that are lagging behind in development.

The research methodology is based on the work being carried out in the regions to increase the volume of GRP. In the analysis process, comparative and systematic analysis methods were used. Based on statistical data, indicators of GRP growth were considered.

Today, 23 free economic zones and 348 small industrial zones operate in Uzbekistan. 453 projects worth a total of \$ 2.6 billion have been implemented in free economic zones, creating about 36 thousand jobs. 1,497 projects worth 5 trillion soums have been launched in small industrial zones, providing employment to more than 36 thousand people. In January-December 2023, there were a total of 18 free economic zones (hereinafter referred to as FEZs), 77 small industrial zones (hereinafter referred to as KSZs), 10 technoparks and 420 clusters (hereinafter referred to as clusters), with the number of enterprises in them being 526 in FEZs, 1,675 in KSZs, 484 in technoparks and 420 in clusters.



Number of SEZs, KSZs, technoparks and clusters in Namangan region in January-December 2023, in units

Namangan region	Total	including:			
		SEZ	KSZ	technopark	cluster
	35	2	8	-	25

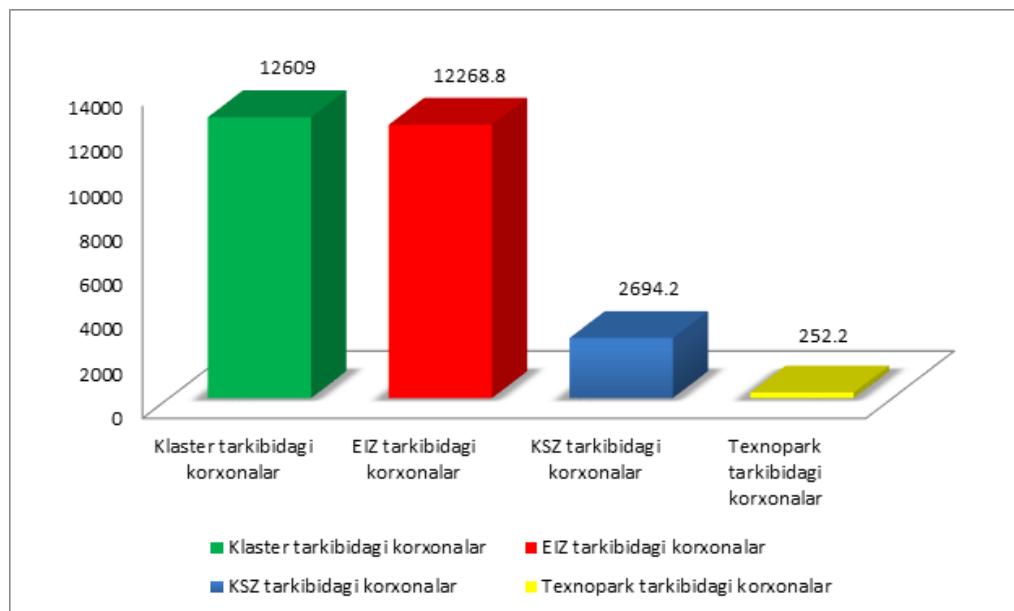
The number of SEZs, KSZs, technoparks and clusters in the Namangan region in January-December 2023 is as follows:

