



WIDESPREAD INTRODUCTION OF DIGITAL TECHNOLOGIES IN THE REAL SECTOR OF THE ECONOMY, AS WELL AS IN AGRICULTURE AND WATER MANAGEMENT

1. Abdullajonov Davronjon

Kokand University, teacher of business department
Kokand, Uzbekistan

2. Kasimova Gulmiraxon

Kokand university 2nd year student of economics
Kokand, Uzbekistan

Article history:	Abstract:
<p>Received: 10th February 2022 Accepted: 11th March 2022 Published: 30th April 2022</p>	<p>This article analyzes the specifics of the real sector of the economy, including the current state of funding from the Asian Development Bank for the real sector of the country. In addition, scientific proposals and practical recommendations on the widespread introduction of digital technologies in the real sector of the economy, as well as in agriculture and water management, as well as foreign experience are briefly covered.</p>
<p>Keywords: Real sector, private sector, Asian Development Bank, digital technologies.</p>	

INTRODUCTION

Today, the renewed Uzbekistan has set itself the goal not only of development, but also to become one of the strongest countries in the world as a result of comprehensive reforms in various spheres of life. President Shavkat Mirziyoyev, who knew and felt this in advance, said in his Address to the Parliament this year that in order to achieve development, we need to acquire digital knowledge and modern information technologies, which will allow us to take the shortest path to growth. They pay particular attention to deep penetration.¹ Also, the formation of the digital economy requires the necessary infrastructure, a lot of money and manpower, but no matter how difficult it is, we

need to start today, so the active transition to the digital economy is one of our priorities for the next five years. was given. Because digital technology improves the quality of products and services, reducing overhead costs. At the same time, they are an effective tool in overcoming one of the most serious evils - the scourge of corruption.

The widespread introduction of digital technologies has shown in the recent past that public administration can serve to develop the social sphere and dramatically improve people's lives. As you can see in this picture, the role of information technology in our lives today, that is, how much we are doing today, compared to last year, can be seen in Figure 1.²

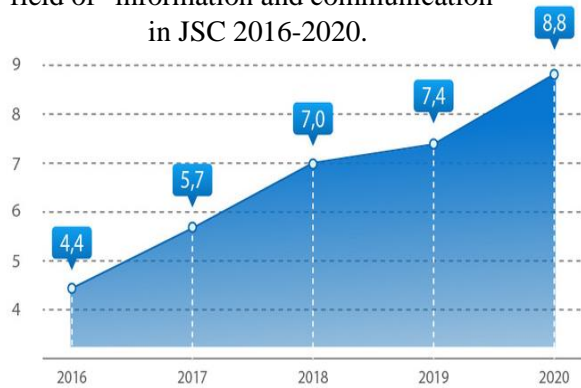
¹ Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis on January 24, 2020. // "People's word", 2020, January 25.

² <https://review.uz/uz/post/obzor-centra-ekonomicheskix-issledovaniy-i-reform-razvitie-cifrovoy-ekonomiki-v-uzbekistane-za-chetre-goda>

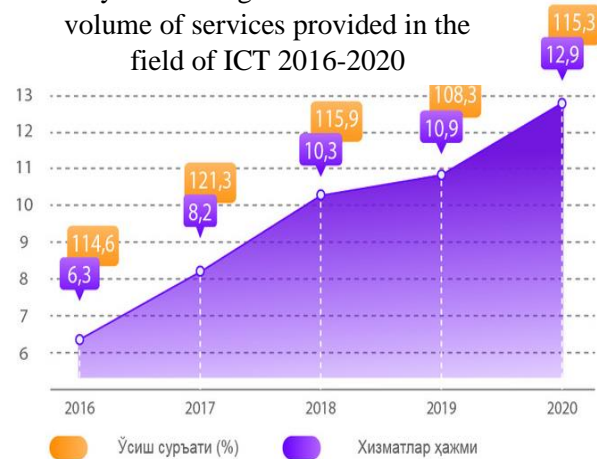


Growth dynamics of key economic indicators in the field of ICT in 2016-2020.

