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ANALYSIS OF THE MAIN INDICATORS OF SOCIO-ECONOMIC DEVELOPMENT OF INDUSTRIAL BUILDING MATERIALS

Abstract: In a market economy, ensuring domestic demand is becoming a critical task not only for each industry, but also for each individual enterprise. Analysis of current research shows that improvement of construction infrastructure is becoming important in wide range of factors like human, social, economic and financial. Main purpose of the paper work is identify best way for developing building material manufacturing sphere and optimize import substitute goods from abroad and clarify main socio-economic indicator for measurement of sustainable growth in construction sector of Uzbekistan.

Key words: Construction industry, enterprise, effectiveness, economic growth.

Language: English

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Introduction

Main activities of an industrial development are an important tool for determining further functioning based on the use of production potential and all its constituent elements. Only in practice, using new methods of analysis, it is possible to identify additional opportunities and reserves for the growth of output volumes.

Distributed analysis is different, based on the specific features of this production. For example, the analysis and synthesis method, complex analysis, cost analysis method, SWOT method, etc. At present, European countries have a rather cost-based method of analysis. The advantage of this method is that using the cost analysis method, the costs of production are accurately established, taking into account the influence of both external and internal environment. Namely, the presence and possibility of rational use of the production potential of the enterprise is of the greatest importance for the effective functioning of the enterprise. Therefore, the effectiveness of the production development strategy largely depends on the attraction of production potential, which we see when studying the scientific works of authors dealing with problems of analysis and use of production potential.

The building materials industry has begun to develop along with other industries over the years of independence. And at present, its share in the country's GDP is more than 6 percent. In the construction materials industry of Uzbekistan, there are currently more than 7.0 thousand enterprises providing construction materials for the population of the country. The volume of production of building materials in 2019 exceeded more than 15 billion sums.

The level of utilization of existing capacities for cement reached 92.2%, glass - 100%, gypsum plasterboards - 98%, ceramic plates - 97%, and at the same time, there is a low level of utilization of capacities in the production of cipher 25.2%, wood - particle boards Particleboard - 33%, burnt bricks - 74%.

Method

In this article it is used descriptive analyses with secondary source data from regional enterprises and firms in construction industry of Uzbekistan.

Results

A high level of utilization of production capacities leads to a practical lack of reserves for production growth at existing capacities to fully meet

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the needs of the domestic market through own production, and a low level is associated with higher prices and restrictions. At the same time, to cover existing and newly created capacities, to modernize and diversify, to introduce modern energy-saving technologies, which require large investments and considerable time.

An analysis of the production and consumption of building materials, which for such an important product shows that cement has seen a significant increase in production, so in 2000 - 2017, its consumption in the world as a whole doubled, including China 3.5 times, in Turkey 1.74 times, in Iran 1.84 times. In 2018, per capita cement production worldwide averaged 538 kg, including 1681 kg in China, 1098 kg in South Korea, 948 kg in Turkey, 372 kg in Russia, and 280 kg in Uzbekistan, which creates potential for further development of the cement industry.

A study and comparative analysis of the dynamics of volumes of production of building materials showed a significant lag in the output of products demanded in the market. For example, with a cumulative increase in construction work volumes by 116% in 2017 - 2018, the rate of cement production for this period was only 108.7%, which led to an imbalance in the market, an increase in imports and an increase in prices. At the same time, the positive dynamics of growth in the production of building materials by 2025 is forecasted to be 10% per year.

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A high level of utilization of production capacities leads to a practical lack of reserves for production growth at existing capacities to fully meet the needs of the domestic market through own production, and a low level is associated with higher prices and restrictions. At the same time, to cover existing and newly created capacities, to modernize and diversify, to introduce modern energy-saving technologies, which require large investments and considerable time.

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Production capacity is the basis for the formation of the production potential of the enterprise. It determines the pace and proportions of output. The rational use of production capacity is an important factor in increasing production efficiency.

Table 1. Level of use of production capacity at enterprises that produce building materials in the regions of the Republic of Uzbekistan for 2018.

