

## IDENTIFYING PROSPECTIVE DIRECTIONS BASED ON THE ANALYSIS OF THE REGION'S EXPORT POTENTIAL (THE CASE OF KHOREZM REGION)

### HUDUDNING EKSPORT SALOHIYATINI TAHLIL QILISH ASOSIDA ISTIQBOLLI YO'NALISHLARNI ANIQLASH (XORAZM VILOYATI MISOLIDA)

**<sup>1</sup>Ibadullaev Ergash Bakturdievich**

<sup>1</sup>Dean of Economics faculty, Mamun university, PhD, Associate professor.  
G-mail: [ergashibadullaev90@gmail.com](mailto:ergashibadullaev90@gmail.com)

#### Abstract Annotatsiya

**Eng.** - This article provides an in-depth analysis of the export potential of the Khorezm region, examining the effective utilization of the region's economic capabilities and available resources to identify promising export directions. The study identifies the main export products of the region, their position in foreign markets, and the existing challenges and barriers. Furthermore, it offers proposals and recommendations based on key directions such as export diversification, deep processing of products, compliance with international standards, and the implementation of digital technologies. The article is of practical significance for improving the region's export strategy and contributing to the country's economic development.

**Uzb.** - Ushbu maqolada Xorazm viloyatining eksport salohiyati chuqur tahlil qilinib, hududning iqtisodiy imkoniyatlari va mavjud resurslaridan samarali foydalanish orqali istiqbolli eksport yo'nalishlari aniqlangan. Tadqiqotda viloyatning asosiy eksport mahsulotlari, ularning xorijiy bozorlardagi o'rni hamda mavjud muammolar va to'siqlar tahlil qilingan. Shuningdek, maqolada eksportni diversifikatsiya qilish, mahsulotlarni chuqur qayta ishlash, xalqaro standartlarga muvofiqlikni ta'minlash va raqamli texnologiyalarni joriy etish kabi asosiy yo'nalishlar bo'yicha taklif va tavsiyalar berilgan. Ushbu maqola viloyatning eksport strategiyasini takomillashtirish hamda mamlakat iqtisodiy rivojlanishiga hissa qo'shish nuqtayi nazaridan amaliy ahamiyatga ega.

**Keywords:**  
**Kalit so'zlar:**

❖ *Khorezm region, foreign trade, export potential, diversification, import, economic development.*

❖ *Xorazm viloyati, tashqi savdo, eksport salohiyati, diversifikatsiya, import, iqtisodiy rivojlanish.*

#### Introduction.

In the current era of globalization, foreign trade plays a significant role in the economic development of regions. By increasing export potential and effectively utilizing existing opportunities, it is possible to achieve regional economic growth, improve foreign currency inflows, create new jobs, and establish value-added chains. In recent years, Uzbekistan has

also implemented a number of reforms aimed at entering international markets and participating with its competitive goods and services. For instance, in 2024, the country's foreign trade turnover amounted to 65.9 billion USD, of which exports accounted for 26.9 billion USD and imports for 38.9 billion USD, resulting in a negative trade balance of 12 billion USD [1].



The Khorezm region, which serves as the object of our research, has also achieved socio-economic growth in several sectors in recent years. According to the results for 2024, the region's Gross Regional Product (GRP) increased by 106.4% compared to 2023, reaching 51 trillion UZS. Within the structure of the GRP, the highest growth rate was recorded in the services sector, with a 3% increase, followed by industry at 1.2%, and agriculture, forestry, and fisheries at 1.1%.

The relevance of this study lies in the fact that in recent years, negative trends have also been observed in the foreign trade performance of the Khorezm region. In particular, by the end of 2024, the region's export volume amounted to 386.3 million USD, while imports reached 470.9 million USD, resulting in a negative trade balance of 84.7 million USD [2].

The purpose of this research is to conduct a comprehensive analysis of the foreign trade structure of the Khorezm region, identify existing opportunities, develop and propose practical mechanisms for their effective utilization, and strengthen the region's role in the country's sustainable economic development by enhancing its export potential.

