



CURRENT STATE OF DEVELOPMENT TRENDS AND COMPETITIVENESS OF AGRICULTURE IN UZBEKISTAN

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Abstract:

The article assesses the trends in agricultural development of Uzbekistan and identifies specific features of increasing the level of competitiveness of the agricultural sector.

Keywords: Agriculture, agrarian sector, competitiveness, agricultural competitiveness, arable land, agricultural products,

INTRODUCTION

Today, agriculture is one of the most important socio-economic sectors in the economy of our country. As a result of profound economic reforms in this area during the years of independence, high efficiency is being achieved. In particular, the necessary conditions are being created for the intensive development of the agricultural sector through the production of agricultural products, encouraging the introduction of innovative technologies in their processing.

The analysis shows that agriculture, food and textile industries play an important role in ensuring a decent standard of living for the economy and population of Uzbekistan. More than a third of the country's gross domestic product comes from agriculture. In addition, more than 3.5 million people are employed in this sector, and revenues from the sale of agricultural products to foreign countries account for up to 25.0% of Uzbekistan's total exports. In the world market of agricultural products, Uzbekistan is famous for its cotton and vegetables.¹

Despite the current positive trends, in recent years, increasing the competitiveness of agriculture in our country is of great scientific and practical importance. In particular, as noted by the President of the Republic of Uzbekistan, "the development of agriculture and increase its competitiveness remains an important factor in improving the welfare of villages inhabited by more than 60% of the population."².

SETTING A SCIENTIFIC PROBLEM

AF, Khurramov, Sh.D. Ergashodjaeva, B.T. Salimov, L.F. Amirov, A.M. Salimov, A.M. Qodirov, D.M.

Avazkhodjaeva³ and other Uzbek economists have studied the trends in agricultural development in the country, its peculiarities, state support of the agricultural sector, the peculiarities of property relations in agriculture, the priorities for the development of cooperation in agriculture. At the same time, the theoretical and practical issues aimed at improving the theoretical and methodological basis for increasing the competitiveness of agriculture have not been analyzed in a comprehensive, systematic, special research object.

³Xurramov A.F., Mamatov A.A. Property relations in agriculture and directions of their development.-T.: 2008.59 p; Improving the management system of the agro-industrial complex in the context of economic liberalization. Agrarian economic reforms in Uzbekistan: achievements and their solutions.T.: 2006.-39 p.; Ergashodjaeva Sh.D. Marketing strategy for the development of cooperation in rural areas in the context of market competition. Abstract of the dissertation for the degree of Doctor of Economics. T.: 2007.-17 b; Salimov B.T., Hamdamov Q.S., Berkinov B.B., Khakimov R., Yusupov MS, Oripov M.A., Uroqov N.I. - Economics of peasants and farms - (Textbook) - T.: TSU, 2004. - 176 p.; Amirov L.F. The agrarian sector of the Uzbek economy and its basic concepts. Scientific electronic journal "Economy and Innovative Technologies". № 4, July-August, 2020. http://iqtisodiyot.tsue.uz/sites/default/files/maqolalar/23_Amirov_L.pdf; Salimov A.M., Mamurova Z.M. The role of the infrastructure of the agro-industrial complex of Uzbekistan in the economy and the experience of foreign countries. "Science and Education" Scientific Journal Volume 1 Issue 2. 2020. <https://www.openscience.uz/index.php/sciedu/article/download/407/401/1009>; Qodirov A.M., Toshmatov R.X. and b. Scientific-methodical approach to determining the potential of natural resources for the rational placement of agricultural production. Monograph. - T.: LESSON PRESS, 2017, - 229 p.; Avazkhodjaeva D.M. Development of the agrarian sector of the economy of Uzbekistan. Economics and management. Young uchenyy. № 17 (151), 2017. - p. 321 - 323.

¹ <https://www.gazeta.uz/uz/2019/09/24/agriculture/>

²Decree of the President of the Republic of Uzbekistan PF-5708 "On measures to improve the system of public administration in agriculture." 17.04.2019 y. <https://lex.uz/docs/4291908>



THE MAIN RESULTS

In recent years, as a result of measures aimed at increasing the efficiency of the use of arable land in the cultivation of agricultural products of the country, work is underway to improve the reclamation of lands through crop rotation. The analysis shows that in 2000-2020, the volume of arable land used in agriculture in the country decreased from 3,778.3 thousand hectares to 3,373.1 thousand hectares (see Figure 1). This fact testifies to the priority given to practical work aimed at the efficient use of arable land in the agricultural sector of the country.