№	Regions		Capacity of manufacturing					
			30 percent		31-50 percent		More than 50 %	
	Numbers	Percent	Number of firms	Percent	Number of firms	Percent		
1.	Republic of Karakalpakstan	205	79	36,7	73	34,0	63	29,3
2.	Andijan region	447	164	36,7	179	40,0	104	23,3
3.	Bukhara region	300	68	22,7	135	45,0	97	32,3
4.	Jizzakh region	212	84	39,6	70	33,0	58	27,4
5.	Kashkadarya region	395	98	24,8	190	48,1	107	27,1
6.	Navoi region	336	63	18,8	110	32,7	163	48,5
7.	Namangan region	301	46	15,3	132	43,9	123	40,9

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8.	Samarkand region	533	122	22,9	220	41,3	191	35,8
9.	Surkhandarya region	202	48	23,8	73	36,1	81	40,1
10.	Syrdarya region	113	26	23,0	39	34,5	48	42,5
11.	Tashkent region	673	91	13,5	149	22,1	433	64,3
12.	Ferghana region	536	92	17,2	276	51,5	168	31,3
13.	Khorezm region	414	159	38,4	136	32,9	119	28,7
14.	Tashkent city	1325	163	12,3	238	18,0	92,4	69,7
	Total	6092	1303	21,7	2020	33,7	2679	44,6

Source: stat.uz

An analysis of the use of production capacity at enterprises producing construction materials by region of the Republic of Uzbekistan is shown in the following table 1. It shows that at enterprises producing building materials in the whole country the maximum use of production capacities does not even reach 50 percent. Hence, the coefficient of efficiency in the whole country is 0.5. This situation affects the decrease in the growth rate of production of building materials. The main reason for the inefficiency of production of building materials is primarily associated with the unsatisfactory organization of production, labor and management, insufficient use of innovative ideas, the development of diversification and clustering, advanced foreign experience, low level of qualification of workers, etc.

Every year in Uzbekistan there is a process of growth in GDP and industry. According to forecasts, in 2020, GDP will increase by 5.5%, and industrial products by 6.5%. Such rates are primarily associated with the development of all industries, including the building materials industry. In the table ... the analysis for 2017-2019. production, the main types of products for JSC "Uz building materials". As can be seen from the table for all these joint stock companies, growth

rates are observed. However, along with this, there are enterprises that do not fulfill forecast indicators.

These joint-stock companies include Kizilkumcement - code, lime, reinforced concrete products, Quartz JSC - bank glass, Akhangaran slate JSC, Marokand Cable invest LLC. It can be noted that in these joint-stock companies there is a low level of utilization of production capacity.

At the same time, diversification will be achieved in expanding the assortment and mastering the production of 43 types and sizes of new products in a gamut of colors, including aerated concrete products of various configurations and type of sizes, including aerated concrete dry mixes, including the innovative brand and Wallpaper, ceramic granite and ceramic tiles by 3D technology, various products from natural stones and composites. In order to achieve these targets in the building materials industry, more than 400 investment projects will be implemented for a total amount of about \$ 1.1 billion for the period 2019-2025, financed with the involvement of international financial institutions and foreign banks, as well as the implementation of integrated measures to accelerate the development of the industry.

Table 2. The rate of change in the production of major products for 2017 - 2019 for JSC "Uzstroyaterialy"

№	Materials	Unit	2017	2018				2019	
				Production		Growth rate %		forec ast	Gro wth
				forecast	current	forecast	current		
	Uzmaterial	Bln.sum	3 481,3	4 900,0	4 903,9	104,0	103,2	5 310,0	107,6
1	Kizilkumsement	Bln.sum	1 035,8	1 590,0	1 597,4	105,0	103,2	1 650,0	103,1
	cement	Thous. ton	3 570,0	3 475,0	3 571,0	100,0	100,0	3 570,0	100,0
	roof materials	Thous. ton	3,3	28,0	39,2	835,9	1 169,1	40,0	102,1
	mixture	Thous. ton	17,4	18,0	35,4	103,6	203,7	35,5	100,3
	Cement block	Thous. ton	33,5	40,0	43,3	119,3	129,2	43,5	100,5

