



Directions and Prospects of Modern Transport Logistics in Our Country

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Abstract

Today, the market of transport logistics services is actively developing in our country. The field of cargo transportation and storage in Uzbekistan has great prospects for development. Every year, thanks to the efforts of our state, transport networks are expanding and improving. Air, rail and road transport are the three pillars of the transport system of Uzbekistan. This article deals with directions of use in modern transport logistics in our country and their prospects.

Keywords: *Transport Industry; Innovative Development; Trans–Market; Transit Potential; Characteristic Trend; Logistics System*

Introduction

In modern society, due to the development and improvement of the transport industry, the demand for transport logistics is increasing, and it is focused on the system of organizing fast and high-quality delivery of goods from one point to another in the most profitable and optimal direction. A characteristic trend of the modern economy is the expansion of the use of logistics.

Logistics is a large-scale activity that combines various departments that produce goods and services and includes the movement of raw materials from the source of supply (producer) to the beginning of the production line (consumer). Logistics includes transportation, storage, material handling, protective packaging, inventory control, production and warehouse location selection, demand forecasting, marketing, and customer service. The current trend in the development and improvement of the transport system has become the distribution of all types of services for logistics, logistics management, that is, the fast and high-quality delivery of goods.

Literature Analysis and Methodology

The innovative development strategy of the Republic of Uzbekistan in the period until 2030 envisages increasing the share of industry in the gross domestic product to 37%, and the processing industry to 22%, which includes the average annual growth rate of the industry and the level is 8.3%. This

ensures diversification of the export structure, reducing the share of raw materials in it and increasing the share of goods with high added value. The rapid development of the economy increases the demands on the transport sector, which requires the organization of a logistics system, a radical restructuring of the system of transportation of goods in various types of transport.

Studies show that the policy of active development of the Transport Corridor has expanded and diversified the schemes of international transport routes for the export and import of goods. Russia overtook China and became Uzbekistan's main trading partner. In November, Russia overtook China and became Uzbekistan's main foreign trade partner. Uzbekistan started gold export for the first time in seven months and sold precious metal worth 556.7 million dollars within a month. The country is increasingly dependent on the export markets of the CIS countries. The volume of trade of Uzbekistan in 11 months amounted to 44.95 billion dollars, compared to January–November last year, it increased by 6.84 billion dollars or 18%. The data of the State Statistics Committee testify to this.

Since the beginning of the year, exports have increased by 17.36 billion (+12%), imports by 27.59 billion (+22.1%). The foreign trade deficit increased by 10.22 billion dollars, which is 45.5% more than last year's figure (7.02 billion dollars). Uzbekistan resumed gold exports for the first time since April and sold \$556.7 million worth of the precious metal in November. Gold ranked third (20.3 percent or \$3.53 billion) in the structure of exports after industrial goods (23.1 percent, \$4.01 billion) and services (20.8 percent, \$3.62 billion).

Table 1. The monthly dynamics of the foreign trade turnover of the Republic of Uzbekistan (millions of US dollars)

№	Months	2021 year	2022 year
1	January	2 334,0	3 498,2
2	February	2 387,0	5 233,2
3	March	2 804,8	4 424,5
4	April	3 124,3	4 008,8
5	May	4 292,8	3 366,9
6	June	3 552,0	3 959,5
7	July	3 264,1	3 611,9
8	August	3 392,6	4 023,7
9	September	3 171,7	3 898,1
10	October	4 495,4	4 074,1
11	November	5 288,3	4 848,9

Excluding gold, exports increased by 21.4% and amounted to 13.84 billion dollars. Mainly textile products—up 9.5% to \$2.9 billion, vegetables and fruits – \$1.05 billion (+20.7%), gas – \$910.9 million (+30.3%), oil and oil products – \$148.4 million (2 times), fertilizers – \$393.8 million (35.6 percent), and growth in other positions was achieved.

It should be noted that the export of electricity generating machines and equipment increased by 8.1 times (\$154.5 million), and the export of non-special industrial machines and equipment, machine parts increased by 2.8 times (\$75.8 million).

The export of textile products makes up 16.7 percent of the total export. The main part of the products is yarn (45.2%) and ready-made knitting and sewing products (28.5%). At the same time, the share of sewing products is increasing. The Russian market remains the main market for Uzbek textile products, with \$1.16 billion (+41%) of goods shipped to this market. The volume of deliveries to Turkey increased by 21.8% and amounted to 481.9 million dollars, while the volume of deliveries to China halved from 609.3 million dollars to 253.1 million dollars.