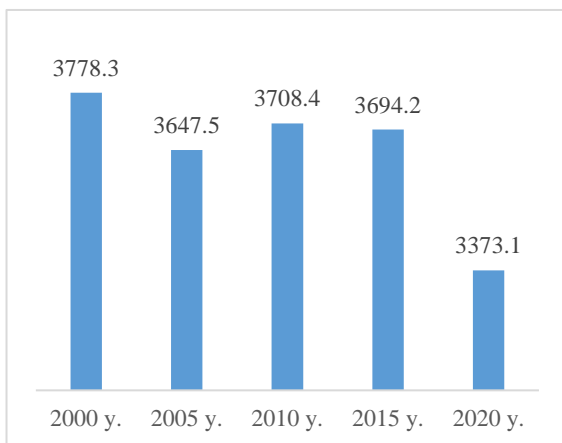


Figure 1. Total area of arable land used in agriculture in Uzbekistan (per thousand hectares)⁴

Also, over the past 10 years, the share of cotton and wheat in the agricultural lands of the country has been reduced, and the amount of land allocated for fruit and vegetables has been increasing. In 2000-2010, the share of cotton in agricultural land decreased from 33.1% to 29.8%, and the share of wheat from 36.2% to 35.6%, respectively. the share of arable land used for sowing increased from 15.4% to 20.1% (see Figure 2). This fact testifies to the priority given to the cultivation of fruits and vegetables in agriculture of our country. In addition, the food products produced through the processing of these products will allow the formation of a high value chain in the agro-industrial complex of the country. This, in turn, will lead to an increase in capital inflows into the agricultural sector.

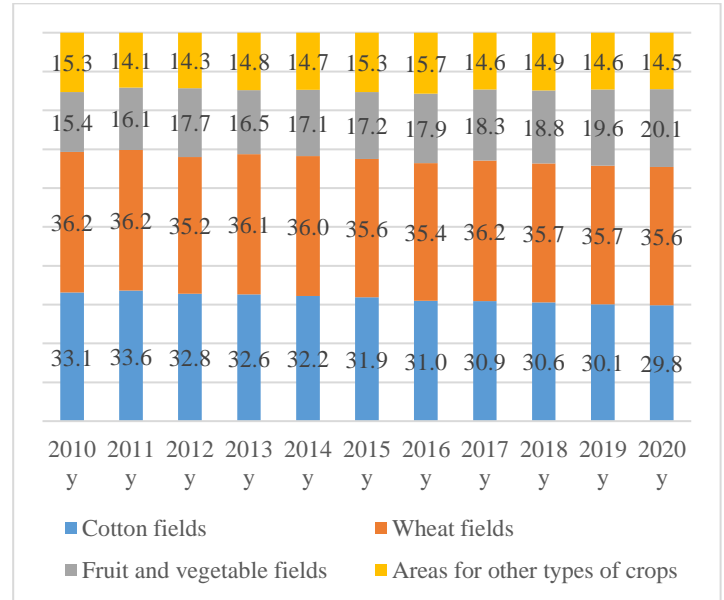


Figure 2. Composition of arable land used in agriculture in Uzbekistan (as a percentage of total)⁵

During the years of independence, as a result of profound reforms aimed at developing agriculture, increasing the efficiency and competitiveness of the agricultural sector, technical and technological changes in this area have led to a steady increase in agricultural production. According to statistical observations, the volume of agricultural products grown in the country in 2000-2020 amounted to 1387.2 billion soums. 249754.5 billion soums sum. In particular, as a result of improving the technology of cultivation of agricultural products, efficient use of each hectare of land, equipping agribusiness with modern equipment, the transition to drip irrigation and the systematic implementation of similar measures, the volume of agricultural production per hectare increased by 0 , 4 mln. 74 million soums by 2020 soums (see Figure 3). This situation indicates that our country is moving towards intensive agricultural development.

