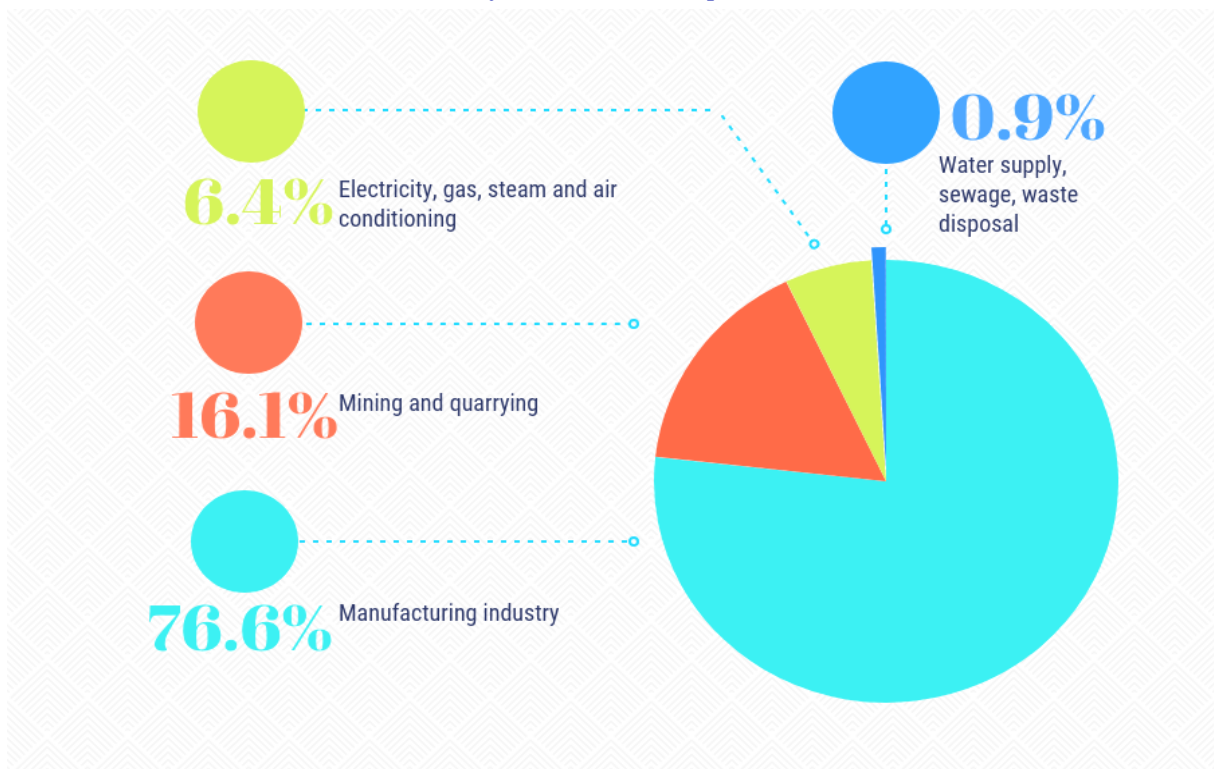


III. INDUSTRY

According to preliminary data, in January-December 2018, enterprises of the republic produced industrial output for 228.9 trillion. sum, growth rate compared to the same period of last year, they amounted to 114.4%, and the industrial production index - 110.6%.

The main factor of growth in total industrial production was an increase in production in the manufacturing industry by 13.2% (contribution to the increase in total industrial production by 10.5 pp), mining and quarrying - by 25.4% (contribution to growth, 3.4 pp), electricity, gas, steam and air conditioning - by 4.1% (contribution to the growth of 0.3 pp), water supply, sewage, waste collection and disposal - by 22.6% (contribution to growth 0.2 pp).

Structure of industrial production by main types of economic activity (January-December) (% of total industrial production)



Mining and quarrying

The production volume by mining and quarrying enterprises in January-December 2018 amounted to 36.9 trillion soums, or 16.1% of the total industry.

In the mining industry and the development of quarries by types of products, as compared with the corresponding period of last year, there is an increase in the extraction of rubble - by 1.2 times, gas condensate - by 9.9%, natural gas - by 6.1%, coal - by 3.4%, while gravel production was reduced by 12.3% and oil - by 8.2%.

**The production volume of certain types of industrial products
in physical terms by large enterprises in the mining and quarrying industry
(January-December 2018)**

