

BUKHARA REGION'S ECONOMIC DEVELOPMENT DYNAMICS IN 2021–2024

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Annotation: This article analyzes the economic development processes of Bukhara region during 2021–2024, the dynamics of macroeconomic indicators, and the impact of price changes on the overall socio-economic status of the region. The study examines the growth of GRP, structural changes in the industrial and service sectors, agricultural output volume, investment flows, and budget revenues as key indicators. In addition, Bukhara region is compared with other regions of Uzbekistan — Tashkent city, Samarkand, Fergana, and Kashkadarya — based on the Consumer Price Index (CPI). The results show that the rate of price increase in Bukhara region exceeded the national average in 2022, while a stabilization trend was observed in 2023–2024. Differences across regions, inflationary pressure factors, and processes affecting real household incomes were visualized using charts and diagrams. The article concludes with recommendations aimed at stimulating economic growth, ensuring price stability, and strengthening the investment climate.

Keywords: Consumer Price Index (CPI), GRP, global logistics, inflation, compensation, nominal and real wages, GDP, tourism, logistics.

The years 2021–2024 were characterized by sharp changes in Uzbekistan’s economy, global inflationary pressures, the post-pandemic recovery, and new investment policies. As an economically, geostrategically, and touristically significant region, Bukhara became an integral part of national economic indicators during these years. Agriculture, chemical industry, oil and gas, tourism, and services played leading roles and became the main drivers of economic stability in the region. Economic changes in 2021–2024 were closely linked to structural reforms, price pressures, fluctuations in the currency market, changes in the logistics system, growth in household incomes, and investment flows. This expanded analytical article provides an in-depth examination of all these factors and compares Bukhara region’s economic dynamics with those of other regions.

1. Gross Regional Product (GRP) and Economic Growth Between 2021 and 2024, the GRP of Bukhara region steadily increased. This growth is associated with the development of the industrial, agricultural, service, and construction sectors.

Key indicators:

2021 – 42 trillion UZS (5.1% growth)

2022 – 48 trillion UZS (5.6% growth)

2023 – 55 trillion UZS (6.2% growth)

2024 – 71.56 trillion UZS (6.6% growth)

By the end of 2024, GRP reached 71.56 trillion UZS with a 6.6% growth rate. Compared to Uzbekistan’s average economic growth (6.1% in 2024), Bukhara region shows higher-than-average performance.

Sectoral structure:

Industry – 30–32%

Agriculture – 28–30%

Services – over 35%

Construction – 7–8%

The service sector has been growing rapidly, particularly due to the recovery of tourism in 2023–2024.

Investment inflows into Bukhara region were uneven during 2021–2024. While investment increased in 2021–2022 due to post-pandemic recovery, a slowdown was observed in some sectors in 2023–2024.

Investment growth:

2021: +9%

2022: +12%

2023: +7.5%

2024: +3.8% (decline observed)

Reasons for decline:

- Global logistics crisis
- Oil and gas price fluctuations
- Decline in foreign investment
- Currency market instability

Sectoral distribution of investments:

Industry – 35%

Transport and infrastructure – 25%

Agriculture – 18%

Tourism and services – 15%

Price growth became one of the most pressing issues in Bukhara’s economy. National inflationary pressures were directly reflected in the region.

National inflation:

2021 — 10.0%

2022 — 12.3%

2023 — 8.8%

2024 — 8.0–8.2%

Price growth in Bukhara:

Food prices:

2021 – 11.5%

2022 – 14.2%

2023 – 10.1%

2024 – 8.7%

Food prices in Bukhara were typically 1–2% higher than the national average due to:

- long transport distances
- seasonal shortages in agriculture
- changes in foreign markets

Service prices grew by 8.6% in 2022 — higher than the national average. Seasonal fluctuations in fruit and vegetable prices in markets reached 20–35%, whereas store prices remained more stable.

Nominal wages:

2021 – 2.8 million UZS

2022 – 3.5 million UZS

2023 – 4.1 million UZS

2024 – 4.76 million UZS

Real wage growth (adjusted for inflation) remained at 1.5–2.4%, meaning:

Purchasing power barely increased, and price growth outpaced income growth.

Comparison with other regions:

Bukhara’s contribution to national GDP:

2021 — 4.4%

2022 — 4.6%

2023 — 4.7%

2024 — 4.9%

Food inflation (2023):

Tashkent city — 9.3%

Samarkand — 10.8%

Bukhara — 10.1%

Khorezm — 12.7%

Investment growth (2024):

Tashkent city — +12%

Fergana — +6%

Samarkand — +5.5%

Bukhara — 3.8%

Jizzakh — 1.2%

Bukhara holds a middle position but is not among the leading regions in attracting investment.

The period 2021–2024 was marked by economic growth and structural modernization for Bukhara. Although GRP growth exceeded national averages, rising prices and declining investment flows created risks for economic stability.

Main conclusions:

- GRP grew steadily (+6.6%)
- Prices increased yearly, especially in food and services
- Real income growth remained low
- Investment flows slowed in 2023–2024
- The service sector holds strong potential (tourism, logistics, services)

Recommendations:

1. Improve investment climate:
 - simplify land allocation
 - modernize infrastructure
 - offer tax incentives for foreign investors
2. Ensure price stability:
 - expand storage facilities for agricultural products
 - improve import logistics
 - prevent monopolistic practices
3. Increase household incomes:
 - enhance vocational training
 - expand tourism and services
 - support small businesses
4. Strengthen interregional economic integration:
 - Samarkand–Bukhara–Navoi economic corridor
 - develop logistics routes
 - increase export potential

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