

ARCHITECTURE OF BUILDINGS OF FREE ECONOMIC ZONES

Malikov Ulugbek Erkinovich

SamSACU

malikov.ulugbek@samdaqu.edu.uz Tel: +998337725200

Annotation: The article analyzes the process of development of the activities of Free Economic Zones in the Republic of Uzbekistan, their role in diversification of the country's economy and their importance in the modernization of industry. In recent years, the number of FEZs has grown from 5 to 24, among which it is noted that Karakul FEZ in Bukhara region stands out as one of the largest and most promising zones. This zone specializes in gas chemistry and the polymer industry, reflecting the country's strategy of moving from the export of raw materials to the production of finished products. The article also highlights the role of FEZs in attracting foreign investment, creating new jobs, increasing export capacity and accelerating regional economic growth. The author also emphasizes the importance of factors such as time, direction and management system in the organization of FEZs in Uzbekistan.

Keywords: Uzbekistan, Karakul FEZ, gas chemistry, polymer industry, investment, industrialization, diversification, Regional Development, export, economic reform, competitiveness, modernization.

Introduction. Five years ago, there were only 5 such zones in this Central Asian state, which are called free economic zones. At the moment, 24 zones are fully operational or in practice, reflecting the country's desire to move from agriculture and raw materials to industrialization of the economy in accordance with the president's goal of accelerating this transformation and making innovation the main driver of development. One of the fastest growing zones with pictures is Karakol FEZ in the Bukhara region, located 600 km southwest of the capital Tashkent, near neighboring Turkmenistan. A megaproject of Rs 6.3 billion (€5.7 billion) is being implemented here. It was launched in July last year, and already 80% of the area of the 556-hectare area is filled. Given the success of this free zone, it is expected to expand in the future.

Main part. One of the most important innovations in the development of the country is a huge increase in the demand for raw materials both locally and internationally. There is also an increasing need for efficient processing of abundant natural resources in local conditions, rather than exporting for processing outside the borders of the country. One of the leading projects of Karakul FEZ is a huge gas chemical complex based on MTO technology.



Architectural project of Karakul FEZ.

The Ministry of Energy aims to diversify the country's economy and move away from the role of a net importer of products such as polymer products. The \$ 3.1 billion (€2.85 billion) complex,

covering 15 hectares, will produce 1.1 million tonnes of polymer materials when it opens in 2025. This is an important step in the development of the energy sector of our country, "contributing to the creation of the first industrial platform for the implementation of large-scale gas chemistry projects of the Republic of Uzbekistan and Central Asian countries," said Project General Director Masrur Shakirov earlier. He added that it would contribute to the development of the region and the creation of more than 2,300 new jobs. Part of the Karakol FEZ "cluster" is a special zone for the polymer industry. All of its facilities focus on polymers with the aim of increasing competitiveness, reducing costs and ensuring sustainable sales due to the presence of polymer manufacturers and end users in the same area. Shoes, sports equipment, pipes, fittings, furniture, helmets, food packaging, boards, solar panels and refrigerator containers are just a few of the everyday products created using them. It is not surprising if the polymer industry is one of the fastest growing segments of the world economy. Global demand for polymers is growing rapidly, Uzbekistan is no exception. Today, the average consumption of polypropylene in Uzbekistan is 5.3 kg per capita (as opposed to 23 kg in Turkey, for example), which indicates a huge potential for growth. In addition to the gas chemical complex, which became the first resident of the free zone after its relocation in December last year, the area will be home to the largest carpet manufacturers SAG and UrGaz, the steel manufacturer Vero Group, the textile manufacturer Mergantex, the fertilizer manufacturer Sikulkimyo, the polymer raw material manufacturer ArkChemical and the metal construction manufacturer Enter Steel. A leading international company, Air Products, was also involved in the project. In 2023, a ceremony was held to sign an agreement for the implementation of the methanol Island Project, a methanol plant with a capacity of 1.34 million tons per year. Net income from industrial activities in the area is expected to be \$ 11 billion over the next 25 years. About 5,000 jobs are planned to be created in the FEZ, which will lead to the creation of another 10,000 jobs across the country.

One of the main reasons why countries around the world - from the UAE to the United Kingdom - increasingly turn to the creation of Free Trade Zones-is to encourage growth and business development in areas where special laws apply. These include friendship and tax exemptions, simplified financial, credit and legal permits, and the elimination of the bureaucratic red tape, which helps speed up steps from concept to implementation. Special legal regimes of Free Economic Zones are aimed at satisfying parallel social interests with the creation of additional incentives for business development.