### Literature Review.

Scientific research on the analysis and development of export potential has been aimed at identifying key factors that contribute to regional economic growth. In particular, studies related to the export potential of the Khorezm region have analyzed the region's economic capabilities, production scale, export geography, and the dynamics of changes in export structure. Research findings indicate that food products, ready-made clothing, industrial goods, fruits and vegetables, and cotton products hold leading positions in the export structure of the Khorezm region. In recent years, an increase in the export of finished goods has been observed, reflecting the ongoing modernization of industry and the

growing volume of deep processing of products [3].

Statistical data show that the annual volume of exports from the Khorezm region has been steadily increasing, with the main export markets being Pakistan, Russia, Kazakhstan, Turkey, and China. This, in turn, indicates the expansion of interregional and international cooperation opportunities. Moreover, several scientific sources emphasize the necessity of developing transport and logistics infrastructure, aligning the quality of exported products with international standards, and increasing the share of competitive goods in order to fully realize the region's export potential [4]. At the same time, the activity of small businesses and private entrepreneurship entities in foreign trade is recognized as one of the key components of the region's export potential [5].

Export diversification is one of the key factors of economic development, as it helps prevent the negative consequences associated with fluctuations in export volumes and a high dependence on raw materials. In Uzbekistan's economic policy, the production of high value-added goods and the expansion of exports in the services sector have been identified as main priority directions [6].

The results of empirical studies show that the process of export diversification has a positive impact on the growth of per capita income. This is particularly evident in developing countries such as Uzbekistan [7]. To expand export activities, a comprehensive economic approach that integrates trade, investment, and industrial policies is essential. Institutional reforms play a crucial role in accelerating regional development, increasing investment activity, and ensuring the stability of the business environment. At the same time, investments directed toward infrastructure contribute to strengthening foreign trade potential and accelerating the region's economic growth rates [8].



Uzbekistan's strategy aimed at regional integration is focused on strengthening economic relations both within the country and across Central Asia. To attract foreign direct investment and develop innovative clusters in the industrial sector, various special economic zones have been established. These zones are equipped with modern infrastructure and offer a range of tax and customs incentives for investors. As a result of these measures, investor interest has increased, and local producers with export potential have gained greater access to international markets [9].

In the Development Strategy for 2017–2021, ensuring economic diversification, investing in human capital, and accelerating development in rural areas were identified as key priorities for achieving inclusive growth [10].

### **Research Methodology.**

In this study, systematic, comprehensive, and comparative analysis methods were applied to assess the export potential of the Khorezm region and to identify promising directions for its development. The research primarily employed the following methodological approaches. In addition, both qualitative and quantitative analytical methods were used to evaluate the export potential of the Khorezm region and determine opportunities for its expansion. The study covers the period from 2014 to 2024, during which statistical data on the region's export volume, product types, and main foreign markets were collected. The data sources included the open databases of the State Committee of the Republic of Uzbekistan on Statistics, the World Bank, and other international organizations.

To identify changes in the structure of exports, trend analysis and average annual growth rates were calculated. Moreover, statistical methods such as correlation and regression analysis were employed to

determine the impact of export potential on the region's economic development. During the research, particular attention was paid to studying the share of raw cotton and food products in exports, the impact of logistics infrastructure on export performance, and the opportunities for entering new foreign markets.