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2	Oxangaroncement	Bln.sum	568,8	700,0	681,0	107,2	84,2	700,0	103,1
	Cement	Thous. ton	1 875,0	1 865,0	1 624,0	99,5	86,6	1 750,0	107,8
	Cement block	Thous. ton	10,0	11,0	11,2	109,9	111,9	12,2	108,7
3	Kuvasoycement	Bln.sum	297,2	420,0	414,5	104,0	92,8	440,0	103,5
	Cement	Thous. ton	1 011,1	1 080,0	946,1	106,8	93,6	1 002,0	105,9
4	Bekabadcement	Bln.sum	385,3	480,0	494,6	107,0	100,0	520,0	105,1
	Cement	Thous. ton	1 100,7	1 070,0	1 115,9	97,2	101,4	1 200,0	107,5
5	Kvartz	Bln.sum	288,2	295,0	301,9	108,0	108,4	334,0	108,5
	Glass	Thous. sq	12 788,0	12 422,0	12 422,0	97,1	97,1	11 600,0	93,4
	Glass glaze	Mln pcs	60,4	62,0	66,8	102,7	110,6	68,0	101,9
	Glass bottle	Mln pcs	104,5	105,0	112,9	100,4	108,0	125,0	110,7
6	Oxangaranshifer	Bln.sum	39,0	40,0	17,3	110,0	44,3	20,0	115,6
	Roof materials	Thous. ton	83,4	85,0	34,8	101,9	41,7	40,0	114,9
7	Gazganmarmar	Bln.sum	0,9	1,0	0,7	106,0	73,1	0,8	119,4
	Marble block	Thous. ton	15,2	15,2	10,1	100,1	66,8	10,2	100,6
8	PBS Optimum	Bln.sum	33,3	35,0	4,9	108,0	1,6	5,0	102,0
	Rail way materials	Thous. ton	138,6	140,0	-	-	-	-	-
9	Marokand cable	Bln.sum	2,8	12,0	20,1	-	-	22,0	109,5
	Other	Bln.sum	830,0	1 327,0	1 371,5	160,0	165,4	1 618,2	118,0

Source.stat.uz

An analysis of the data in the table shows that the forecast data for 2019-2021 for certain types of building materials are disappointing. For them, domestic demand is not fully provided.

Discussion

Entering new enterprises is a significant business, but at the same time it is necessary to use wider production potential. Opportunities and

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reserves of production, especially it is necessary to increase the account of products from the planned production capacities, which are in poor condition in the industry. It is necessary to switch to multi-shift operation.

In accordance with the Decree of the President of the Republic of Uzbekistan dated December 22, 2016 No - 2692 "On additional measures for accelerated updating of physically worn out and obsolete equipment, as well as reduction of production costs of enterprises of industries", consolidated parameters for reducing production costs in 2018 were approved Uzstroyaterialy JSC for an average of 8.2% per year. The main priority areas and measures to reduce costs at enterprises of the building materials industry are as follows:

1. A fuller use of the capacities for the production of metal tiles, full flooring, bricks, sandwich panels, paints and varnishes, marble and granite slabs, reinforced concrete products, drywall products, etc.

2. Updating, modernization of equipment in small large enterprises for the production of wall, decoration, plumbing, ceramic materials using

modern energy-efficient technological furnaces and equipment.

3. Expansion of cement production in Akhangarantsement JSC with the transition of technology to an energy-saving "dry" method.

4. Reducing the energy intensity in the production of building materials due to the implementation of investment projects to introduce energy efficiency and heat-saving technologies in existing plants, including the construction of a new grinding station in Bekabadcement JSC with loans from the World Bank's MPR.

5. Decommissioning and updating morally and physically obsolete equipment, optimization of technological processes to reduce losses, allowing to reduce the cost of electricity and natural gas, increase productivity.

6. Utilization of exhaust gases from process furnaces (clinker and glass melting furnaces) at large enterprises in the cement and glass industries.

7. Organization of electric and heat energy generation at gas-pipe blocks by innovative technologies in large cement enterprises.

Table 3. The dynamics of the composition and structure of fixed assets of the industry of Uzbekistan.

Indicators	Years				
	2016	2017	2018	2019	2020
Production fund	100	100	100	100	
Premises	14,7	13,8	13,3	12,5	
Buildings	22,8	23,2	23,0	23,6	
Machines and equipment's	43,0	42,6	43,5	44,4	
Transportation	6,2	5,9	5,7	5,8	
Other funds	1,3	1,2	1,2	1,2	

Source: Stat.uz

One of the important elements of production potential is labor potential. In the economic literature, especially on labor issues, a concept such as labor potential is often found that characterizes the presence of intellectual and skilled labor in enterprises. Along with the concept of labor potential, there is the concept of labor resources, human factor, employee, personnel, human resources, personality factor, etc. In terms of significance, they are all on the same line, and in terms of the nature of the actions and the performance of any function, they differ. Most importantly, their activity is aimed at fulfilling one goal, i.e. economic growth and improving production efficiency.

