WAYS OF MODERNIZATION OF AGRICULTURE OF UZBEKISTAN

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Abstract: Value and role of agrarian sector in development of a national economy of Uzbekistan is very great. Climatic conditions of the republic favor to successful development of agricultural branch. This article is devoted to the analysis of the priority directions in modernization and technological updating of agro-industrial complex, to consideration of opportunities of the organization of the international cooperation in realization of agricultural production, in particular cotton fiber. In article data on a share of production of agriculture are provided in the general commodity turnover, the orientation of economic policy of Uzbekistan on systematic reorientation of export of cotton fiber to finished goods with a high value added is noted. Among the main directions of modernization privatization of state farms and their transformation in shirkat and farms on the terms of long-term rent are called also. Value of rational water use and introduction in this regard effective technologies, construction of modern hydraulic engineering constructions is especially emphasized. In article some features of the investment policy directed on further lifting and development of agro-industrial complex are also opened. The main emphasis is thus given on introduction of innovations in agricultural branch.

Keywords: economy, economic processes, agriculture, agro-industrial complex, implementation, agricultural sector, transitional economy, economic cooperation, enterprises.

Today the main problem of developing countries with a transitional economy is modernization of economic processes and transition to an innovative way of development. Without it, it is impossible to overcome lag from the developed countries and to strengthen positions in global economy. The agriculture is one of the main and vital branches of the national economy of any country. In economy of many states of the world it is difficult to overestimate a place of agro-industrial complex. Agrarian and industrial complex and agriculture as its main component, occupy considerable part of an internal gross product of the countries. In Uzbekistan agriculture as the large branch, is one of the priority directions of economy Uzbekistan. Today in rural areas lives 63% of the population of the country. The natural conditions of the Republic are favorable for the development of agriculture. The abundance of solar heat and light, mild short winter, fertile irrigated soils, good pasture allow for planting cotton, and other valuable heat-loving crops, get high and stable yields of fruits and vegetables, raise cattle, poultry, and fish. In his work, the President of the Republic of Uzbekistan I.A. Karimov noted: unfortunately, we have accepted the upgrade to understand mainly modernization of industries.

However, the leading sphere of our economy as agriculture, no less than industry, in dire need of modernization, technical and technological renewal of practically the entire complex of the affiliated branches and productions». In addition, speaking at the government session on the results of socio-economic development of the country in 2012 and the most important priorities for 2013 President of Uzbekistan I. A. Karimov noted that the collected 6 million 800 thousand tons of grain, nearly 3.5 million tons of cotton, more than 8.2 million tons of vegetables and melons, about 3 million tons of horticultural products, produced 6.6 million tons of milk, more than 1.5 million tons of meat, more than 3.5 billion pieces of eggs. Together, we cannot fail to see those big of potentialities that are stored in the sphere of agriculture, and related, first of all, implementation of measures on improvement of land fertility, holding at the proper level all farming activities, introduction of modern agricultural technologies, further development of plant breeding and seed production, organization and stimulation of labor.

As seen from dynamics (see Fig. 1 and 2) the volume of agricultural production has been steadily growing and the reduction in the number of registered enterprises and organizations in agriculture is
associated with their integration. Today 25.6% of domestic are the share of a share of agriculture the Gross Product of the republic, 90% of the food, 55% of currency receipts and about 70% of all commodity turnover. This branch provides the population with food, and various industries with raw materials. Growing annually 3.5 to 4 million tons of raw cotton (which is produced 1.0-1.2 million cotton fiber), the country is the world's largest producer and exporter of cotton.

If in 2012, Republic of harvested cotton about 3.5 million tons of cotton, at the end of October of the current year raised over 3.35 million tons of crops 90% cotton of high grades. In the 90 years of the Republic processed only 7% of the grown cotton fiber, today this figure exceeds the 33%. Last October 2013, IX international Uzbek cotton fair, there were signed contracts for sale of more than 590 thousand tons of cotton fiber and supply of textile products worth over USD 1.0 billion.