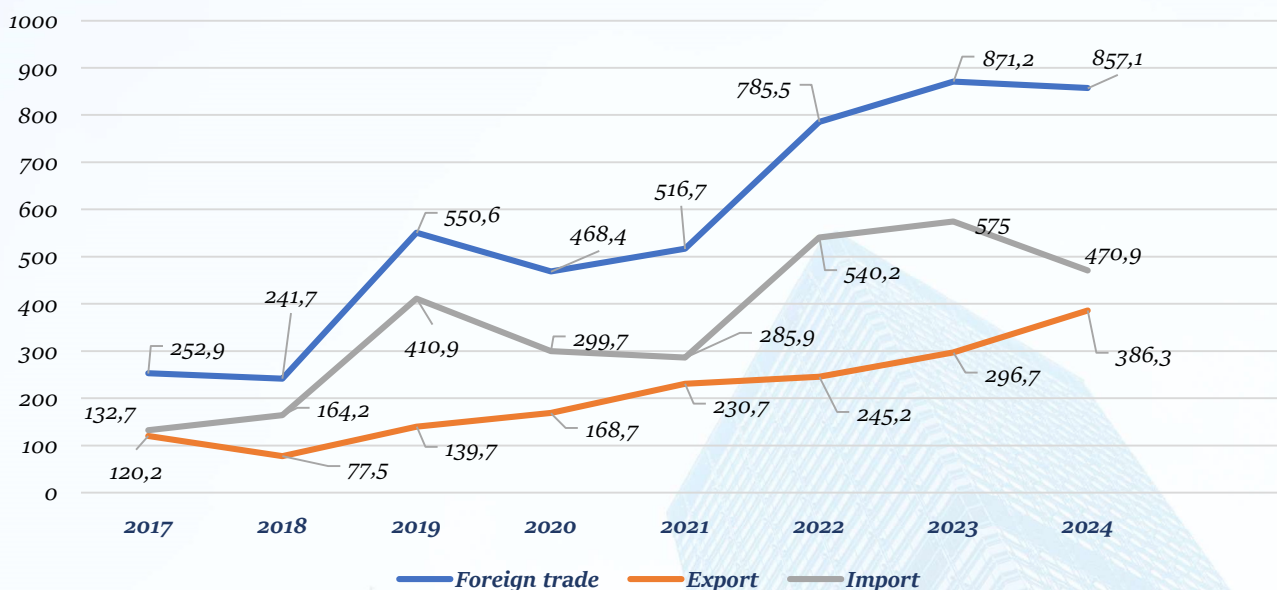
### **Analysis and Discussion of Results.**

In 2024, the Gross Regional Product (GRP) of the Khorezm region amounted to 51.2 trillion UZS, of which 17.5 trillion came from agriculture, forestry, and fisheries; 12.5 trillion from industry and construction combined; 20.2 trillion from services; and 0.9 trillion from net taxes on products. During January–December 2024, the main contributors to GRP growth were construction at -111.4% (accounting for 8.9% of the total share), industry at 102.1% (16.0%), services at 107.8% (40.3%) [2], and agriculture, forestry, and fisheries at 103.0% (34.8%).

Small businesses accounted for 72.3% of the total GRP production volume, compared to 72.7% in January–December 2023. In the structure of GRP for 2024, the share of agriculture, forestry, and fisheries was 34.8%, which is 3.0 percentage points lower than in the same period of 2023 (37.8%). The share of industry (including construction) amounted to 24.9%, an increase of 1.3 percentage points compared to 2023 (23.6%), while the share of services reached 40.3%, 1.7 percentage points higher than the previous year (38.6%).

In 2024, the GRP per capita amounted to 25.4 million UZS, showing a growth rate of 4.4% compared to 2023 [1]. Since the main goal of this research is to identify the promising aspects of the region's export and import structure through an in-depth analysis of its foreign trade composition and to develop ways to utilize them effectively, we first analyzed the existing structure and connections of the region's foreign trade.





**Figure 1. Dynamics of changes in foreign trade indicators of the Khorezm region for 2017-2024 (million USD) [2]**

From the data presented in the above table, it can be observed that the foreign trade volume of the region has increased 3.3 times compared to 2017, reaching 857.1 million USD. Certain fluctuations can be seen in the region's import indicators - for instance, imports decreased from 410.9 million USD in 2019 to 299.7 million USD in 2020, and amounted to 285.9 million USD in 2021. Throughout the

eight-year analysis period, the foreign trade balance remained negative, which indicates that the region's import volumes exceeded its exports. Over the years, several structural changes have also occurred in the region's export composition: while cotton fiber exports have sharply declined, the share of food products has gradually increased [11].

**Table 1**

**Export structure of Khorezm region in 2017-2024 (in percent) [2]**

Years	Food products	Cotton fiber	Energy sources and petroleum products	Ferrous and non-ferrous metals	Services	Machinery and equipment	Chemical products and articles thereof	Others
2017	11.6	43.1	0.0	0.0	8.1	0.0	0.8	36.3
2018	27.8	10.7	0.1	0.1	13.6	1.4	1.0	45.3
2019	49.1	5.2	0.9	1.0	11.4	0.1	0.6	31.7
2020	31.7	4.3	0.0	0.8	5.2	0.1	0.8	57.1
2021	31.1	0.5	0.6	0.9	8.1	0.2	0.8	57.9
2022	33.0	0.1	2.1	1.6	6.6	0.1	0.9	55.6
2023	46.3	0.0	1.0	0.0	6.2	0.2	0.9	45.2
2024	58.9	0.0	0.9	0.0	4.9	0.2	0.3	34.9