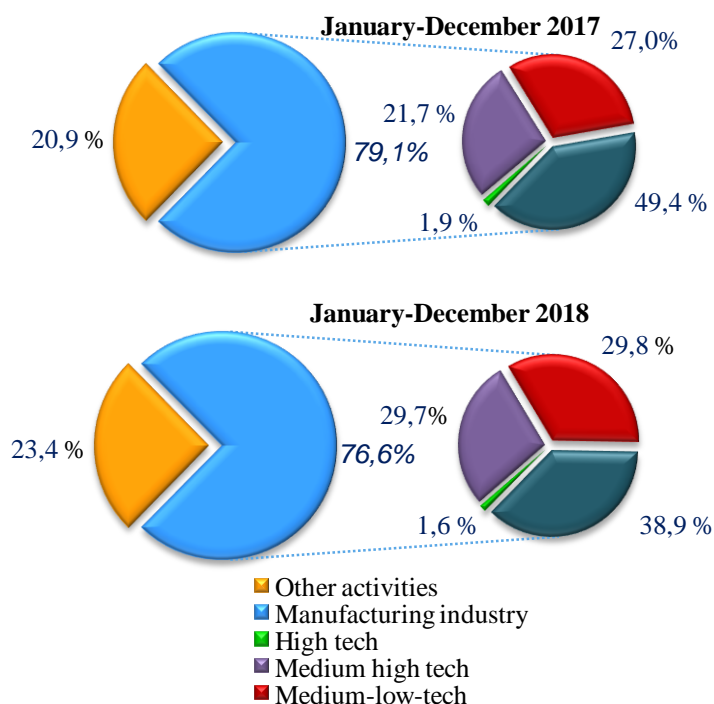
	<i>Units</i>	<i>January-December 2018</i>	<i>% by January-December 2017</i>
Oil	<i>thousand tons</i>	746,4	91,8
Gas condensate	<i>thousand tons</i>	2143,6	109,9
	<i>million cubic</i>		
Natural gas	<i>meters</i>	59842,2	106,1
Coal	<i>thousand tons</i>	4174,4	103,4
Gravel	<i>thousand tons</i>	401,4	87,7
Rubble	<i>thousand tons</i>	1191,1	119,8

Manufacturing industry

The production volume by manufacturing enterprises in January-December 2018 amounted to 175.4 trillion soums, or 76.6% of the total industry.

In the structure of the manufacturing industry, the share of high-tech industries was 1.6% (in January-December 2017 - 1.9%), medium-high-tech - 29.7% (21.7%), medium-low-tech - 29.8% (27.0%) and low-tech - 38.9% (49.4%)

**The structure of the manufacturing industry for manufacturability
in January-December, %**



Medium-high-tech productions of the republic made a significant contribution to the growth of manufacturing products - 9.6%, the growth rates of which compared to the same period of 2017 amounted to 138.8%.

The implementation of a set of measures to localize the production of agricultural machinery supplied to agriculture has also contributed to the growth of products of medium-high-tech industries of the republic. Compared with January-December 2017, large enterprises increased production: plows - 64.5 times, tractors - 3.4 times, grain combine harvesters - by 19.4%.

The overhaul of the process equipment allowed us to increase the capacity utilization of chemical enterprises and to exceed the production of the previous year in potassium chloride (108.6% by January-December 2017), ammonium sulfate (108.6%), ammonium nitrate (111.1 %), other nitrogen fertilizers and their mixtures (114.2%), formaldehyde (118.3%), paints and varnishes based on acrylic or vinyl polymers (134.5%), superphosphates (1.8 r.), mineral fertilizers containing nitrogen, phosphorus and potassium (2.1 p.).

**The production volume of certain types of industrial products in physical terms
by large enterprises in the manufacturing industry
(January-December 2018)**

	<i>Units</i>	<i>January-December 2018</i>	<i>% by January-December 2017</i>
Passenger cars (without specialized)	<i>pcs.</i>	213285	157,4
"Matiz"	<i>pcs.</i>	5214	40,1
"Damas"	<i>pcs.</i>	34618	153,9
"Nexia"	<i>pcs.</i>	59343	171,8
«Gentra»	<i>pcs.</i>	33314	173,8
"Captive"	<i>pcs.</i>	4832	106,4
«Spark»	<i>pcs.</i>	29092	130,1
«Malibu»	<i>pcs.</i>	6624	6,9 t.
"Cobalt"	<i>pcs.</i>	37626	2,1 t.
"Orlando"	<i>pcs.</i>	433	111,6
"Tracker"	<i>pcs.</i>	2189	-

	<i>Units</i>	<i>January-December 2018</i>	<i>% by January-December 2017</i>
Lead-acid accumulators for starting piston engines	<i>thousand pcs.</i>	732,4	107,7
Trucks	<i>thousand pcs.</i>	4,2	112,0
Buses	<i>pcs.</i>	949	89,8
Tractors	<i>pcs.</i>	3393	3,4 t.
Car engines	<i>thousand pcs.</i>	158,8	173,3
Cotton fibres	<i>thousand pcs.</i>	818,4	85,9
Margarine and spreads	<i>tons</i>	6878	78,6
Milk and cream of > 6% fat, not concentrated or sweetened	<i>tons</i>	530,7	79,8
Soft and spelled wheat flour	<i>thousand tons</i>	1465,9	103,1
Other bakery and farinaceous products	<i>tons</i>	560,3	106,4
Macaroni and similar farinaceous products	<i>tons</i>	12650,1	68,5
Beer	<i>thousand litres</i>	187412,7	121,8
Vegetable oil (refined)	<i>thousand tons</i>	185,1	88,7
Tobacco products	<i>mln.pcs.</i>	10397	107,0
Gasoline	<i>thousand tons</i>	1146,9	103,7
Diesel	<i>thousand tons</i>	1080,7	112,2
Portland cement	<i>thousand tons</i>	8353,4	98,3
Paints and varnishes based on acrylic or vinyl polymers	<i>thousand tons</i>	14,8	134,5

It should be noted that the volume of production of motor gasoline and automobile engines for January-December 2018 exceeded the figures for the production of similar products for the corresponding periods of the last five years.

