# THE IMPORTANCE OF EFFECTIVE DEVELOPMENT OF LOGISTICS IN UZBEKISTAN

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#### **ABSTRACT:**

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The efficient development of the logistics sector in Uzbekistan is of great importance for the country's economy. This article examines the role of the logistics system in economic growth, reducing transportation and storage costs, and advancing international trade and integration processes. Effective logistics management optimizes production and consumption chains, increases competitiveness, and improves the investment climate. The article also discusses the existing logistics infrastructure in Uzbekistan and ways to develop it through modernization and the introduction of innovative technologies. Problems hindering the development of the sector and necessary measures to address them are also highlighted. The article emphasizes that enhancing the logistics system can help strengthen Uzbekistan's positions in international trade.

**INTRODUCTION.** The effective development of logistics in Uzbekistan is very important for the country's economy, since an effective logistics system accelerates economic growth, creates opportunities for fast and cheap delivery of goods, and improves trade relations. The main directions and opportunities for the development of logistics in Uzbekistan are as follows:

### **Modernization of Transport infrastructure**

**Road and rail infrastructure**: Uzbekistan's transport network is able to connect to many large states and economic centers. Well-developed road and rail networks accelerate

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logistics processes. It is necessary to build new car and rail highways, update outdated infrastructure and improve the technical condition of buses, freight trains and trucks.

**Air transport**: it is necessary to expand transit opportunities by air, for example, to develop airports in Tashkent and Samarkand, as well as to create new logistics centers for goods transported from Uzbekistan. In particular, the country's strategic position in Central Asia and other global markets can make it an important player in transit logistics.

In Uzbekistan, it is necessary to create logistics centers, warehouses and distribution systems, equip them with modern technologies. This not only speeds up the export and import processes, but also optimizes the Domestic Trade Network. The construction of large industrial clusters and logistics centers in Uzbekistan, especially in regional centers, it is important to establish effective distribution systems. New technologies: digital transformation is important in Logistics. It is possible to monitor goods, create digital integration and backup systems, implement automatic warehouse systems and increase efficiency through artificial intelligence. Digitization of Transport and warehouse systems: it is necessary to develop processes for real-time tracking of goods, automation of inventory and other logistic processes. This provides an opportunity to increase efficiency and reduce costs. By integrating the logistics network regionally and internationally, Uzbekistan's geographical position allows it to develop as a transport and logistics hub. It is necessary to develop transport and transit networks with nearby countries, as well as to strengthen foreign trade relations. At the same time, attracting international logistics companies and integrating them into global networks can make the country a regional trade center. In order to effectively develop logistics in Uzbekistan, it is necessary to fully use the economic, geopolitical and transport capabilities of the country. By introducing modern technologies, improving infrastructure and training of personnel, Uzbekistan can increase its competitiveness in logistics. This is important not only in the domestic market, but also for international markets.

The construction of the China-Kyrgyzstan-Uzbekistan Railway, including rail transport, is of great importance in Uzbekistan and other states as an integral part of the logistics system. Rail transport has a number of advantages compared to other types of transport, playing an important role in the effective development of the economy and in the processes of transportation of goods. The position of the China-Kyrgyzstan-Uzbekistan Railway in the development of logistics can be explained by the following aspects. By developing fast and cheap freight, rail transport becomes very efficient and cost-effective, especially when transporting large volumes of freight over long distances. Freight transport by rail is much

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cheaper than car and air transport, and it can also transport more cargo at the same time. Railroads operate efficiently over long distances and can be significantly cheaper and faster compared to cars when moving loads from one place to another. Railways are of great importance in Uzbekistan, especially in the development of trade relations with the inner regions of Uzbekistan and neighboring countries. Freight transport by rail will be safer than by road transport, as the route of the railway's traffic is clear and non-volatile. This reduces the loss or damage of cargo, especially when transporting heavy and valuable cargo. Various types of goods can be transported by rail, including industrial raw materials, building materials, chemicals, food products and other heavy goods. This helps to make rail transport multifunctional and flexible in the logistics system. Uzbekistan's geographical position forms the backbone of trade routes, mainly between economic centers such as Central Asia and China. By rail, the possibilities of exports and imports to these countries will be further expanded. For example, it is possible to export to China, Russia and other regional markets through the railway networks of Uzbekistan. The railway system of Uzbekistan is also important for transit cargo. Transportation of transit freight through Uzbekistan by rail routes from China to Europe or other countries can be economically viable. Rail transport is considered environmentally friendly compared to motor transport, as it releases less waste and carbon gases. This is especially important in keeping with global environmental standards and developing "green logistics". Rail transport provides a sustainable and environmentally friendly type of transport in the long run, which finds its place in the fight against climate change and in sustainable development. Rail networks are one of the main components of efficient logistics systems. They can be integrated with warehouses, shopping centers, manufacturing enterprises and other infrastructure elements, helping to optimize production and supply chains. With fast and cheap delivery of goods by rail, it is possible to improve production and trade systems. Through the modern rail network, it is possible to create fast and reasonably controlled Freight Systems. This increases the capacity for goods to be delivered within the required deadlines. In particular, furniture, cars, heavy machinery and other large goods can be transported efficiently by rail. The implementation of innovative technologies in the railway system, such as intelligent logistics systems, will help to improve the efficiency of cargo transportation. At the same time, the use of automated freight vehicles and modern cars can significantly increase the efficiency of rail transport. By rail transport, goods can be transported directly and safely. Optimized systems for fast delivery of cargo over long distances in turn accelerate logistics processes. Transportation schedule and route optimization ensure that shipments are

