

LIGHT INDUSTRY OF THE REPUBLIC OF KAZAKHSTAN: RISKS, PROBLEMS AND WAYS OF THEIR RESOLUTION

ЛЕГКАЯ ПРОМЫШЛЕННОСТЬ РЕСПУБЛИКИ КАЗАХСТАН: РИСКИ, ПРОБЛЕМЫ И ПУТИ ИХ РЕШЕНИЯ

G.I. ABDIKERIMOVA, K.K. NURASHEVA, N.A. UMBETALIYEV, G. BEKMANOVA

Г.И. АБДИКЕРИМОВА, Л.Л. НУРАШЕВА, Н.А. УМБЕТАЛИЕВ, Г. БЕКМАНОВА

(M.Auezov South Kazakhstan State University, Republic of Kazakhstan)

(Южно-Казахстанский государственный университет им. М.Ауэзова, Республика Казахстан)

E-mail: adbikerimova71@mail.ru

The basis of the activities of many light industry enterprises is work on corporate demand, the production of clothing and footwear commissioned by industrial enterprises, state bodies (law enforcement, military, etc.). Here, the state has leverage in the form of state orders and import substitution standards. However, more than 90% of the consumption of consumer goods falls on individual buyers (population). Therefore, the problem of import substitution can be solved only by covering the demand of this group of consumers. Economic success and strong market position of light industry enterprises producing products for the consumer market depend on many factors, the central place among which is an effective assortment policy.

Основой деятельности многих предприятий легкой промышленности является работа на корпоративный спрос, производство одежды и обуви по заказу промышленных предприятий, государственных органов (правоохранительных, военных и др.). Здесь государство имеет рычаги в виде госзаказа и норм по импортозамещению. Однако более 90% потребления товаров легкой промышленности приходится на индивидуальных покупателей (население). Поэтому проблема импортозамещения может быть решена только путем покрытия спроса этой группы потребителей. Экономический успех и прочные рыночные позиции предприятий легкой индустрии, производящих продукцию для потребительского рынка, зависят от множества факторов, центральное место среди которых принадлежит эффективной ассортиментной политике.

Keywords: light industry, import substitution, individual buyer, corporate demand, assortment policy.

Ключевые слова: легкая промышленность, импортозамещение, индивидуальный покупатель, корпоративный спрос, ассортиментная политика.

Extremely much attention is paid to the development of light industry in many countries of the world, since this industry has considerable socio-economic significance [1], ensuring high employment of the able-bodied population (in particular women, because 85...90% of the employed in light industry - women). The

importance of this industry also lies in the fact that it affects the health of people, the country's defense ability and the level of consumption occupies the second position, second only to the consumption of food products.

A feature of light industry is that it is technologically very closely interconnected with

the agro-industrial complex and the chemical industry [2]. As a result, competitiveness in this industry depends on investments not only in technology, research and development, but also in mechanical engineering and the chemical industry. Therefore, the key role in the competitiveness of light industry is played by clusters. As early as 2005, the first cotton-textile cluster was created in Kazakhstan, within the framework of which the special economic zone "Ontustik" functions [2]. For the cluster to operate efficiently, a production infrastructure and a closed production cycle have been created from obtaining raw materials to creating finished products. Nevertheless, the cotton-textile cluster so far only slightly covers the needs of the domestic market. Of the four enterprises operating within the FEZ, only one operates at full capacity – "Nimex Textile" LLP. About 80% of the cluster's production - cotton threads - is exported abroad. The rest of the products (fabrics, yarn, bedding, terry products) can provide only a small part of domestic demand.

It should be noted that Kazakhstan has significant potential for the development of light industry, which is due to the proximity of the regions producing raw materials (Uzbekistan, Tajikistan, Turkmenistan), as well as potential large markets (Russia, Asian and European countries, the Middle East – current) [3]. Kazakhstan has the necessary conditions for creating a resource base, growing cotton, and significant labor resources are also available [4].

The volume of production of light industry products in the Republic of Kazakhstan in 2018 amounted to 98.1 billion tenge, which in nominal terms is 18.9% higher than the level of 2017. The growth was due to an increase in the production of clothing by 25.7%, textile production - by 15.7%, as well as the production of leather, leather products - by 3.6%. At the same time, the increase in production over the period under review was due to the launch of new industries and the modernization of existing facilities. The launched factories reached the planned annual capacity – "Bal Textil" LLP, "Kazlegprom-Almaty" LLP, "Kazakhstan Sewing Company" LLP, etc. In 2017, the Volume Index of the light industry amounted to 109.8% [5].

According to the results of 2017, the domestic consumer goods market of light industry amounted to 1.3 billion US dollars (412.8 billion tenge), of which only 5% accounted for domestic production, and 95% for import. In January-August 2018, the consumer market amounted to 0.9 billion US dollars (296 billion tenge). Domestic production accounts for 7.1%, and import - 92.9% [1.5].

For January-September 2019, there should be noted an increase in cotton production by 30.3%, leather from cattle skins by 28.3%, textile products by 24.3%, sweaters, jumpers and vests by 17.4%. At the same time, there is the largest decline in the production of hats and hats - by 49%, knitted outerwear - by 26.3%, shoes by 25.1%, outerwear for men and women - by 13.8%, and clothing for women and others - by 12.8% [5].

As of October 1, 2019, there are 988 operating light industry enterprises in the Republic of Kazakhstan, of which 14 are large, medium-sized, 25 and small, 949. The number of Kazakhstani enterprises is 899, -1 of joint ventures with state participation, 36 of joint ventures with foreign participation and foreign - 53. At the same time, the bulk (96.1%) of enterprises are small.