Electricity, gas, steam and air conditioning

The volume of products produced by the enterprises of electricity, gas, steam and air conditioning amounted to 14.5 trillion soums (6.4 % of the total industry).

In this industry in January-December 2018, compared with the corresponding period last year, increased production, transmission and distribution of electricity, steam supply systems and air conditioning, as well as the production and distribution of gaseous fuels - by 4.1 %.

Water supply, sewage, waste collection and disposal

The volume of products manufactured by water supply, sewerage, waste collection and disposal enterprises amounted to 2.1 trillion soums (0.9 % of the total industry).

Compared with the corresponding period last year, there is an increase in recycled materials containing ferrous metals - by 25.6 %, recycled materials containing aluminum - by 1.9 t., Water treatment and water distribution services - by 24.9 %., services for the removal, transportation of wastewater and their treatment - by 27.7 %.

Industrial production by economic activity *(January-December 2018)*

	<i>Bln. soums</i>	<i>% by January-December 2017</i>
The volume of industrial production - total	228866,2	114,4
Mining and quarrying	36870,9	125,4
<i>of which:</i>		
coal mining, lignite, oil and natural gas	25726,2	141,1
metal ore mining	10017,2	103,4
other mining activities	628,5	112,4
Manufacturing industry	175357,0	113,2
<i>of which:</i>		

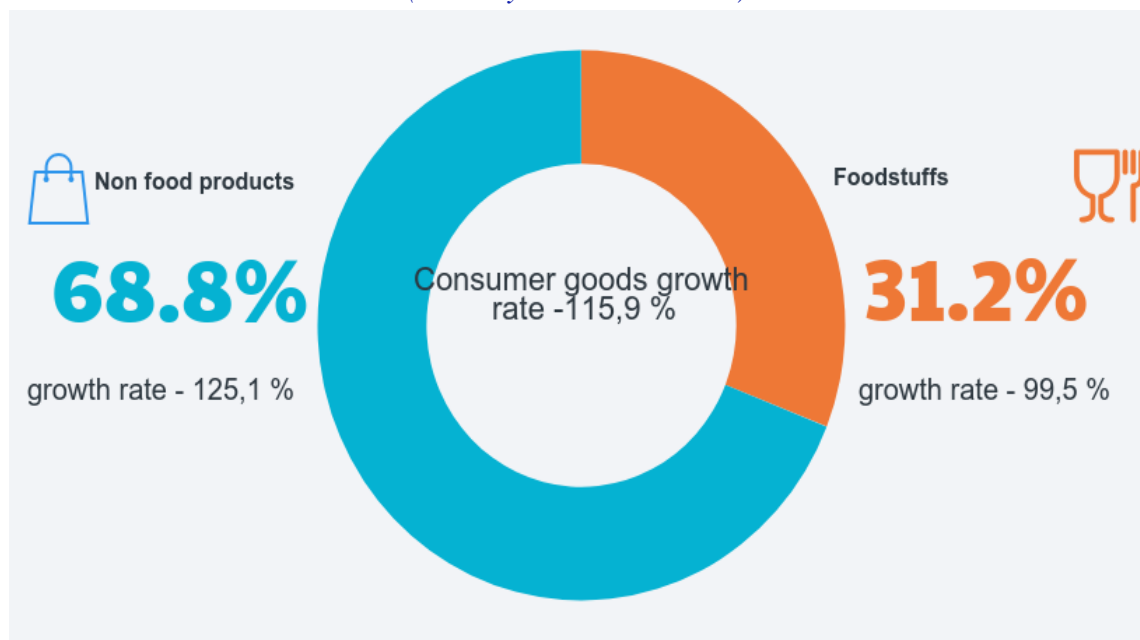
	<i>Bln. soums</i>	<i>% by January-December 2017</i>
food, beverage and tobacco manufacturing	30263,6	96,3
manufacture of textiles, clothing, leather products	31262,4	110,0
production, repair, installation of machinery and equipment, production of motor vehicles, trailers and semi-trailers, other finished metal products	44697,3	151,5
manufacture of wooden and cork products, articles of straw and materials for weaving, paper and paper products, furniture	3980,8	103,5
print and play recorded material	1357,8	103,0
production of coke and refined petroleum products	5539,1	103,6
manufacture of chemical products, rubber and plastic products	18967,9	102,1
manufacture of basic pharmaceutical products and preparations	1705,7	113,1
manufacture of other non-metallic mineral products	10731,7	107,6
metallurgical industry	25570,1	105,7
Electricity, gas, steam and air conditioning	14525,1	104,1
Water supply, sewage, waste collection and disposal	2113,1	122,6

Consumer goods production

Expansion of the range and stimulation of finished product output was reflected in an increase in the production of consumer goods in comparison with January-December 2017 (115.9 %), whose share in the industry volume was 36.8 %.