Dynamics of growth of services in the field of "information and communication" in JSC 2016-2020.



Dynamics of growth of the total volume of services provided in the field of ICT 2016-2020



Dynamics of investments in fixed assets by type of economic activity "Information and Communication" 2016-2020



The volume of investments in fixed assets
 The volume of foreign investments and loans in fixed assets

It is one of the important conditions for the development of our country and the well-being of our people. One of the major systems studied by economic theory is the national economic system. Its effectiveness is determined by macroeconomic indicators that describe the overall results of

It should be noted that the country's economy is a complex system consisting of many elements. The study and research of its processes requires a more detailed approach, so the country's economic system is conditionally divided into economic sectors. The economic sector typically includes many entities with similar activities and roughly the same goals. One of the most important sectors of the economy is the real sector. Most of the goods consumed by society are produced here. Then comes the process of distributing, sharing, and consuming a product or service. The production process is always accompanied by a counter-movement of finance. The real sector employs households and contributes a significant portion of government revenue. The development of this industry has a direct impact on the state of the economy as a whole. The activities of the real sector, first of all, play an important role in ensuring the well-being of the

population and the stability of the country's economic system. Much attention is paid to the development of this industry in different countries. In terms of structure, the real sector is a very complex system, consisting of many different enterprises, commercial organizations and other forms of company, the main purpose of which is to make a profit. The basis of the real sector of the economy is the production of industrial and agricultural products. It is in the sphere of production that the producer interacts with nature and new material goods are created.

Quantitative and qualitative development of the manufacturing sector will ensure the well-being of society, increase incomes, create a material basis for the development of education, health and culture. At the same time, the real sector will increase the pace of production through the financing of industry, agriculture, construction, transport, communications



and other services through foreign credit lines, domestic funds and the development of the country's products. there is an opportunity to bring it to the market. The third of the five priorities of the Development Strategy of Uzbekistan for 2017-2021, developed and promoted by the President of the Republic of Uzbekistan Sh.M.Mirziyoyev, is aimed at further development and liberalization of the economy, strengthening macroeconomic stability. and maintaining high economic growth rates, increasing the competitiveness of the national economy, modernizing and accelerating the development of the social sphere, agriculture, industry, transport, continuing institutional and structural reforms to reduce state participation in the economy, regions , complex and balanced socio-economic development of districts and cities, active attraction of foreign investment in the sectors and regions of the economy of the country by improving the investment climate.³

It should be noted that the real sector of the national economy in Uzbekistan is developing at a steady pace. The volume of investments in the economy of the country from all sources of financing increased by 10.5% compared to 2020 and amounted to 18.7 billion soums. USD. At the same time, 55.6% of the disbursed investments are own funds of enterprises and individuals, 20.3% - foreign investments and loans, 15.3% - loans and other debts of commercial banks, 4.5% - from the state budget, 4.7% - state target funds and 4.7% from the Fund for Reconstruction and Development of the Republic of Uzbekistan. The effect of the ongoing economic reforms and social changes, in turn, is reflected in the increase in the material well-being and welfare of the population, its living standards and quality of life. Today, the Ministry of Information Technologies and Communications also has specific tasks to implement digital and geo-information technology systems to improve the efficiency of land relations, agricultural and water resources management.

It should be noted that in order to ensure the competitiveness of the country, government agencies

are making every effort to stimulate demand for products of the real sector of the economy. In particular, the real sector of the economy (definition) is an economic, legally indeterminate term denoting a set of small, medium, large (industrial) enterprises in the region, whose activity is related to the production of commercial products and goods (serial and mass production). focused. products, including buildings and structures, etc.), services (communications, telecommunications, transport, transportation, etc.). As a result of the process of commercialization of products, these enterprises will have a stable profit, from which taxes will be paid stably, and a regional, state budget will be formed. Of course, the financial sector of the economy is linked to the real sector, and it will be difficult to have one without the other.