Table 2. Countries with the highest share of foreign trade turnover with the Republic of Uzbekistan (January–November 2022, millions of US dollars)

№	Countries	Export	Import	Foreign trade turnover	Percent
1	Russia	2 798,0	5 540,5	8 338,5	18,6%
2	China	2 385,7	5 792,4	8 178,1	18,2%
3	Kazakhstan	1 270,9	2 928,7	4 199,6	9,3%
4	Turkey	1 383,9	1 549,0	2 932,9	6,5%
5	South Korea	45,6	2 123,3	2 169,0	4,8%
6	Kyrgyzstan	866,0	254,0	1 120,0	2,5%
7	Germany	85,0	856,5	941,6	2,1%
8	Turkmenistan	184,3	674,3	858,6	1,9%
9	Afghanistan	664,7	8,4	673,1	1,5%
10	India	31,9	594,7	626,6	1,4%

Table 3. Dynamics of foreign trade turnover of the Republic of Uzbekistan with major partner countries in 2020 and 2022 (January–November, millions of US dollars)

№	Countries	2020	2021	2022
1	Russia	5 066,6	6 591,2	8 338,4
	Export	1 322,6	1 871,2	2 798,0
	Import	3 744,0	4 720,0	5 540,5
2	China	5 741,2	6 723,6	8 178,1
	Export	1 756,7	2 318,7	2 385,7
	Import	3 984,5	4 404,9	5 792,4
3	Kazakhstan	2 625,4	3 536,0	4 199,6
	Export	818,6	1 057,2	1 270,9
	Import	1 806,8	2 478,8	2 928,7
4	Turkey	1 878,7	3 039,8	2 932,9
	Export	897,0	1 540,4	1 383,9
	Import	981,8	1 499,4	1 549,0
5	South Korea	1 908,5	1 678,8	2 169,0
	Export	41,9	46,0	45,6
	Import	1 866,5	1 632,8	2 123,3
6	Kyrgyzstan	816,3	852,9	1 120,0
	Export	685,6	711,2	866,0
	Import	130,7	141,7	254,0
7	Germany	710,2	675,4	941,6
	Export	63,1	60,8	85,0
	Import	647,1	614,6	856,5
8	Turkmenistan	465,5	761,2	858,6
	Export	118,5	175,4	184,3
	Import	347,0	585,8	674,3
9	Afghanistan	697,6	604,8	673,1
	Export	695,6	601,3	664,7
	Import	2,0	3,5	8,4
10	India	382,5	436,0	626,6
	Export	15,5	26,6	31,9
	Import	367,1	409,4	594,7

Russia regained its leadership in foreign trade with Uzbekistan—8.34 billion dollars (share—18.6%). The volume of exports to Russia increased by 49.5% to \$2.8 billion, while imports increased by 17.3% to \$5.54 billion.

China came in second place with \$8.18 billion (18.2 percent). Kazakhstan—4.2 billion dollars (9.3 percent), Turkey (6.5 percent)—2.93 billion dollars, and the Republic of Korea—2.17 billion dollars (4.8 percent) took the next places.

Trade with Russia and China is growing at a high rate (26.7% and 21.6%, respectively). The growth of trade with Kazakhstan has slowed down: in the same period of 2021, the indicator increased by 34.7%, this year this indicator is 18.7%.

Foreign trade with Turkey also began to decrease: last year this indicator increased by 61.8%, this year the decrease was 3.5%. This may be due to the devaluation of the lira and logistical problem.

Trade relations with Korea increased by 29.1% after decreasing in 2021 (–12%). Trade with Kyrgyzstan increased by 31.3%, with Turkmenistan by 12.7%, with Tajikistan by 11.8%, and with Afghanistan by 11.3%.

By the end of January–October 2022, the foreign trade turnover of the republic amounted to 40.1 billion dollars, which increased by 7.3 billion dollars or 22.2% compared to 2021. This was revealed in the commentary provided by the State Statistics Committee.

In FTT, the export volume reached nearly 15.5 billion US dollars (increased by 23.8%) and the import volume reached 24.6 billion US dollars (increased by 21.2%). During the reporting period, a passive foreign trade balance in the amount of 9.1 billion US dollars was recorded.

Results and Discussion

Currently, large-scale structural and institutional changes have been made in transport in the Republic. State programs for the privatization of vehicles are being implemented step by step, a consistent transition from direct administrative control to state regulation of market entities continues. Adapted activity in the trans-market to date. Uzbekistan is one of the participants of international integration and a full-fledged subject of world economic processes.