The proportion and growth rate of consumer goods production

(January-December 2018)

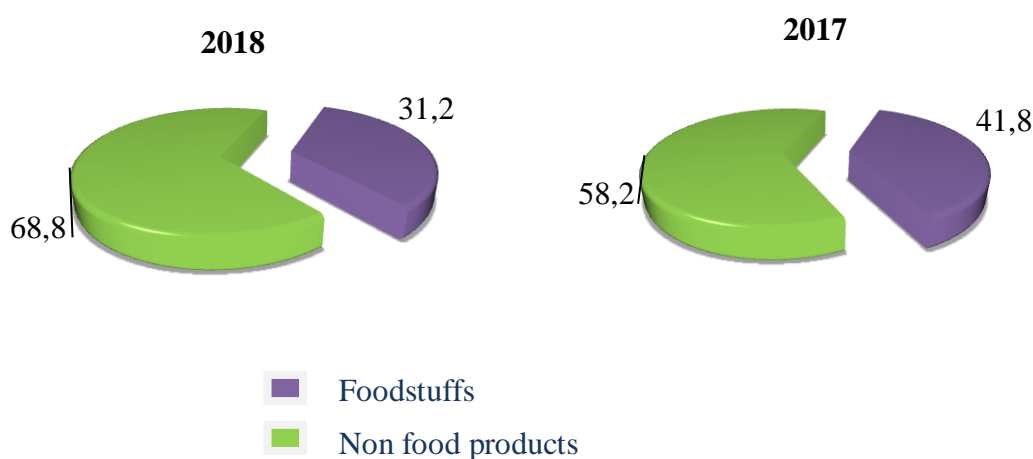


Compared to January-December 2017, in the structure of consumer goods in January-December 2018, there was an increase in the share of non-food products from 58.2 % to 68.8%.

When comparing the output of non-food products for the relevant periods of the last five years, the largest share of this indicator in the total volume of consumer goods falls in January-December 2018 (2014 - 56.2 %, 2015 - 54.0 %, 2016 - 51, 5 %, 2017 - 58.2 %, 2018 - 68.8 %).

The structure of industrial production of consumer goods,% of the total production of consumer goods

(January-December)



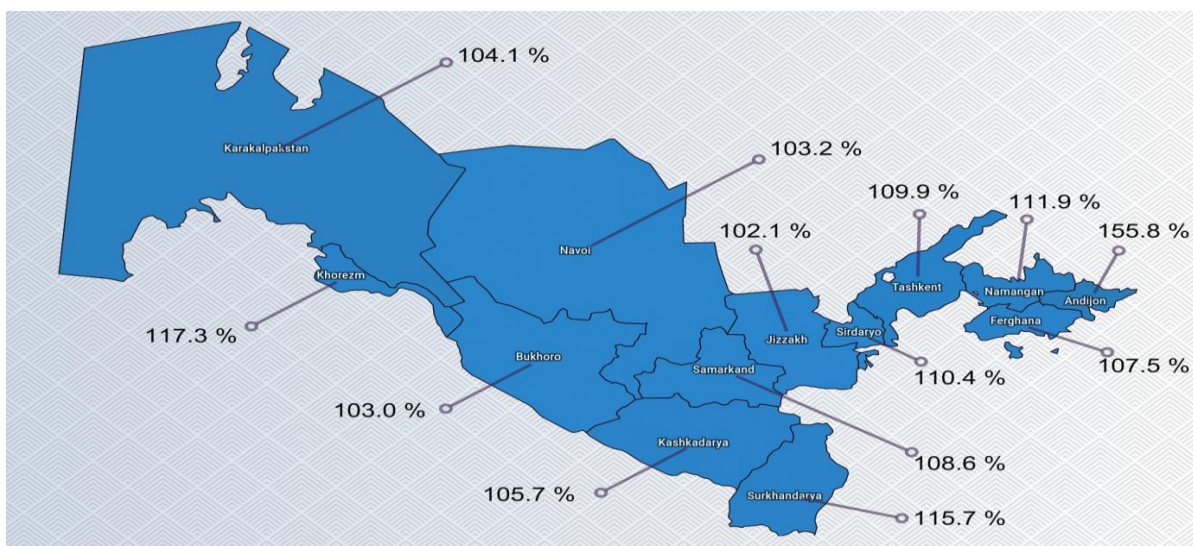
Industrial production of the regions

The consistent implementation of measures to increase the industrial potential of the regions contributed to a significant increase in production in Andijan (155.8 % compared to January-December 2017), Khorezm (117.3 %), Surkhandarya (115.7 %), Tashkent (115.6 %) and Namangan (111.9 %) regions.