The globalization process, which eliminates the boundaries in the promotion of goods and services produced in free economic zones, also eliminates the framework of competition between countries. If earlier countries competed within their regions or continents, then at a time when globalization is accelerating, the producers of any country should compete with almost all the producers of the world. As a result, developing countries are experiencing the harsh effects of competition from developed countries. The global financial and economic crisis exacerbated global competition. Cases of dumping were frequent, with many countries beginning to pursue a more aggressive competitive policy in their struggle to attract foreign capital.

Despite the fact that due to heavy economic policy, Uzbekistan has become one of the few countries in the world that has managed not only to resist at the height of the crisis, but also to ensure high growth rates of the economy, the first president of our country I. A. At the present stage, Karimov stressed that the important task of yeng was to develop the competitiveness of the national economy. "Navoi" noted that since the establishment of the FEZ, 19 investment projects with a total value of more than \$ 100 million have been put into use on its territory. On the basis of high technology, the production of modems and TV consoles, electronic electrical meters, electrical cables, heating and water heating boilers, mobile and stationary telephone apparatus, ready-made medicines and other types of products was organized. In a short time, the

production of high — tech products in 5 projects was established in the Angren FEZ area, the total cost of which is about \$ 44 million—the construction of energy-saving LED lamps, copper pipes of different diameters, briquette coal, as well as a new sugar production plant and other enterprises has been completed taking into account the accumulated experience, in March last year, a special industrial area "Jizzakh" was established Last year, the region carried out the first 3 projects with a total cost of about \$ 6 million for the production of 100,000 mobile phones, the processing of livestock products and the production of feed with the participation of Chinese companies[8].

This approach is of great importance, especially in the way of deepening economic reforms and building a democratic society with a free market economy. Of course, this approach to increasing the capacity of the national economy also has a solid scientific basis. According to leading local economists, the importance of solving problems of regional development in the context of structural changes and liberalization of the economy has increased. In turn, issues of regional development, like any problem that arises in the process of structural changes, are closely related to the influence of certain regional conditions. The success of the economic reforms carried out and the transformation of the economy depends, first of all, on the successful solution of structural issues at the level of the regions and ensuring their sustainable growth. One of the main conditions for ensuring the sustainable economic growth of certain regions is to increase investment activity based on the wide involvement of domestic and foreign investors. The experience of developed and developing countries shows that the creation of Free Economic Zones is one of the effective forms of stimulating investment activities. The provision of taxes and other benefits, the relatively low cost of the labor force, the simplified procedure for the import and withdrawal of raw materials and manufactured products attract many foreign firms to such zones. This leads to the rapid modernization and Technical re-equipment of existing production, the development of the skills of Labor and management personnel, their adaptation to the conditions of globalization and international competition. An important distinctive feature of the FEZ is their influence on the acceleration of development and the expansion of the country's export opportunities, which in turn affects the increase in foreign exchange revenues to the budget. Ultimately, this activation of economic and especially foreign economic activity leads to an increase in the competitiveness of the national economy. Today, in almost all regions of Uzbekistan, such as modernization of production, technical and technological re-equipment, activation of investment processes, expansion of export potential are the main tasks included in the list of priorities for the socio-economic development of Regions. Economic theory, as well as the experience of developed and rapidly developing countries, shows that these free economic zones can become an effective mechanism for modernizing the economy, attracting foreign investment and increasing the export potential of the country. At the same time, the solution of these basic tasks for the national economy is carried out mainly through the rapid development of certain industries, which increases the industrial potential of the region. In this regard, the issue of careful study of the category of "Free Economic Zones" as a very effective tool for the development of individual industries, increasing the competitiveness of certain regions, remains especially relevant. A single, universally recognized definition of the term "free economic zone" has not yet been developed. Summarizing the opinions of leading scientific experts, we can conclude the following: a free economic zone is an isolated territory of a country with a special economic and administrative order aimed at achieving certain economic (and social goals) of the state by granting a preferential regime to economic entities operating in a certain territory. As an economic category, "Free Economic Zones" include more than 30 special zones. Today, there are 3.5 thousand FEZ in more than 135 countries of the world.

Their annual sales turnover exceeds \$ 500 billion, the total number of workers exceeds 70 million people. Analysis of the experience of foreign countries shows that the creation of a certain form of FEZ does not guarantee the achievement of the expected goals with the provision of a number of taxes and other benefits on its territory. According to the results of the analysis, in order to achieve the expected results from the FEZ, it is necessary to clearly imagine the answers to three questions: "when to create?, in which direction to create? and how to create?». That is, to create a successful FEZ, first of all, you need to choose the right time. In this case, "time" refers to the level of economic development of the country, the level of transition to a market economy, the stage of the economic cycle, etc. The importance of choosing the time to create the FEZ can be seen on the example of the experience of the former Soviet republics.