⁴Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

⁵Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

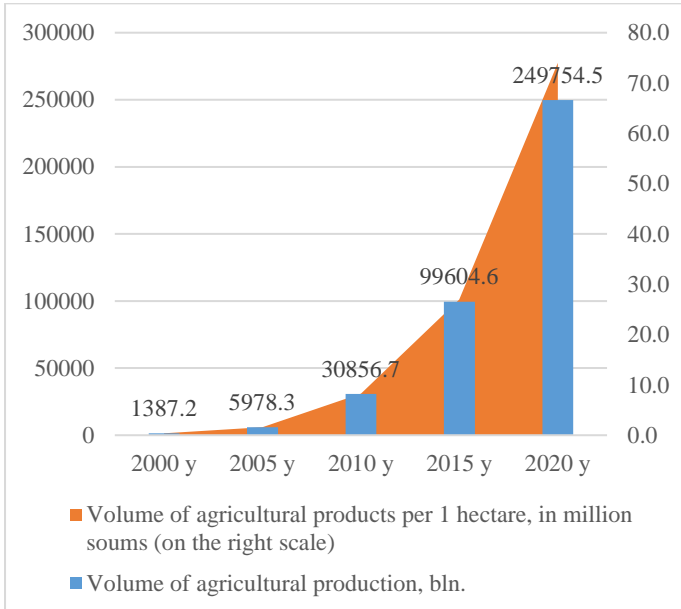


Figure 3. Cultivation of agricultural products in Uzbekistan and indicators of its efficiency⁶

The analysis shows that the share of agricultural products in the structure of agricultural production in the country is decreasing, and the share of livestock products is increasing. In particular, in 2000-2020, the share of agricultural products in the volume of agricultural production decreased from 50.2% to 49.5%, while this figure increased from 49.8% to 50.5% in livestock production (see Figure 4).

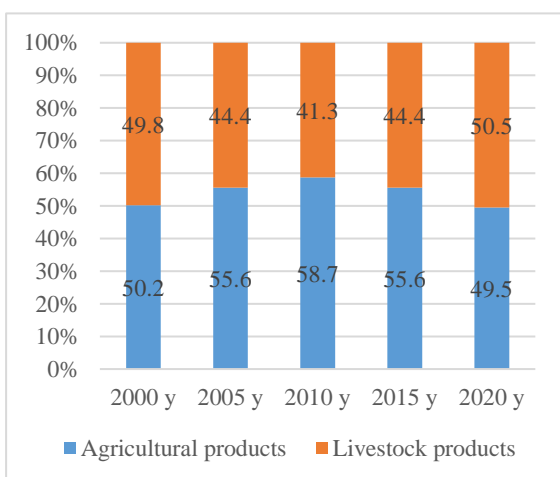


Figure 4. Composition of agricultural products of Uzbekistan (as a percentage of total)⁷

⁶Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

⁷Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

In 2000-2020, the volume of agricultural production in the country had an average annual growth rate of 105.3%. This figure was 114.1% on farms, 105.7% on dehqan (personal assistant) farms, and 99.9% on other organizations engaged in agricultural activities. According to the results of statistical observations, in 2000-2006, the growth rate of farms in the production of agricultural products of the country was significantly higher than others, with an average growth rate of 134.2%. As a result of institutional changes in the development of agriculture in the country after 2017, the average growth rate of agricultural production of other organizations engaged in agricultural activities for 2017-2020 amounted to 122.4% (see Figure 5).

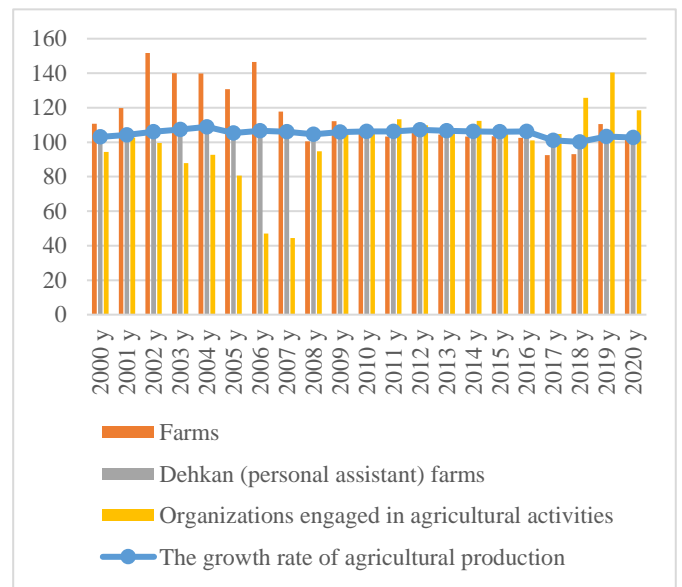


Figure 5. Growth trends in the production of agricultural products in Uzbekistan⁸