The growth rate of industrial production by region

(January-December 2018)

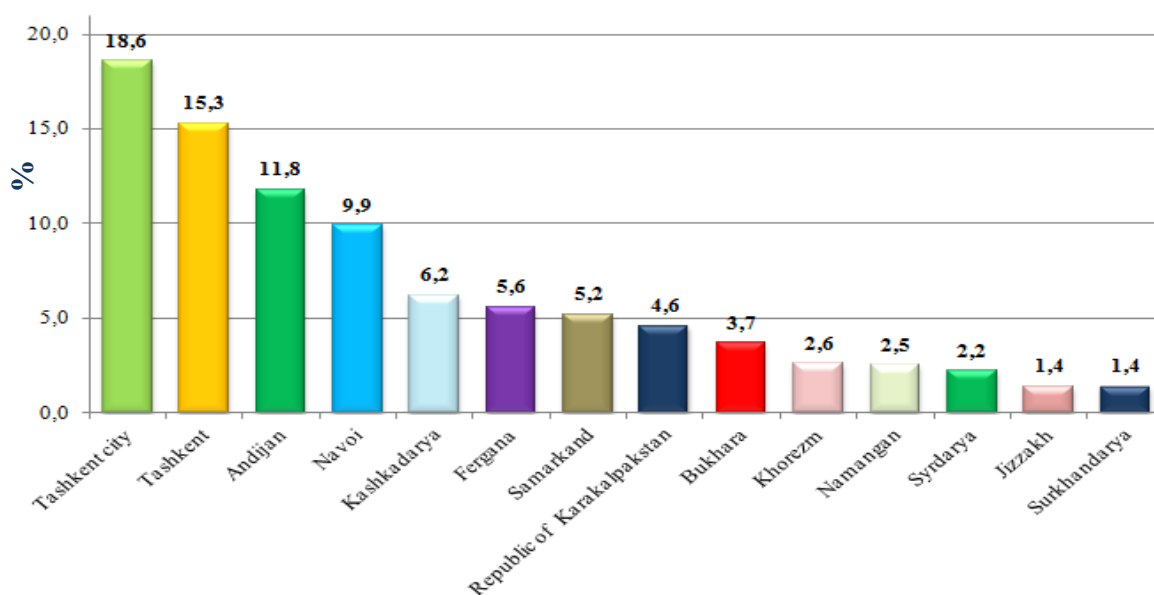
(% to the corresponding period last year)



In the structure of industrial output of the republic, the largest share falls on the Tashkent city (18.6 % of the republican industry), Tashkent (15.3 %), Andijan (11.8 %), Navoi (9.9 %), Kashkadarya (6.2 %) and Fergana (5.6 %) regions.

The share of regions in the total industrial production

(January-December 2018)



At the same time, the smallest share falls on Surkhandarya (1.4 % of the republican production), Jizzakh (1.4 %), Syrdarya (2.2 %), Namangan (2.5 %) and Khorezm (2.6 %) regions.

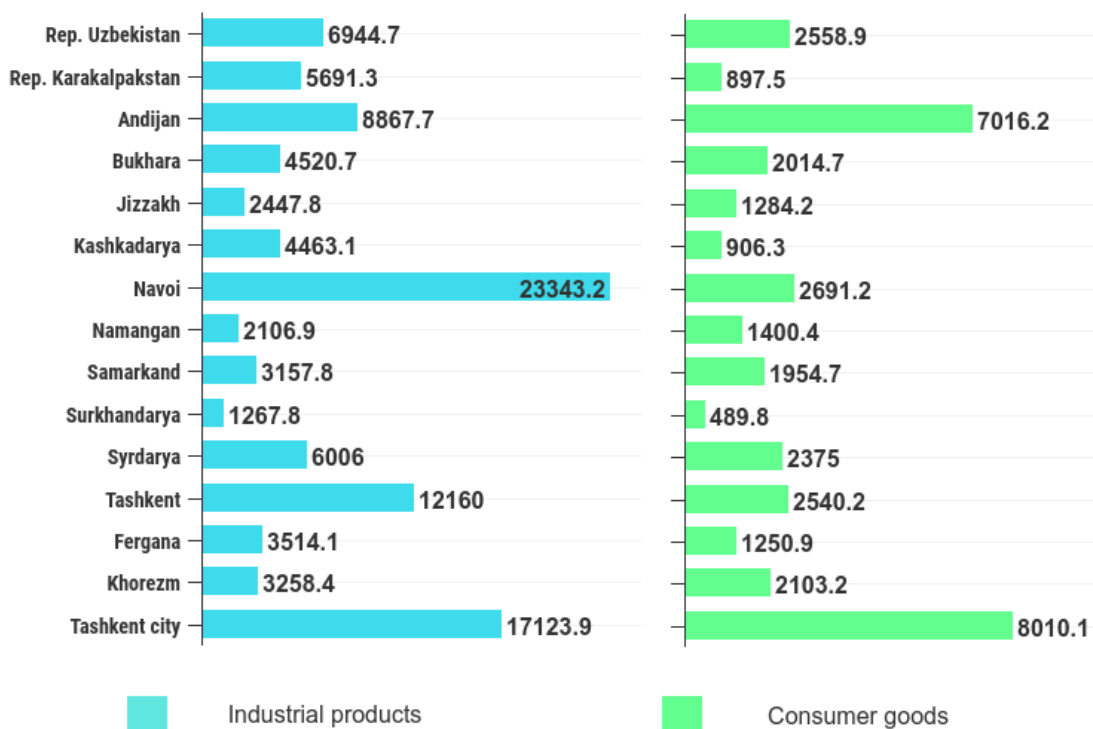
The volume of industrial production and consumer goods
(January-December 2018)