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delivered in time. The development of the logistics system through rail transport, in particular, contributes to economic growth in Uzbekistan by simplifying exports and imports. The efficient rail system will boost the country's economic development and create new jobs. Railways are an important infrastructure for the efficient operation of the logistics system. It is of great importance in the efficient, cheap and safe transportation of cargo, in the development of trade and transit between countries, in ensuring environmental stability. The development of rail transport in Uzbekistan, its central role and integration in the global network will contribute to the economic growth of the country. The development of logistics networks through domestic investment in Uzbekistan can significantly affect the economic growth of the country and the expansion of international trade relations. An effective logistics system, in turn, helps to optimize industrial and commercial activities, increase export opportunities and reduce transportation costs. Strategies aimed at attracting domestic investments and developing logistics networks can be implemented in the following areas. The construction of new logistics centers and warehouses in Uzbekistan, especially the surroundings of large industrial clusters and shopping centers, is important in attracting domestic investment. These centers are effective in the storage, processing and distribution of goods, helping to integrate regional and international logistics networks. Uzbekistan's territorial and geographical position provides easy access to Central Asian and other European, Asian markets, which plays an important role in attracting investment. Upgrading and expanding railways, highways, airports and seaports and equipping them with modern technology will be a significant factor in attracting domestic investment. For example, the development of highways, rail networks and ports provides ample opportunities for investment. The geographical location of Uzbekistan allows it to become the center of trade routes between Central Asia, China, Russia and Europe. The construction of international logistics centers and ports, such as the development of Uzbekistan's water transport network, plays an important role in the development of international trade. In order to improve the balance of foreign trade of Uzbekistan, as well as effectively manage transit cargo, it is necessary to attract investors. Another direction of attracting domestic investment is the development of modern logistics technologies. Attracting investments in the development of real-time tracking of goods, automated warehouse systems, digital supply chains and intelligent transport systems, increases the efficiency of logistics. With the help of digital systems, for example, block chain technologies, it is possible to make cargo transportation processes more transparent and safe. Integration of artificial intelligence (AI) and machine learning technologies into logistical processes, optimizing

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commodity routes, accelerating supply chains, and creating cost-cutting capabilities. Attracting investments in these areas will help make Uzbekistan's logistics system globally competitive. To develop domestic and foreign trade in Uzbekistan, it is necessary to create regional logistics centers and integrate them with international systems. With the help of regional centers in Uzbekistan, for example, connecting logistics networks in Tashkent, Samarkand or Bukhara with countries such as Central Asia and Russia, will help develop foreign trade and attract foreign investment. By connecting regional and international transport networks, it is possible to increase the efficiency of the logistics system. In order to optimize the trade and production networks, it is necessary to establish new logistics centers. Through these centers, goods are stored, processed and distributed. New logistics centers will be established in all regions of Uzbekistan, provide territorial development and increase economic efficiency. Creating new jobs for investors makes them attractive. Uzbekistan can attract the private sector to develop logistics networks with the help of public-private partnerships. Through this model, the public and private sectors are jointly involved in the development of logistics infrastructure, warehouses and transport networks. The private sector can be attracted by tax incentives, profit support and other incentives. Uzbekistan provides a great opportunity to develop logistics networks through domestic investments, accelerate the economic growth of the country, increase exports and expand trade relations. Creating an efficient transport infrastructure, introducing new technologies, attracting investments through tax incentives and subsidy programs, will increase the efficiency of the logistics system and make Uzbekistan a regional economic center.

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