For example, how do you build a powerful factory without spending a lot of money? Nevertheless, the separation of these two concepts in science is not controversial. However, the term "real sector of the economy" is often misunderstood by many financiers and bankers. Today, in order to attract international capital not only to the public sector, but also to the private sector, foreign credit lines have been opened in the banks of the Republic of Uzbekistan on the basis of agreements with a number of financial institutions. They are used to finance the private sector. The following data show that the funds of the Asian Development Bank, a major international financial institution, serve as an important source of investment in the development of the private and real sectors in the Republic of Uzbekistan. The Republic of Uzbekistan became a member of the Asian Development Bank in 1995, and in 1997 the Asian Development Bank opened a representative office in Tashkent. Cooperation with the Asian Development Bank of the Republic of Uzbekistan is carried out in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated April 30, 1998 No. 186 "On measures to develop cooperation with the Asian Development Bank".

³ Decree of the President of the Republic of Uzbekistan No. PF-4947 "On the Action Strategy for the further development of the Republic of Uzbekistan". February 7, 2017.



Distribution of total funds allocated by the Asian Development Bank to Uzbekistan by sectors as of January 1, 2020, mln.

profession	Number of loans	Amount of allocated funds (millions of dollars)	Percentage
Agriculture, natural resources	28	672.74	11.15
Education	21	368.95	5.69
Energy	22	2,541.20	29.55
Finance	23	649.94	12.08
Healthcare	4	41.60	0.80
Industry and trade	3	275.68	3.37
Public administration	15	29.73	0.57
Transport	28	1,529.85	25.50
Water supply, utilities and infrastructure	21	689.12	11.29
Total:	165	6,798.81	100

As of January 1, 2020, the ADB has provided a total of \$ 6,798.81 million in loans, grants, technical assistance and co-financing to Uzbekistan, most of which is for energy projects. The financial sector attracted \$ 649.94 million, which is 12.08% of the total funds directed to the country. More than \$ 672.74 million worth of projects have been implemented in agriculture and natural resources. A significant part of the projects implemented by Uzbekistan and the ADB, or 25.5%, are in the field of transport.

Asian Development Bank and Uzbekistan projects under the country's operational business plan for 2018-2020, mln. doll

Areas	Allocated funds, million dollars	Share, %
Agriculture and natural resources	250	13
Energy	490	26
Finance	205	11
Transport	605	32
Water supply and sanitation	340	18
Total:	1890	100

According to the table, the largest share in the projects implemented by the Asian Development Bank and Uzbekistan under the country's operational business plan for 2018-2020 is the transport sector, which has allocated \$ 605 million. This is 32% of the total planned amount. Next in line is the energy sector, with \$ 490 million in energy, or 26 percent of the project cost. \$ 250 million has been allocated for agriculture

and natural resources, \$ 205 million for finance, and \$ 340 million for water supply and sanitation. Analyzing the total cost of the project, agriculture accounted for 13 percent, finance for 11 percent, and water supply for 18 percent.



FOREIGN EXPERIENCES.

The U.S. ranks first in the world in terms of agricultural productivity, employing only 2 percent of the country's workforce. Agriculture in the United States uses many innovative solutions to enable farmers to produce more at a lower cost. For example, the use of genetically modified seeds and direct sowing reduce farmers' costs for machinery, fuel, and pesticides.

In Israel, less than 20 percent of the land is agricultural, but farmers provide 95 percent of the population's food needs. Due to the acute shortage of irrigation water in Israel, drip irrigation technology has been developed. At the same time, the Israeli government supports the country's agriculture, providing subsidies of up to 40 percent of the cost of purchasing farmers and introducing new technologies. The key components of a smart farming approach are software, irrigation systems, and innovative harvesting equipment, which are cheaper due to the subsidy system. Thanks to this approach, the agro-industrial complex has maintained a high rate of introduction of new technologies in the agro-industrial complex due to close cooperation between the public, private and scientific sectors. Government regulation in the Republic of Korea is aimed at providing comprehensive assistance in the introduction of innovations and modern technologies in all sectors of the economy and life. Agriculture in the Republic of Korea is also a high-tech sector. The experience of innovative agricultural development in the Republic of Korea is unique and can be used to ensure food security and develop an innovative agricultural system in developing countries. In 2018, the Ministry of Agriculture of the Republic of Korea announced its intention to invest in the development of "smart" farms across the country and increase their total area from the current 4.01 hectares to 7,000 hectares.