	<i>Industrial production, billion soums¹⁾</i>	<i>% by January-December 2017</i>	<i>Consumer goods, billion soums¹⁾</i>	<i>% by January-December 2017</i>
Republic of Uzbekistan	228866,2	114,4	84329,9	115,9
Republic of Karakalpakstan	10563,1	104,1	1665,7	112,4
<i>regions:</i>				
Andijan	26950,7	155,8	21323,7	164,8
Bukhara	8520,7	103,0	3797,3	103,8
Jizzakh	3276,6	102,1	1719,0	98,4
Kashkadarya	14196,6	105,7	2882,8	102,0
Navoi	22554,2	103,2	2600,2	100,6
Namangan	5743,7	111,9	3817,6	106,0
Samarkand	11871,3	108,6	7348,3	108,5
Surkhandarya	3222,5	115,7	1245,1	104,1
Syrdarya	4941,7	110,4	1954,1	111,2
Tashkent	35019,6	115,6	7315,6	105,5
Fergana	12832,5	107,5	4568,1	103,2
Khorezm	5930,9	117,3	3828,2	127,3
Tashkent city	42600,9	109,9	19927,5	111,8

¹⁾ Including unallocated data by region

Analysis of the differentiation of industrial production per capita showed an excess of the average national indicator (6944.7 thousand soums) in the Navoi region (23343.2 thousand soums), Tashkent city (17123.9 thousand soums), Tashkent (12160.0 thousand soums) and Andijan (8867.7 thousand Soum) regions.

Average per capita industrial and consumer goods production by region, *ths.soums*
(January-December 2018)



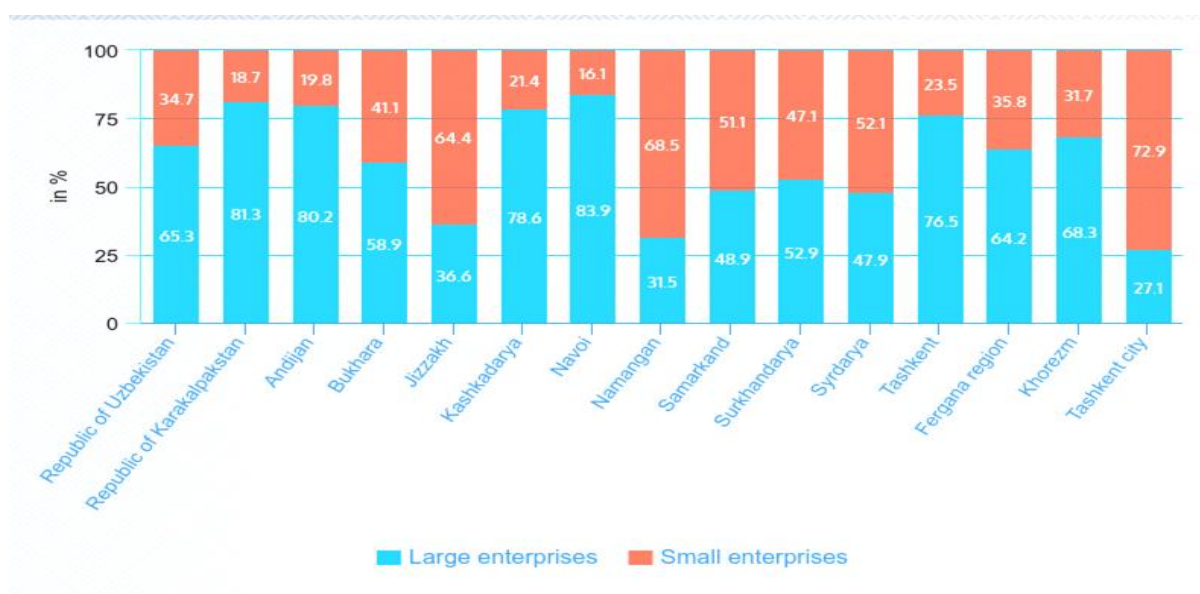
In the regions, high growth rates of per capita industrial output were observed in Andijan (153.2 % compared to January-December 2017), Khorezm (115.4 %), Tashkent (114.2 %) and Surkhandarya (113.2 %) regions. At the same time, low growth rates were observed in the Jizzakh region (100.2 %).

The contribution of small business in industrial production

The dynamic development of the industrial activity of small businesses ensured the growth of industrial production by the corresponding period of last year by 10.2 %, while the share of small business in industry was 34.7 %.

The largest share of small businesses was observed in Tashkent (72.9 % of the total industry), Namangan (68.5 %), Jizzakh (64.4 %), Syrdarya (52.1 %) and Samarkand (51.1 %) regions. At the same time, the smallest share of small businesses was noted in Navoi (16.1%), Tashkent (23.5 %), Andijan (19.8 %), Kashkadarya (21.4 %) regions and the Republic of Karakalpakstan (18.7 %).