The share of farms in the production of agricultural products in our country is growing. In particular, in 2000-2020, the share of farms in total agricultural production increased from 5.5% to 27.8%, in agricultural production from 9.7% to 50.9%, and in livestock from 1.3% to 5.1 percent. This figure increased from 66.7% to 68.0% of total agricultural production, from 43.9% to 44.1% in agricultural production, and from 89.7% to 91.4% in livestock production, respectively, in dehqan (personal subsidiary) farms. The share of other organizations engaged in agricultural activities has been declining (see Table 1).

⁸Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

Table 1
Structure of agricultural production (as a percentage of total)⁹

| | Farms of all categories | Including: | | | | | | | | |
|---------|-------------------------|------------|------|------|---|------|------|--|------|-----|
| | | Farms | | | Dehkan (personal assistant) farms engaged in agricultural | | | Dehkan (personal assistant) farms engaged in | | |
| | | Total | | | Agriculture | | | Livestock | | |
| 2000 y. | 100,0 | 5,5 | 66,7 | 27,8 | 9,7 | 43,9 | 46,4 | 1,3 | 89,7 | 9,0 |
| 2005 y. | 100,0 | 24,3 | 61,7 | 14,0 | 41,6 | 37,1 | 21,3 | 2,7 | 92,6 | 4,7 |
| 2010 y. | 100,0 | 36,3 | 61,6 | 2,1 | 59,1 | 39,4 | 1,5 | 3,9 | 93,1 | 3,0 |
| 2015 y. | 100,0 | 30,7 | 66,9 | 2,4 | 52,0 | 46,2 | 1,8 | 4,0 | 92,9 | 3,1 |
| 2020 y. | 100,0 | 27,8 | 68,0 | 4,2 | 50,9 | 44,1 | 5,0 | 5,1 | 91,4 | 3,5 |

The analysis of the data in Table 1 shows that the share of dehkan (personal assistant) farms in the production of agricultural products in the country (68.0%) is higher than other activities. In addition, farms have a relatively large share in the production of agricultural products (50.9%), while farms (personal assistants) have a significantly higher share (91.4%) in the production of livestock products.

Table 2
Production of agricultural products in the regions of the Republic of Uzbekistan (as a percentage of total)¹⁰

| | 2000 y. | 2005 y. | 2010 y. | 2015 y. | 2020 y. | Change +/- |
|--------------------------------|---------|---------|---------|---------|---------|------------|
| Republic of Uzbekistan | 100,0 | 100,0 | 100,0 | 100,0 | 100,0 | |
| The Republic of Karakalpakstan | 2,7 | 3,3 | 3,2 | 3,3 | 3,9 | +1,2 |
| provinces: | | | | | | |
| Andijon | 10,7 | 9,8 | 9,2 | 9,8 | 10,5 | -0,2 |
| Bukhoro | 7,7 | 9,0 | 7,9 | 8,3 | 9,4 | +1,7 |
| Jizzakh | 4,8 | 5,7 | 5,6 | 5,7 | 6,4 | +1,6 |
| Kashkadaryo | 7,3 | 9,3 | 8,9 | 9,1 | 9,5 | +2,2 |
| Navoi | 3,5 | 4,3 | 4,4 | 4,2 | 4,5 | +1,0 |
| Namangan | 9,1 | 7,0 | 6,2 | 7,0 | 7,1 | -2,0 |
| Samarkand | 11,7 | 12,6 | 17,4 | 14,4 | 12,9 | +1,2 |
| Surkhondaryo | 8,5 | 8,0 | 7,4 | 8,3 | 7,8 | -0,7 |
| Sirdaryo | 3,7 | 4,0 | 3,5 | 3,6 | 3,2 | -0,5 |
| Tashkent | 13,2 | 10,9 | 11,7 | 10,8 | 9,8 | -3,4 |
| Fergana | 10,6 | 9,6 | 8,3 | 9,2 | 8,5 | -2,1 |
| Khorezm | 6,6 | 6,4 | 6,3 | 6,2 | 6,5 | -0,1 |