As can be seen from the table above, during the past period, significant changes have occurred in the export structure of the region,

in 2017 this product accounted for almost half of all exports, of course, as a result of the fundamental reforms carried out in our



country, the export of raw cotton was stopped, the main reason for this is the creation of a value-added chain in the country. During the analyzed years, the export of food products has shown stable growth trends, one of the main reasons for this is, of course, the relative advantage of the region in the production of agricultural products.

Carrying out a number of fundamental reforms in terms of diversifying the number and geographical location of foreign trade partners of the Khorezm region is currently an urgent problem, from the table below we can see the major trading partners of the region and their share in foreign trade.

**Table 2**

**Foreign trade partners of Khorezm region (2024)\***

Countries	Foreign trade (in million dollars)	Exports (in million dollars)	Imports (in million dollars)	Share of the region in foreign trade (in percent)
<b>Russia</b>	236.4	112.2	124.1	27.6%
<b>Brazil</b>	113.5	0.1	113.5	13.3%
<b>PRC</b>	95.5	12.6	82.9	11.1%
<b>Pakistan</b>	88.9	88.4	0.5	10.4%
<b>Afghanistan</b>	60.2	60.1	0.1	7.0%
<b>Turkey</b>	46.3	26.3	20.0	5.4%
<b>Belarus</b>	33.6	5.9	27.6	3.9%
<b>Iran</b>	31.9	15.3	16.6	3.7%
<b>Kazakhstan</b>	27.5	20.3	7.2	3.2%
<b>Germany</b>	23.2	1.6	21.5	2.7%

\*Author's development

As can be seen from Table 2, Khorezm region carried out the largest foreign trade relations with Russia in 2024, accounting for 27.6% of the total, followed by Brazil with 13.3% and the People's Republic of China with 11.1%. In addition to the countries listed in this table, Khorezm region currently carries out foreign trade relations with 145 countries of the world.

### Conclusion and Recommendations.

The results of the analysis of the export potential of the Khorezm region showed that the region is one of the regions that play an important role in the economic and social development of Uzbekistan, and with its geographical location, natural resources, agricultural products and human capital, it has significant opportunities for expanding exports. In particular, fruits and vegetables, cotton and products made from it, silk, as well

as tourism services are the main export areas of the region.

However, the conducted analysis shows that the existing export potential of the Khorezm region is not fully utilized. This is due to several factors: the low level of deep processing of products, the failure of the production and logistics infrastructure to meet modern requirements, weak marketing and relations with foreign markets, and the insufficient development of the regulatory and legal framework regulating export activities.

At a time when international market requirements, technical regulations, environmental and quality standards are constantly being updated, developing products for foreign markets based on international requirements and diversifying exports is becoming an urgent task. Especially at a time when the global demand for environmentally friendly, certified, innovative and high-value-added products is growing, strengthening



activities in these areas is of strategic importance for the Khorezm region.

Also, if the Khorezm region is rich in labor resources and effectively uses the potential of young people, it is possible to develop new export sectors and service sectors through innovative approaches. In particular, by introducing digital technologies into export activities, it is possible to reduce barriers to entry into foreign markets, simplify information exchange and increase price competitiveness. The following proposals were made from the research work:

- Development of export-oriented production: Directing local entrepreneurs to export markets, creating the necessary infrastructure for export, especially modernizing the storage and logistics system of products;

- Development of agro-industrial clusters: Increasing added value through deep processing of fruits, vegetables and cotton products and establishing the supply of competitive products in international markets;

- Implementation of digital export platforms: Facilitating connections with foreign markets, creating an e-export platform to expand online trade opportunities and supporting entrepreneurs in this regard;

- Strengthening the certification and standardization system: Establishing the necessary laboratories and technical service centers to produce products in accordance with international standards;

- Attracting foreign investments: Introducing new technologies and management experiences by attracting foreign investors to export-oriented sectors.