The share of small business in the total industrial production by region, %
(January-December 2018)



Implementation of the Program for the localization of the production of finished products, components and materials

The development of industrial production in the republic was also promoted by the implementation of the Program for localizing the production of finished products, components and materials, under which 714 projects produced goods for 15.0 trillion soums, exported localized products - for 457.8 million USD, and created 1092 new jobs.

Compared to the same period last year, in January-December 2018, the volume of localized products increased by 1.5 times. However, compared with January-December 2017, there is a decrease in exports and the number of new jobs created.

Main indicators of the Program for localizing the production of finished products, components and materials
(January-December)

	2017	2018
Number of projects, <i>unit.</i>	799	714
Number of enterprises, <i>unit.</i>	343	297
Volume of production, <i>bln. soums</i>	9860,6	14999,4
Implemented for export of localized products, <i>mln. USD</i>	512,4	457,8
Created new jobs, <i>unit.</i>	3018	1092

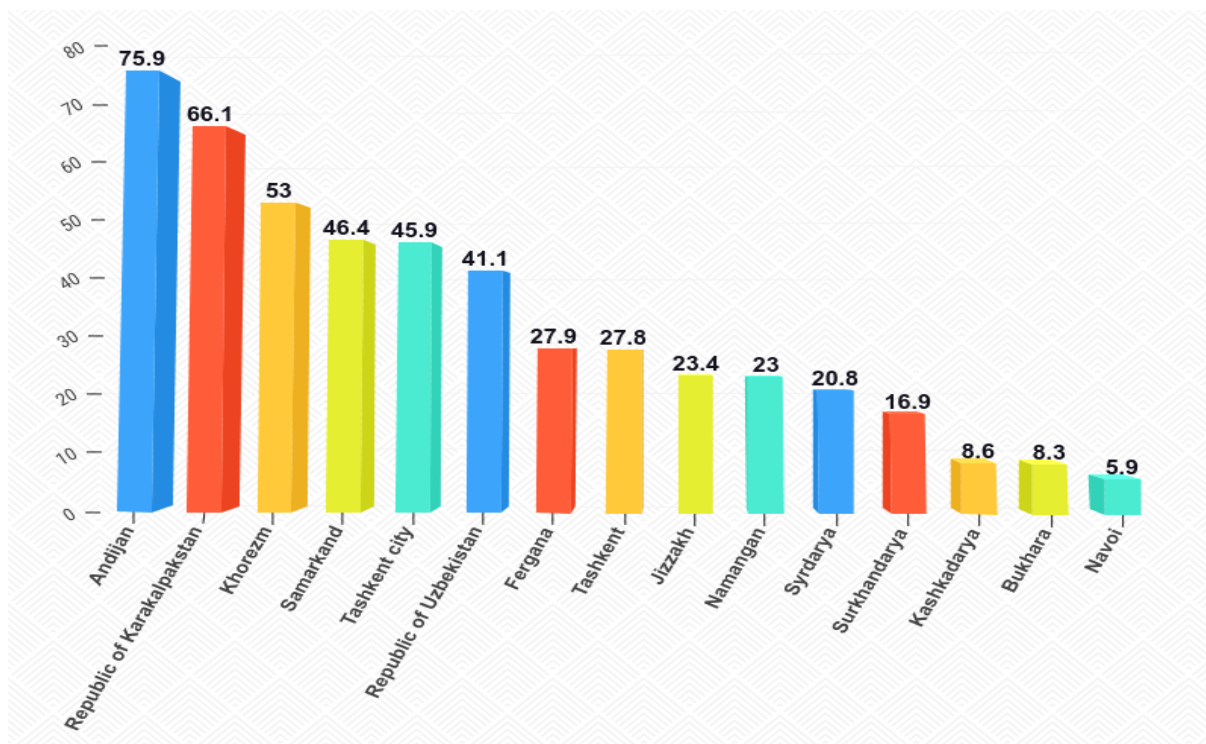
Production of enterprises with foreign investments

During the reporting period, enterprises with foreign investment produced products for 94.0 trillion soums, the growth rate compared to the corresponding period last year amounted to 135.8 %.

If in the previous year the share of joint ventures in the total production was equal to 35.1 %, in the reporting period it increased and reached 41.1 %.

The contribution to the increase in industrial production of the republic of joint ventures in January-December of this year was 12.3 %, ensuring the acceleration of the pace of reform and liberalization of the economy, as well as an increase in the competitiveness of products on the world market.