Table 3. analyzes the employment, number of employees, staff, their movement within the enterprise and beyond. It also addresses the issue of balancing the number of jobs and the number of employees in terms of their quality attributes of their chosen position.

If we analyze the production of building materials in the category of regions and its specific

gravity in industrial production, then there is an uneven distribution of enterprises producing building materials, they are mainly concentrated in two regions - Namangan and Ferghana. In these regions, where there are many raw materials, for example, in Karakalpakstan, Khorezm, Jizzakh, Syr Darya, the share of construction materials in the general industry is insignificant.

Effective use of production potential should affect the increase in the volume of building materials and the dynamics of profit. Indeed, improving the economic and social situation depends on the profitability of the enterprise.

Labor productivity is the main indicator not only of an increase in production, but of profit growth. In economic theory, it has long been proven that one percent increase in labor productivity gives a two percent increase in output. For some reason, with the transition to a market economy, not only in our country, but in all CIS countries, economist scientists have not begun to pay full attention to the indicator of labor productivity.

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These and other measures are aimed not only at developing the production of building materials, but also to increase the export potential of the industry, and to produce high value-added products that meet international standards.

In Uzbekistan, trade as an important macroeconomic indicator is increasing at an accelerated pace, but the share of imports remains high. In 2018, the total volume of trade was equal to 33.5 billion US dollars, and the volume of exports amounted to 13.9 billion dollars or 41.5 percent of the total volume of trade, including construction materials 64.7 million dollars. USA. As you can see, from these data, the industry is still importing a dependent sphere. However, the measures defined in the concept show that by 2025 the domestic market will be fully provided with its own building materials.

The main ways to increase export potential in the industry of construction enterprises are:

1. Improving the organizational structure of management of enterprises producing building materials. Transition to the corporate management system.

2. Implementation of modernization and diversification of production, expanding the range of products.

3. Development of production based on innovative technologies with an increase in products meeting the requirements of the international ISO standard and quality management.

4. Expansion of products using local raw materials.

5. Improving the training of higher and secondary specialized educational institutions using international best practices.

At present, the calculation of gross value added is given an important place in economic boundaries. What is gross value added? This is the cost of production, raw materials and basic materials, semi-finished products, the cost of services, which are included in the amount of GDP. It makes it possible to assess the real value of the total volume of production and services in the country. However, taxation cannot be avoided. Before the market economy in the countries of the former union, such an indicator was not calculated, relating it to the capitalist mode of production. Now the economy in the CIS countries occupies a key place.

In Uzbekistan, the practice of using gross value added with the establishment of independence and the transition from the international standard outside the system of national accounts. And the value added tax

rate of the government was set at 20 percent, which lasted until 2019. Currently, the rate on the added rate is 12 percent. In developed countries, the size of the rate of value added tax is different.

In Uzbekistan, in order to increase the stimulating role of taxation, as well as for further development of entrepreneurial activity, the taxation procedure is changing in the new value added tax code, i.e. producers will pay value added tax when the volume of output reaches above one billion sums. Such a system of value-added taxation is essential not only for the development of industry, but also for raising the economy of the country as a whole.

The adopted industry development concept for 2019 - 2025. is the most important strategic mission of the building materials industry for the medium term. The implementation of the measures envisaged in this concept will increase the production of high-quality, innovative import-substituting building materials and products, more fully meet the growing needs of the construction complex and increase export of products. This concept is envisaged in 2019 - 2025. more rational use of the raw material base of the industry through the expansion of geological exploration, production and in-depth processing of local raw materials, ensuring the achievement of target parameters for the production of building materials. The concept also envisages an increase in wallpaper production volumes of more than 47 times, parquet panels and plates - 19 times, chipboards - 15 times, aerated concrete blocks - 7 times, paints and glass for energy and heat saving float technology - 4 times, environmental composite reinforcement from igneous rocks - 3 times and others.

Conclusion

If we conclude industrial enterprises distinguish the concept directly related to the production of products. These include fixed assets, fixed assets, fixed production assets. Fixed assets include buildings, structures, warehouses, auxiliary facilities. This is the real estate of the enterprise or inactive part of the production process. They do not participate in the creation of products. The cost of production is the main component of all production costs. It also characterizes the rational and efficient use of the production potential of the enterprise. Since the main elements of cost constitute the basis of production potential, especially the resource part. Using the production potential in industrial production, attention should be paid to the change in the cost of production.

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