In conclusion, the export potential of the Khorezm region is high, and its development based on integrated approaches, rational use of existing resources and widespread introduction of modern technologies can further increase the economic potential of the region. This will serve not only regional economic growth, but also the successful implementation of the export strategy of the entire country.

### **List of used literature:**

1. The State Committee of the Republic of Uzbekistan on Statistics data [https://stat.uz/uz/?preview=1&option=com\\_dropfiles&format=&task=frontfile.download&catid=469&id=3698&Itemid=1000000000000](https://stat.uz/uz/?preview=1&option=com_dropfiles&format=&task=frontfile.download&catid=469&id=3698&Itemid=1000000000000)
2. The State Committee of the Republic of Uzbekistan on Statistics; Khorezm Region Statistics Department [file:///C:/Users/user/Downloads/YALPI%20%20HUDUDIIY%20MAHSULOT%20\(1\).pdf](file:///C:/Users/user/Downloads/YALPI%20%20HUDUDIIY%20MAHSULOT%20(1).pdf)
3. Ergash Ibadullaev, Alibek Rajabov, Dilfuza Matyakubova, Azizbek Yakubov and Inomjon Yusubov. Empirical analysis of renewable and non-renewable energy resources consumption impact on economic development in Uzbekistan. BIO Web of Conferences 82, 050 (2024) MSNBAS2023. <https://doi.org/10.1051/bioconf/20248205002>
4. Alibek Rajabov, Ergash Ibadullaev, Bahtiyor Egamov, Xurshid Zaripov and Jaxongir Qosimov. Empirical analysis of determining the influence of the level of innovative development on the economy of world countries. E3S Web of Conferences 449, 02001 (2023) PDSSED 2023. <https://doi.org/10.1051/e3sconf/202344902001>
5. Ibadullaev, E., Matkarimov, M., Zakirova, G., & Jabbarov, M. SCENARIOS FOR INCREASING THE EFFICIENCY OF UTILIZING UZBEKISTAN ECOTOURISM POTENTIAL. Scientific Journal of "International Finance & Accounting" Issue 5, October 2024. ISSN: 2181-1016
6. Fozil Xolmurotov. XORAZM VILOYATIDA EKSPORTNI RIVOJLANTIRISH UCHUN POTENSIAL IMKONIYATLAR VA ULARNI BAHOLASH. YASHIL IQTISODIYOT VA TARAQQIYOT. 2025-yil, aprel. № 4-son. <https://yashil-iqtisodiyot-taraqqiyot.uz/>



7. Caporin, Massimiliano, Bekhzod Kuziboev, Ergash Ibadullaev, Elbek Khodjaniyazov, Peter Marty, and Olimjon Saidmamatov. 2024. The Contribution of Green, Blue, and Energy Sources to Economic Development in Central Asia. *Economies* 12: 251. <https://doi.org/10.3390/economies12090251>

8. Ibadullaev, E., Pagliacci, F., Defrancesco, E., et al., 2025. Farmers' Attitudes on Agritourism Activity Development in Uzbekistan: A Khorezm Region Case Study. *Research on World Agricultural Economy*. 6(1): 435-451. DOI: <https://doi.org/10.36956/rwae.v6i1.1474>

9. Fozil Xolmurotov, Obidjon Khamidov, Sukhrob Davlatov, Ergash Ibadullaev, Xolilla Xolmurotov, Alisher Sherov and Gulsanam Arabova (2025). The impact of renewable energy consumption on unemployment rates in Uzbekistan: An ARDL approach. *Environmental Economics*, 16(1), 78-88. doi:10.21511/ee.16(1).2025.06

10. Xolmurotov, F. (2023). Mintaqada aholi turmush farovonligini oshirishda qishloq xo'jalik mahsulotlarini yetishtiruvchi subyektlar roli. *Актуальные проблемы социально-гуманитарных наук*, 3(7): 83-91.

11. Ibadullaev, E. (2021). CURRENT CONDITION AND ANALYSIS OF DEVELOPMENT OF TOURISM AND RECREATION SERVICES IN KHOREZM REGION. *Economics and Education*, (5), 407-415. [https://doi.org/10.55439/ECED/vol\\_iss5/a267](https://doi.org/10.55439/ECED/vol_iss5/a267)