The proportion of products of enterprises with foreign investments in the volume of production of the regions



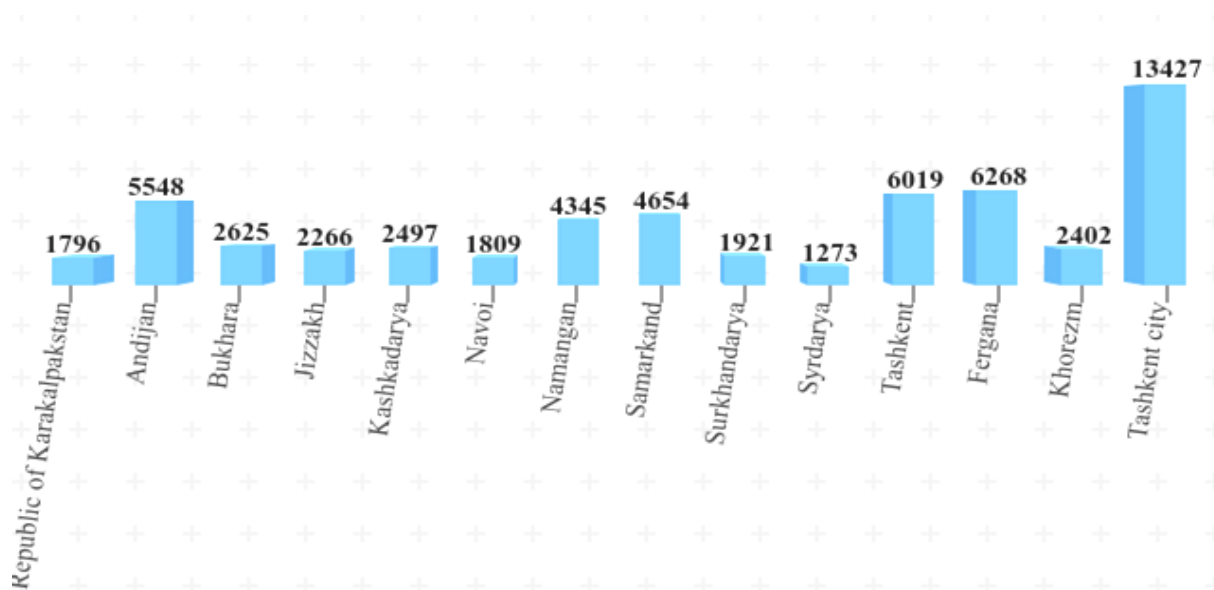
In the total volume of joint venture products, the share of mining and quarrying enterprises was 21.8 %, manufacturing industry - 78.1 %.

Active and newly created industrial enterprises

Currently, 56.9 thousand industrial enterprises operate in the republic, of which 13427 (23.6 % of the total number of operating enterprises) are located in Tashkent city, 6268 (11.0%) - in Fergana, 6019 (10.6 %) - in the Tashkent region.

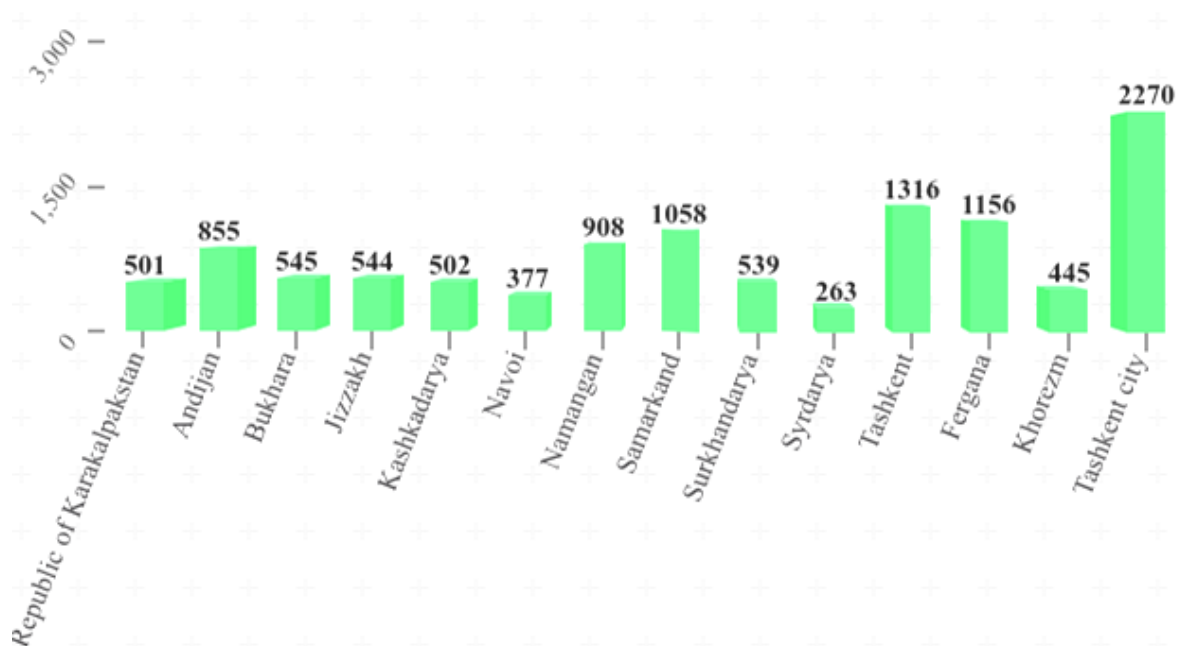
Number of active industrial enterprises, unit.

(as of January 1, 2019)



The number of newly created industrial enterprises, unit.

(January-December 2018)



During 2018, 11300 industrial enterprises were re-established in the republic, of which more than 51 % are located in Tashkent city, Tashkent, Fergana and Samarkand regions.