For January-September 2019, the main producers of domestic products also became the city of Shymkent and Turkestan region (28.5%), Almaty region (12.5%) and Almaty (10.7%). In the period under review, compared with the same period in 2017, a significant increase in production volumes was achieved at the enterprises of Atyrau (by 94%), Aktobe (by 2.6 times) and Kyzylorda (by 2.2 times), where production increased in real terms. A significant decrease in production is noted in the South Kazakhstan region (Shymkent and Turkestan region) by almost 14%, in Kostanay region - by 17%, in the North Kazakhstan region - 2 times [5]. The reason for the decline in production is a decrease in product orders, as well as a lack of working capital.

A study of the economic situation in the republic, including trips directly to light industry enterprises, showed that there are a number of problems in the industry, and therefore risks, that can slow down and slow down the pace of

development of the light industry. The main problems and solutions:

1. The staffing of the industry.

Poor training of workers, due to the fact that the equipment on which students are trained, is morally obsolete. Manufacturers propose improving training in this area and making financing of training abroad a national priority.

Government bodies should develop an effective motivation system to further stimulate the development of both the enterprises themselves and the training of specialists in this industry.

2. Unfair competition through the use of counterfeit products.

It is necessary to strengthen the control at customs posts and tighten the system of state control over the work of customs posts. In addition, responsibility for the sale of sewing, textile, leather and fur and footwear products that do not meet sanitary and hygienic standards, technical regulations and standards should be tightened.

Improve the quality of the audit and take measures to update technical regulations and national standards. Improve the control system for product quality and safety.

Introduce a marking system not only on fur products, but also on shoes, outerwear, etc.

3. The high proportion of imports, which has led to increased strategic and commodity dependence of the state.

Manufacturers offer to reduce import duties on raw materials (imported fabric, yarn, threads, chemicals, accessories, etc.) and increase import duties on finished products. In addition, relief is needed for utility bills (gas, electricity, water), which will positively affect the competitiveness of domestic products.

In the production of domestic things, local labor resources, domestic raw materials should be used in order to create new jobs and increase tax revenues.

4. Weak cooperative ties (raw-finished product).

It is necessary to create procurement points for raw materials, as well as take measures to create clusters on the principle from raw materials to finished products.

5. Lack of raw materials.

At the manufacturers' suggestions, it is necessary to introduce a temporary ban on the export of unprocessed skins. To improve the quality of wool, it is necessary to develop and adopt a state program for the development of fine-wool sheep breeding. To reduce the outflow of cotton fiber from the country, it is proposed to develop a mechanism for subsidizing the cost of cotton fiber in the amount of 15% for textile enterprises producing yarn and fabrics.

6. The tax burden.

It is necessary to introduce a mechanism for providing incentives for manufacturers of light industry products, it is possible to exempt or reduce the rate of value added tax, exempt from CIT payment when exporting at least 60% of manufactured products, provide preferences and subsidies, for example, for reimbursement of expenses for the lease of retail space, to reimburse part of the cost of paying interest on loans, to implement new investment projects for technical re-equipment, etc.

7. Weak enterprise management and low level of marketing.

Most light industry enterprises are characterized by poor management and a low level of marketing. Production management should be aimed, first of all, at finding ways to optimize costs, reduce costs, increase the efficiency of production organization.

Often enterprises do not have a marketing system, do not conduct marketing research with specific conclusions and recommendations, and the assortment policy is developed by the owners of the enterprises themselves without the involvement of specialists. Wrong assessment of consumer preferences, seasonal fluctuations, global trends in fashion, can lead to unclaimed goods, their markdown and, as a result, to financial losses. In addition, it is necessary to establish an informational analytical and forecasting system in the regions to study the features and trends of the development of the commodity market, as well as to evaluate and forecast.

8. Low competitiveness of products.

For light industry enterprises, it is advisable to introduce automated control systems, as well as the use of computer programs for design and modeling, which can minimize the

work on graphic design, long and laborious sketching.

9. Difficultly predicted demand, which substantially depends on fashion trends and trends.

It is necessary to create a single centralized organization that will daily monitor, analyze global trends, trends and fashion trends. He will hold consultations, disseminate information material on modern fashion, on the state of domestic and foreign markets.

10. High rent for retail space.

It is necessary to consider the possibility of subsidizing part of the cost of renting shopping centers, allocating up to 30% of the area to domestic producers in shopping centers.

11. Oversaturation of the Kazakhstani market with imported products.

It is necessary to develop a strategy, a roadmap for import substitution of light industry products.

In addition, it is necessary to attract dye manufacturers to Kazakhstan and create a cluster to produce and reduce the cost of our fabrics.

12. The problem of the low level of development of scientific research and new developments.

The introduction of scientific and technological progress in the field of light industry is capable of creating a new technological basis for the industry to expand the production of competitive high-tech products. It is necessary to create a center of competence in test pilot mode on the basis of a large industrial enterprise or on the basis of Nazarbayev University.

13. The low level of application of new production technologies, as well as the level of innovation and investment in light industry.

The development of technology in light industry in the coming years should be carried out in the direction of improving the existing technological equipment, which allows more complete use of domestic chemical and plant raw materials to expand the range and create competitive products.

In general, under the current conditions, a real way out is seen not only in measures to support the state, but also in raising the industry on its own based on existing production, labor and natural resources, and saturating the domestic market with domestic goods and services.

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