Total: 35

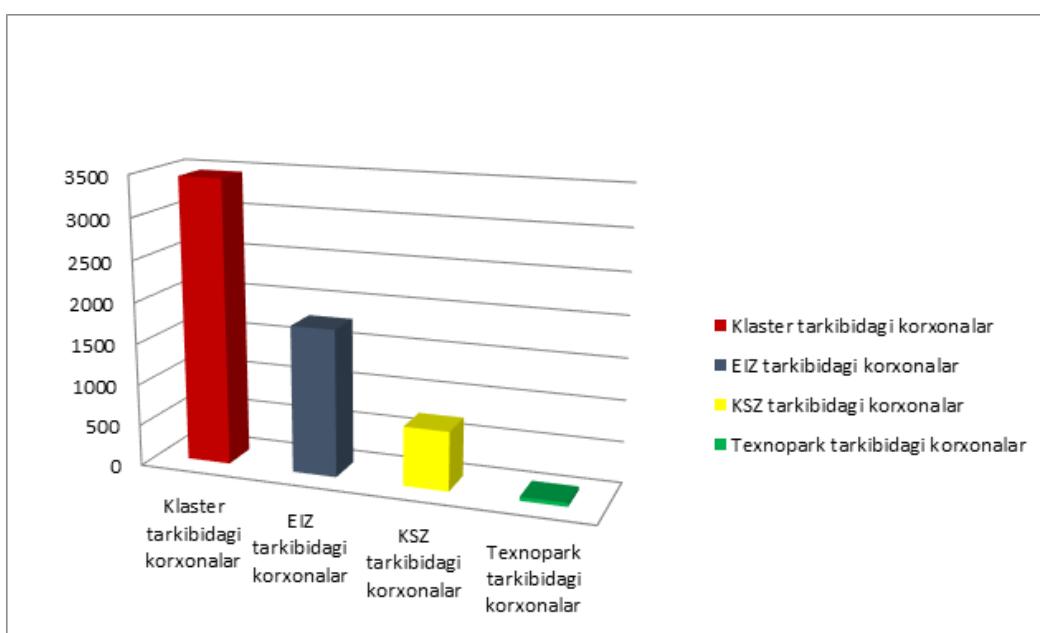
- SEZ (Special Economic Zones): 2
- KSZ (Small Industrial Zones): 8
- Technoparks: 0
- Clusters: 25

This data shows the development of existing industrial and technological infrastructure networks in the region.

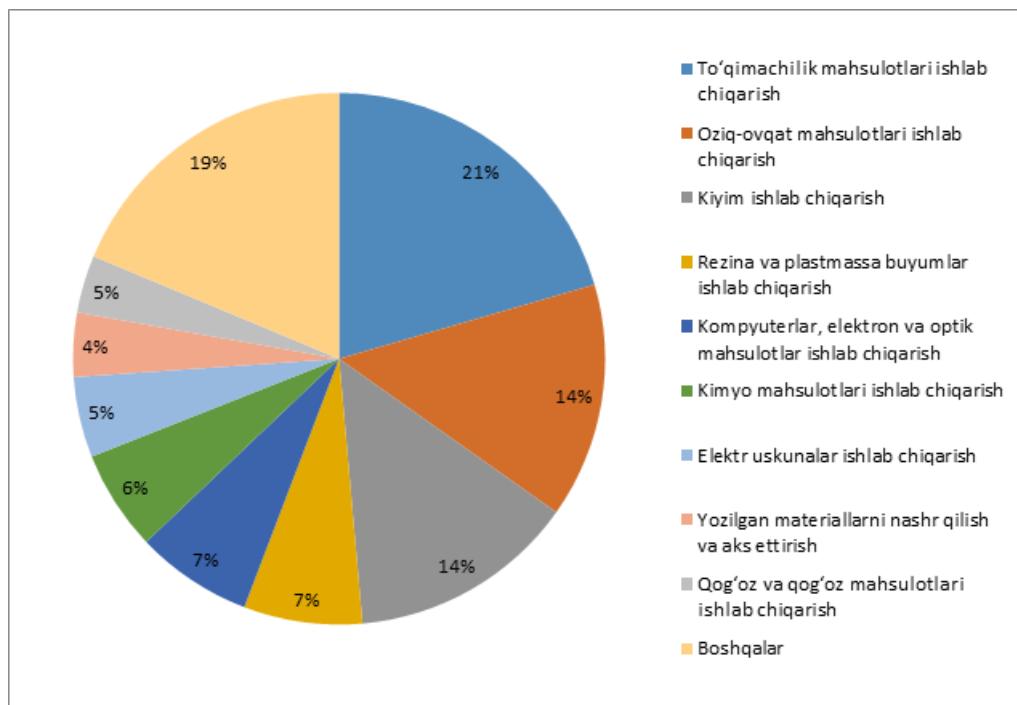
Volume of industrial production by FEZs, KSZs, technoparks and clusters in January-December 2023, billion soums



Volume of industrial products (goods and services) exported outside the republic (export) by FEZ, KSZ, technopark, clusters in January-December 2023, billion soums



Types of products manufactured by enterprises included in the KSZ in January-December 2023, in %



Today, a number of works are underway in the Namangan region to organize small industrial zones and their infrastructure.

