UZBEKISTAN TEXTILE AND GARMENT INDUSTRY – ADOPTING TECHNOLOGY FROM THE FIELD TO THE PRODUCT EXPORT

December 4, 2019
Tashkent

EXPORT FINANCE CONFERENCE
STRUCTURE OF TEXTILE AND GARMETN INDUSTRY

ASSOCIATION “UZTEXTILEPROM”

Board Members
(7 largest enterprises of the Industry)

410 Enterprises of textile industry

10 engineering (machinery) enterprises

1 330 Enterprises of garment industry

75 cotton-textile clusters

5 foreign advisors
(Latvia, India, Korea, China, Bangladesh)

5 branches and 8 representatives in the regions

Marketing and Promotion Agency
exhibitions, advertising

Textilebrok
Assistance for cotton buyers

Uztextileexport
Foreign trade company

Yengilsanoatkurilish
Project (design) and construction

Design Center «Sharq Liboslari»
HISTORY

«INDUSTRY 1.0»
Mechanization - 1784 year
replacement of muscular power on steam energy

1.0

«INDUSTRY 2.0»
Electrification – 1870 year
introduction of conveyor production

2.0

«INDUSTRY 3.0»
Automation – 1969 year
introduction of automated control system

3.0

«INDUSTRY 4.0»
Today – Smart Production

4.0
TECHNOLOGICAL TRANSFORMATION

DEVELOPMENT AND IMPLEMENTATION OF NEW TECHNOLOGIES

INDORAMA CORPORATION
Improved Cotton Production and Harvesting Technologies

REDUCTION OF THE «HUMAN FACTOR»

UZTEX
Monitoring technological status of equipment and production processes

RESOURCES EFFICIENCY

BAKANTEX
Automated control and efficiency

FULL CAPACITY UTILIZATION

Cost optimization, improving the quality and productivity

Analysis data from information systems

Bofanda
Development of Interactive Services

From quantity to e-commerce quality

Implementing specific platforms of industry

Equipping enterprises with advanced technology

Automation of resource planning and enterprise management based on ERP systems

UZBEK TEXTILE INDUSTRY - DIGITALIZATION
COTTON AND TEXTILE CLUSTERS

15 projects in 2018

75 projects in 2019

(63% of the total sown area of the Republic)

Administrative Support

Introduction of drip irrigation

Soft financing 60% of project cost (cotton farming)

Acquisition of cotton plants

I. Effective use of water resources:
   - leveling of land surfaces with the help of laser layout;
   - phased introduction of drip/pivot irrigation.

II. Selection of seeds in accordance with the climate conditions
    (joint development with scientific institutes on new varieties).

III. New methods of fertilization and control of insects

IV. Organization of machine harvesting

GMO free
Intensive harvest mechanization - leading companies “John Deere” and “Case New Holland” testimony of their active participation

91 projects in 2020 (87% of the total cotton area) in 117 regions
Spinning capacities consumes 100% produced cotton
Avoiding usage of the genetically modified seeds (GMOs) in growing cotton

Avoiding chemical fertilizers during cultivation

Using safe organic substances (garlic, chili and soap) against insect pests

Grown cotton is collected manually

Bleaching the yarn without chlorine

Using dyes created on the basis of natural components for dyeing fabrics

Providing excellent work conditions, decent salary and a fixed working day for people growing organic cotton

**组织实施的项目**

**实施可持续棉花项目** 2019-2020

**ORGANIC COTTON**

- PROJECTS ON PRODUCTION OF **ORGANIC COTTON** (Textile Technologies Group LLC)
- COOPERATION WITH THE INTERNATIONAL ORGANIC ACCREDITATION SERVICE (IOAS), GLOBAL ORGANIC CERTIFICATION (IFOAM)
Agriculture Development Strategy 2020-2030

01 SAFETY
Guaranteeing food safety of the population

02 AGROBUSINESS
Building favorable conditions for agribusiness and value-added chain

03 INVESTMENT
Reducing State participation in sector management especially in cotton and wheat production, increasing investment attractiveness

04 ENVIRONMENTAL PROTECTION
Ensuring the rational use of natural resources and environmental protection.

05 MANAGEMENT
Development of modern public administration systems

06 SUPPORT
Diversification of State expenses for industry support (water saving, irrigation, soil improvement...)

07 DEVELOPMENT
Development the system of agricultural science, education, information and consulting services

08 STATISTICS TRANSPARENCY
Elimination of so called “quota” requirement; Cotton production volume to be agreed by farmers-buyers contract; Creation transparent industry statistics and data collection systems
Structural changes in production (2018-2025)

2018
- Yarn: 59%
- Knitted fabric: 8%
- Fabrics: 16%
- Garment: 16%
- Hosiery: 1%

2025
- Yarn: 19%
- Knitted fabric: 15%
- Fabrics: 24%
- Garment: 40%
- Hosiery: 2%
**EXPORT GEOGRAPHY**

- **EU**: 44%
- **CIS**: 6%
- **Central Asia**: 6%
- **East Asia**: 27%
- **Southeast Asia**: 6%
- **Middle East & Africa**: 8%
- **Other countries**: 2%

**2018** - $1,6 bln.
**2025** - $7,1 bln.

- **Share of textile in the GDP of the Republic**: 55%
- **From total export of the Republic**: 11%
- **The share of finished product in export**: 6%

**2018**
- **Yarn**: 45%
- **Fabrics**: 5%
- **Knitted fabric**: 4%
- **Garment**: 45%
- **Hosiery**: 1%

**2025**
- **Yarn**: 4%
- **Fabrics**: 16%
- **Knitted fabric**: 24%
- **Garment**: 52%
- **Hosiery**: 2%
Standardization and Certification

- Implementing worldwide standards into local production lines
- International quality management systems ISO-9001 (800+ certified companies) and energy efficiency ISO-50001
- Production according to OEKO-Tex Standard 100 (30+ certified companies)
- BSCI (15+), production according to int. compliances Sedex (15+)
- Textile Techno Park: - research Center - Laboratory - retraining specialists - center experimental productions
POSSIBLE FINANCING DIRECTIONS (AREAS)

PRE-EXPORT
export credit insurance, export finance guarantees, export factoring and leasing (domestic and cross-border).

$2,3 bln. export to more than 50 countries in 2020

TECHNOLOGY
supplying brand new technological equipment

70 investment projects in 2020 for more than $ 800,0 mln.

AGRICULTURE
Increasing the yield, deep cultivation, laser leveling, construction of drainage and irrigation infrastructure, harvesting technology

91 projects (2020y) in 117 regions (87% of the total cotton area)
TECHNOLOGICAL EQUIPMENT

1. SPINNING

2. WEAVING

3. KNITTING

4. DYEING

5. FINISHING

6. SEWING

7. AIR CONDITIONING SYSTEM
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We are ready to Cooperate
UNIFIED INFORMATION PORTAL OF TEXTILE AND GARMENT ENTERPRISES - UZTEXTILE.UZ
THANK YOU FOR ATTENTION!

O’ZTO’QIMACHILIKSANOAT
UZBEKISTAN TEXTILE AND GARMENT INDUSTRY ASSOCIATION

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