After independence, some of them began to create several FEZs. However, as the unpreparedness of economic institutions was primarily in the early stages of private sector formation, most of these FEZs failed and were subsequently dissolved. Regarding the direction or specialization of the FEZ, this aspect also plays a very important role. When considering a foreign experience, at first glance, it seems that many successful FEZes have been created without a well-defined specialization. However, this is only at first glance. A number of the most popular, successful "Asian tiger" FEZs have not been established as special industrial zones aimed at the development of one or more industries. However, they still had a clear specialization. In most cases, successful FEZes such as China have been zones of technical and economic development. The FEZ of South Korea played an important role in the development of the country's electrical engineering industry. When choosing the direction or specialization of the FEZ, the golden rule is: not only to proceed from the government's desire to develop a certain industry, but also to take into account the attractiveness of the selected areas for a foreign wind investor. Under the question " how to create? "The entire administrative-legal framework for the creation of the FEZ is provided. This is, first of all, a clear definition of the type and form of FEZ, the location, the level of state participation, the management structure, the tax and other benefits provided, as well as the conditions for their receipt, etc. At the beginning of the transition period, in the 90s, the government of the country carefully analyzed the possibilities that the FEZ mechanism can provide and the readiness of national economic institutions to successfully and effectively use this mechanism. As a result, the law of the Republic of Uzbekistan "on free economic zones" was adopted in 1996. Thus, the first step was taken, the necessary legal framework was prepared for the creation of the FEZ. Given the readiness of the economy and its institutions, it was decided to create an economically necessary ground. A number of reforms have been implemented to establish the market basis of the national economy and increase the role of the private sector.

A few years after the passage of the law on free zones before the establishment of the first FEZ of Uzbekistan. The first Uzbek FEZ was a free industrial and economic zone in Navoi, established in 2008. In accordance with the established goals, the created FEZ should have a positive impact on the development of not only the Navoi region, but also not only Uzbekistan, but also the entire Central Asian region. The first president of our country I.A. Karimov said that "the Free Industrial and economic zone in Navoi city will become the first full-fledged free zone in the CIS, which, without exaggeration, will have a positive effect on the economic development of not only the Republic of Uzbekistan, but the entire Central Asian Region" [2]. Since its founding, foreign investors have been increasingly interested in the "Navoi" FEZ. Today, more than 20 enterprises of foreign investors from South Korea, China, Singapore, India, UAE and other countries have successfully begun to operate in the FEZ territory. Based on the experience of establishing Navoi FEZ and taking into account the natural and economic potential of the regions, by the decree of the first president of the Republic of Uzbekistan dated April 13,

2012, the special industrial zone PF-4436" Angren "was created[3]. It should be noted that the choice was made on the basis of a careful analysis of the industrial and investment potential of the regions, their favorable location for entering foreign markets. In the free economic zones" Angren "and" Jizzakh", the lower limit on the volume of investments required to obtain the benefits and preferences of the proposal was set lower than in the Free Economic Zone" Navoi". It can be said that the decrees of the head of our state on the establishment of special industrial zones "Angren" and "Jizzakh" confirm that in Uzbekistan a carefully balanced approach has been implemented not only in the preparation of the economy, but also in the choice of time and place. and the direction of each FEZ, as well as the sleeve for each area, determine the types and size of effective investment. This approach is a product of well – thought-out economic policy- an integral part of the strategy for increasing the competitiveness of the national economy, built on the "Uzbek model" of socio-economic development. In accordance with the memorandum of understanding for the implementation of the project for the establishment of the Uzbek-Chinese industrial park in Uzbekistan, the proposal of the Ministry of Economy, ministries of foreign economy was adopted by the decision of the first president of the Republic of Uzbekistan No. PF-4516 of March 18, 2013. Ministry of communications, investments and Trade, Ministry of Finance, Jizzakh and Syrdarya regions on the establishment of a special industrial zone "Jizzakh" ("Jizzakh" MIZ) in Jizzakh region with a branch in Syrdarya District of Syrdarya region. Consequently, this can be considered another important step towards increasing the competitiveness of the economy of our country.

In conclusion, it can be said that. The free economic zones of Uzbekistan are an important tool for diversifying the country's economy, developing industry and attracting foreign investment. In the last five years, the number of FEZs has grown from 5 to 24, the largest of which is Karakul FEZ in Bukhara region, specializing in the gas chemical and polymer industries. FEZes increase productivity, create new jobs and expand export potential. They serve to increase the competitiveness of the national economy in the context of economic reform, regional development and global competition. Uzbekistan focuses on factors such as time, direction and management system when creating FEZ. In this way, FEZes contribute to the country's industrial capacity building, modernization and technological development.

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