In Namangan region, 758.8 hectares of land have been allocated for 72 small industrial zones. Today, 702 projects worth 3.7 trillion soums have been placed on 408.7 hectares of land in 30 small industrial zones, and as a result of the launch of these projects, more than 31,000 new jobs will be created. At the same time, it is planned to commission 587 projects with a total cost of 2.9 trillion soums (of which 2.09 trillion soums of own funds, 586.8 billion soums of bank loans, and 31.8 million dollars of foreign investment) and an annual production capacity of 2.3 trillion soums, which will result in the creation of 24.3 thousand new jobs .

In his Address to the Oliy Majlis, the Head of our state stated that in order to further increase industrial potential, technoparks, small industrial zones, regional clusters and logistics centers will be established in districts and cities. In particular, in the Namangan region, space has been allocated for 72 small industrial zones. Today, 34 of them have been built and commissioned.

Despite the fact that the complex in Dashtbog was recently established, enterprises have begun to operate one after another. For example, the Dream Liner Textile Limited Liability Company has launched a production of special clothing and men's shirts. 120 local residents work here.

Shavkat Mirziyoyev spoke with them.

- You hear that in Uzbekistan, the expressions "mahallabay", "xonadonbay" have appeared. This means that we are trying to understand the pain and intentions of each family, stand shoulder to shoulder with them, support them, and create conditions. The fact that such a place has been built in your mahalla, that you are working, seeing each other, being aware of the news happening in the region and our country, and living in a good mood is one of the results of this effort. We have many more plans and goals ahead. We have come to Namangan with a large base and large funds to make people's tomorrow better, - said the President.

Four more enterprises operate here. The Navroz Textile Industry enterprise produces children's and men's clothing, the Aziz Design Service company produces bags, backpacks and suitcases, and the Biaz Text company produces sandwich panels. A training center has been opened by the Kelajak Mega Stroy Limited Liability Company. About 300 jobs have been created at these enterprises. The Dashtbog small industrial zone covers an area of about 4 hectares. Construction and equipment

installation are ongoing at many more enterprises. It is planned to implement 22 projects worth a total of 119 billion soums in the industrial zone. It is planned to create more than 3 thousand jobs and export \$ 2.7 million.

At the initiative of our esteemed President, 10 projects worth 74 billion soums out of 22 projects worth 142.3 billion soums were launched in the "Orzu" small industrial zone, established on an area of 9.9 hectares in Namangan. In particular, on the eve of Independence Day, the following enterprises in the light industry, food, and chemical production sectors began their activities: "Orzu Ideal Textile", "Porloq Textile Liboleri", "Sug'diyana Fayz Textile", "Kvars Sanoat Servis", "Bosir Textile Servis", "Ulug'-B", "Universal Food Trade", "Mega Eko Plast", "Nurobod Sifat Textile", "White Gold Towel Textile", and "White Gold Towel Textile" were launched, creating more than 1,100 new jobs. The annual production volume of the enterprises is 82.2 billion soums, and it is planned to export products worth 6.2 million dollars.

Conclusion and suggestions.

Today, in many developed countries, it is necessary to study more comprehensive methods for the organization and improvement of small industrial zones. In this way, we can help the country's economy develop. Through the development of small industrial zones, we can further improve the well-being of the population in the regions and develop the service sector. As shown by the example of small industrial zones in the Namangan region, such zones attract a number of modern enterprises, making a significant contribution to the well-being of the population and the development of regional infrastructure. By organizing small industrial zones in more regions, introducing innovations and attracting foreign investment, establishing training centers to train local residents as qualified personnel, improving the transport, energy and communication infrastructure for industrial zones, introducing products of small industrial zones to international markets, and expanding state financial assistance and tax incentives, new jobs and economic growth can be created. These measures will help increase the economic efficiency of small industrial zones and strengthen their position in the regional economy.

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