The analysis shows that the share of Samarkand (12.9%), Andijan (10.5%), Tashkent (9.8%) and Kashkadaryo (9.5%) regions in the production of agricultural products by regions is relatively high. Indicators of the share of regions in the production of agricultural products in the country in 2000-2020 in Kashkadaryo (2.2%), Bukhara (1.7%), Jizzakh (1.6%), Samarkand regions (1.2%) and the Republic of Karakalpakstan (1 The share of Tashkent (-3.4%), Fergana (-2.1%), Namangan (-2.0%) decreased (see Table 2).

⁹Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

¹⁰Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

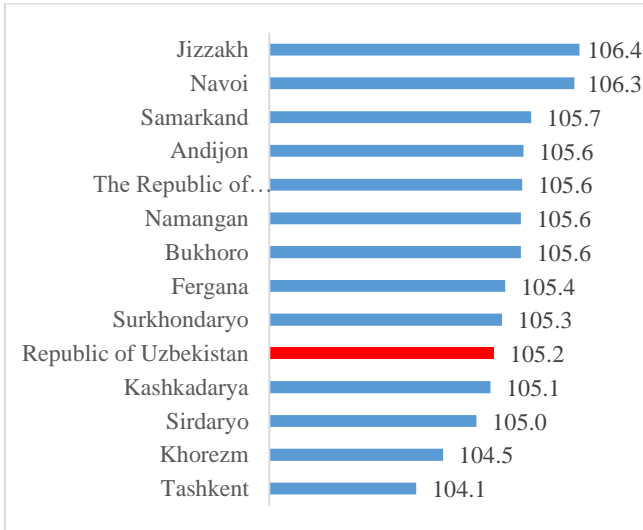


Figure 6. Average annual growth rates of agricultural production in the regions of Uzbekistan in 2000-2020 (in percent)¹¹

The analysis shows that in 2000-2020, the average growth rate of agricultural production in the country was 105.2%. This indicates that the volume of agricultural production in the country during the study period increased by 2.0-2.5 times. During this period, the average annual growth rate of Tashkent (104.1%), Khorezm (104.5%), Syrdarya (105.0%) and Kashkadarya (105.1%) regions was lower than the national average. In Jizzakh (106.4%), Navoi (106.3%) and Samarkand (105.7%) regions, the average annual growth rate of agricultural production in 2000-2020 had a high growth trend in the country (see Figure 6).

During the years of independence, in order to create a high value chain in the economy, including agriculture, targeted state programs have been implemented to diversify, modernize the agricultural sector, increase production efficiency by equipping them technically and technologically in line with modern requirements. As a result of radical reforms, the growth trend in value added in agriculture in 2000-2020 increased by an average of 105.2%. In particular, the growth rate of value added in 2000-2004 increased rapidly. Between 2005 and 2016, the growth rate of value added had a steady trend (see Figure 7).

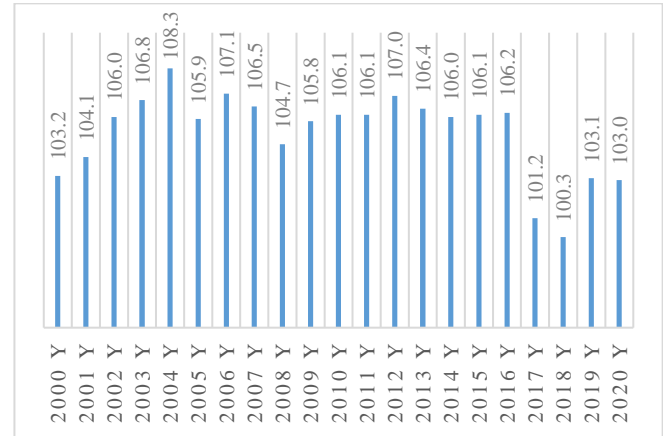


Figure 7. Trends in value added in agriculture in Uzbekistan (in percent to the previous year)¹²