According to experts, labor productivity in agriculture in Russia today is three times lower than in Germany, for example, and productivity is 2.5-3 times lower than in Germany and the United States. The main aspects of the use of digital technologies in agriculture in Russia are to increase agricultural productivity and reduce losses.

CONCLUSION

In summary, in today's practice, international financial institutions are engaged in financing the real sector of the economy of various countries, including lending. At the same time, cooperation with international financial institutions will not only allow the country to attract large sums of money to the economy, but also to have a place and voice in global financial

relations. Therefore, expanding cooperation with international financial institutions is one of the most important issues for any country. Based on the above considerations, the following scientific proposals and practical recommendations have been formulated to increase the role of international financial institutions in financing the activities of real sector enterprises: First of all, it is necessary to ensure transparency and openness of real sector enterprises. As a result, international financial institutions play a key role in directly financing real sector enterprises. Second, it is necessary to increase the export potential of enterprises in the real sector of the economy, as this will allow timely repayment of loans in foreign currency. It also speeds up the lending process. In addition, the use of digital technologies in almost all areas of human activity is growing rapidly globally.

In recent years, a number of decrees and resolutions of the President have been adopted in the field of development of the digital economy, not only in agriculture, but also in the Republic of Uzbekistan. At the same time, experts say that due to digital transformations, the total productivity of agriculture should increase by almost 60% by 2030, so that there will be no shortage of food. In addition, in connection with these trends and innovations in the field of digital agro-technologies, the draft concept of "Smart Agriculture" in the agricultural environment of Uzbekistan was submitted to the Cabinet of Ministers of the Republic of Uzbekistan for general consideration and discussion. published on the portal of legal documents. The main purpose of this concept is to increase crop yields, increase livestock productivity, protect crops and land from pests and various insects, eliminate the impact of external crops on the yield of different crops, as well as the introduction and production of modern agricultural methods culture. Particular attention is paid to the introduction of high technologies and digital management in agriculture of the Republic of Uzbekistan.

REFERENCES:

1. Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis on January 24, 2020. // People's Word, January 25, 2020.
2. Lapidus L.V. Digital economy: management of electronic business and electronic commerce. - M.: INFRA-M, 2018. -381 p.
3. Decree of the President of the Republic of Uzbekistan PF-4947 "On the Action Strategy for further development of the Republic of Uzbekistan". February 7, 2017.



4. Arifjanova Ya. "Issues of developing cooperation between Uzbekistan and the Asian Development Bank" / Scientific-electronic journal "International Finance and Accounting" №3.
5. www.adb.org - (Asian Development Bank website).
6. G.Q.Qosimova, F.M.Mulaydinov. Problems of innovative development in the economy and business. Science and culture in the eyes of young scientists and leaders: International scientific-practical online conference, June 26, 2020. "Kokand." Pages 172-174.
7. <https://www.greenbiz.com/article/3-circular-economy-trends-defined-2020>.
8. Mulaydinov, F., & Nishonqulov, S. (2021). The role of information technologies in the development of the digital economy. The role of information technologies in the development of the digital economy.
9. G.Q. Qosimova, F.M. Mulaydinov. Problems of innovative development in the economy and business. Science and culture in the eyes of young scientists and leaders: International scientific-practical online conference, June 26, 2020. "Kokand." Pages 172-174.
10. Shokirjon o'g'li, A. D., & Solijon o'g'li, T. U. (2022). The Application of Digital Technologies to Enterprises and Organizations Will Help Reduce Social and Economic Costs. Eurasian Journal of Learning and Academic Teaching, 4, 131-140.
11. Kambarov, J., Rakhmatov, U., Rakhmonov, N., & Sultanova, Y. (2020). Problems and solutions for the implementation of the industry-4.0 program in Uzbekistan. Journal of Advanced Research in Dynamical and Control Systems, 12(2), 2677-2683.