Some indicators of the transport and logistics industry of Uzbekistan:

- The volume of cargo transportation is increasing by an average of 15% per year;
- In 2016, the new 123-kilometer Angren–Pop electrified railway line was opened, including a nineteen-kilometer tunnel passing through a mountain pass with a length of more than 2,000 meters;
- In April 2019, the fleet of the national air carrier “Uzbekistan Airlines” was replenished with two new Boeing–787 (Dreamliner) Dreamliners, and its service and repair base and hangars were prepared for them;
- In recent years, the operating length of railways has increased by more than 1000 km, and the total was 4641.9 km at the beginning of 2018, and by 2022, this indicator increased by 1254.3 km and reached 5896.2 km;
- The total length of the national highway network is 184 thousand kilometers, of which 42 thousand 46 kilometers are asphalted public highways.

In January–October 2022, goods and services worth 6,352.7 million US dollars were exported to the CIS (Commonwealth of Independent States) countries, which made up 41.0% of the total export.

Table 4. Dynamics of export volumes of goods and services to the CIS and other countries (January–October, millions of US dollars)

№	Countries	2020 year	2021 year	2022 year
1	CIS countries <i>Export</i> <i>Percent</i>	3 331,8 25%	4 354,3 34,8%	6 352,7 41,0%
2	Other countries <i>Export</i> <i>Percent</i>	9 994,3 75%	8 152,2 65,2%	9 130,4 59,0%

Compared with 2020–2021, in January–October 2022, our main partners for the export of goods and services in foreign trade turnover were the PRC, the Russian Federation, Turkey, Kazakhstan, Kyrgyzstan, Afghanistan and Tajikistan. Their share in the total export was 57.5%.

Since the beginning of 2022, 532 types of textile products have been exported to 69 countries of the world. Among exported textile products, cotton yarn (46.6%), ready-made knitwear and sewing clothes (27.2%) took the main share. The Russian Federation (US\$1,036.4 million–39.3%) and Turkey (US\$453.2 million–17.2%) accounted for the largest share of textile products.

Table 5. Export of fruit and vegetable products (January–October 2022, growth rates in terms of value)

№	Names of products	thousand tons	million US dollars	growth rate (in percent)
1	Grapes (raisins)	242,2	216,6	41,5%
2	Cabbage	135,2	34,6	91,8%
3	Sweet cherries	25,4	33,3	60,8%
4	Tomato	65,8	48,4	10,7%
5	Peach	76,7	68,1	55,2%
6	Mung bean	78,7	60,0	50,2%
7	Melon (watermelon)	134,3	36,6	65,7%
8	Onion	185,4	33,2	25,7%

In January–October 2022, fruit and vegetable products accounted for 5.8% of total exports. The Russian Federation, Kazakhstan, the People’s Republic of China and Pakistan contributed the main export markets of fruit and vegetable products. One of the main types of export is fruits and vegetables: in January–October 2022, the largest volume of exports of fruits and vegetables in terms of value fell to the Russian Federation (44.5% of the total volume of exports of fruits and vegetables), which is 2.2 times the volume of exports to Kazakhstan is a lot.

Products are exported to countries such as the Russian Federation, Kazakhstan, China, Pakistan, Kyrgyzstan, Afghanistan, Turkey, Belarus, Iran, Azerbaijan, UAE, Germany, Georgia, Tajikistan and Ukraine; export of fruit and vegetable products has increased 5 times in the last 10 years; by the end of 2020, it was planned to increase the production of fruits and vegetables to 32 million tons in Uzbekistan; due to the increasing demand for the export of fruit and vegetable products, there is a lack of transport capacity in the country, which is an excellent opportunity for transport and logistics companies to take their place in the market of Uzbekistan. These are the facts that show the consistent growth and positive dynamics of the development of the transport and logistics industry of the Republic.

A number of decisions have been made to develop transport logistics in our country. According to the President’s decision “On measures to improve transport infrastructure and diversify foreign trade routes of cargo transportation in 2018–2022”, building new railway lines and increasing the level of cargo

transportation are permanent tasks. Electrification of railways, expanding the geography of flights, supporting the existing infrastructure and the complex of services provided to the international air transport services market. As stated in the order, currently the existing transit capacity of the republic is not fully utilized. The current unchanging transit and tariff policy hinders the attraction of additional transit traffic. In this regard, commercial banks of the Republic of Uzbekistan are exempted from certain payments for granting loans for the purchase of motor vehicles, from January 1, 2022, national motor transport enterprises and transport–logistics companies that carry out international car transport.

Conclusion

In conclusion, it can be said that logistics has a negative impact on the economic development of the country. The role of logistics, when properly understood, is successfully developed in state economic, political and social relations.

Logisticians are in high demand in the domestic labor market not only in the usual rounds of logistics activities: transport, forwarding, warehouse, inventory management, customs clearance, but also as coordinators (supervisors) and organizers of the company’s logistics process you plan strategically and manage the corporate logistics system, and so on. Globalization and integration trends in supply chains have also increased. The number of companies with logistics departments and services is increasing.

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