In this regard, it is expedient to assess the impact of the global pandemic "Covid-19" in 2020 on the agriculture of our country. As a result of reforms in the agricultural sector in the country during the years of independence, aimed at supporting the demand for domestic agricultural products in the domestic market, the coronavirus crisis did not have a significant impact on agricultural activities. Food prices have risen slightly due to the panic caused by panbemia in local markets. But while prices for their main varieties, such as local wheat and flour, are still rising, they are not as high as three. In addition, the market of agricultural products in Uzbekistan today is not tied to the import of food products other than flour and vegetable oil.¹³

In 2020, as a result of various natural and climatic disasters in the country, there were interruptions in the cultivation of agricultural products in some regions. In particular, in Sardoba, Akaltin, Mirzaabad districts of Syrdarya region, more than 19,000 hectares of cotton, wheat and other agricultural crops had to be replanted. As a result of a strong storm in Bukhara region, cotton and grain seedlings were damaged on 26,000 hectares. Despite the unfavorable natural and climatic conditions, in 2020, when the coronavi pandemic was in full swing, 6.5 million people died in agriculture. tons of grain, 3 mln. tons of cotton, 21 thousand tons of cocoons, 22 mln. tons of fruits and vegetables, 2.5 mln. tons of meat and 11 mln. more than a ton of dairy products were grown.¹⁴

¹¹Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

¹²Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan

¹³ <https://www.gazeta.uz/uz/2020/04/21/agriculture/>

¹⁴President of the Republic of Uzbekistan Sh.M. From the speech of Mirziyoyev in his congratulatory message to the



Despite the outbreak of the coronavirus pandemic in 2020, deep economic reforms in the agricultural sector of the country have been consistently continued. In particular, in 2020 alone, about 11 thousand farms in the country (about 90.0% of farms) will be transformed into diversified farms and 37 thousand. employment of the population was provided. Also, in the context of the coronavirus pandemic, the state has paid more attention to allocating subsidies and soft loans to private landowners to dig artesian wells and build compact greenhouses. In particular, 65.5 billion soums were allocated from the Fund under the Council of Farmers, Dehkan Farms and Landowners of Uzbekistan, and about 110 billion soums to support land service enterprises, agricultural cooperatives and farmers. In addition, under the program "For each age - one hectare" 84 thousand hectares of grain-free areas were given to 266 thousand low-income families and unemployed youth, to whom were attached farms and land service enterprises. As a result of this program, more than 1 million tons of products were grown.¹⁵

In this regard, it is expedient to pay attention to the practical work aimed at the sustainable development of agriculture in our country and increase its competitiveness at the international level. In particular, based on advanced foreign experience in agriculture, a mobile laboratory "Soil Clinic" was established to provide services to farms and clusters in order to prevent salinization, water, wind erosion, reduction of nutrients in the fields, increase soil fertility and productivity.

Today in the agricultural sector of the country there are 97 cotton-textile, 149 fruit and vegetable, 65 grain, 35 rice and 7 clusters specializing in the cultivation of medicinal plants and 11 cotton-textile cooperatives. In addition, 34 farms in the field of cattle breeding, 10 farms in the field of poultry, 36 farms in the field of fisheries, 15 farms in the field of beekeeping have been established in cluster production. In 2021-2022, the country's silk industry will planned to launch 62 clusters with a production capacity of UZS 600 billion.¹⁶

agricultural workers of Uzbekistan on 12.12.2020 y. <https://president.uz/uz/lists/view/4009>

¹⁵President of the Republic of Uzbekistan Sh.M. From the speech of Mirziyoyev in his congratulatory message to the agricultural workers of Uzbekistan on 12.12.2020 y. <https://president.uz/uz/lists/view/4009>

¹⁶President of the Republic of Uzbekistan Sh.M. From the speech of Mirziyoyev in his congratulatory message to the agricultural workers of Uzbekistan on 12.12.2020 y. <https://president.uz/uz/lists/view/4009>

In our opinion, as a result of the ongoing reforms in agriculture in recent years, today the country is creating sufficient conditions for the sustainable development of the agricultural sector. This, in turn, will play an important role in increasing the competitiveness of agriculture in our country at the international level.

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