Today the economic policy of Uzbekistan is aimed at systematic reorientation of exports of cotton fiber to finished products with high added value. To do this, in the textile industry created, new enterprises are actively involved investments, working enterprises equipped with modern equipment and technologies, and by introducing advanced production methods and innovative projects being implemented. At the same time the part of cotton in the form of raw materials is realized through annual International Uzbek cotton fair organized in Tashkent and the exchanges. For cotton export in the republic well debugged system of logistics which consists of cotton terminals, transport infrastructure and route corridors are created.

In Uzbekistan today, there are 22 specialized cotton terminals, including five with the free warehousing and efficient performance of the infrastructure for delivery of the purchased volume fiber to the destination formed transport corridors. Their network is constantly expanding, with the participation of many of the leading international logistics centers. The total volume of simultaneous storage is more than 400 thousand tons of cotton fiber.

By results of the exchange auction, both parties receive the contract registered at the exchange. Within 15 banking days, the buyer needs to carry out pre-shipment inspection and to bring the deposit which is completely covering an amount of transaction. They arrived means of the buyer are blocked on special accounts and will be unblocked only in case of performance of the contract, or executions of contract obligations for fault of the seller come back to the buyer, in case of not. After transition of the property rights to goods, owner has the right of free exposure to the repeated exchange auction.

In the framework of the implementation of the Protocol of the 13th session of the intergovernmental Commission on economic cooperation between the Russian Federation and the Republic of Uzbekistan, Moscow stock exchange (MSE) jointly with the Russian Cotton Community began to implement the project on exchange trade cotton fiber. Project on stock trading raw cotton is held under the supervision of the Ministry of economic development and Ministry of industry and trade of Russia. In the framework of the project on exchange trade of raw cotton MSE plans to appear on the stock market vendors from Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan.

Other important products of agriculture of the republic are crude silk, fruit, vegetables, grapes, melons, karakul, wool which significant amount is exported to neighboring countries. By expert estimates, the
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The republic only at the expense of export of fruit and vegetable production can increase in the long term currency receipts to 8-10 billion euro a year. For 1991-2010 production of vegetables per capita increased for 162.3%, potatoes by 4 times, fruit by 2.5 times.

Considering the indicators of agricultural products can be noted the growth in almost all indicators. For example, if the growth of agricultural production has grown in 2012 by 6.6%, over half of 2013 the growth of this indicator amounted to 7.3%. Over half of 2013 created 1138 animal farms with total number 38 thousand cattle, 592 poultry farms of 4.5 million birds, 601 fishery 3.4 thousand hectares of artificial reservoirs, as well 1428 beekeeping farm.

The cattle population has reached 10.3 million heads (105.1% against the same period in 2012), produced 831,7 thousand tons of meat (107%), 3.4 million tons of milk (107.1%) and 2.3 million pieces of eggs (116.9%), 2.2 million tons of vegetables (114.2%), 1.1 million tons of potatoes (111.9%), 135.7 thousand tons of melons and gourds (112.3%), 710.7 thousand tons of fruits (110.6%), and 19.9 thousand tons of grapes (112.7%). Processed 192.3 thousand tons of fruit and vegetables, or 8.3 percent more compared to the same period in 2012, including 114.2 thousand tons of vegetables and 78.1 thousand tons of fruits. Despite the changeability of the weather conditions, on which depends the harvest, from the comparison of indicators for a short period of time shows that many of them achieved growth. To date, all the state farms and agricultural enterprises have been privatized and transformed into shirkat farms, cooperatives, joint stock companies and other entities. Since 2004, introduced the rental form of land use for all forms of management, in addition to dekhkan farms. The land plots are farmers for long-term rent from 30 to 50 years, while the minimum size of farms. Though today in the republic there are 22 million 614 thousand hectares of the lands suitable for cultivation of agricultural production, and also 10 million 201 thousand hectares of reserve lands.

The control system of a water management is transferred from the administrative principle to the reservoir principle; on the republic 10 reservoir managements of irrigational systems and management of the main channels having joint dispatching system across Fergana Valley are created. For improvement of level of service of farms associations of water consumers are created.

At the present time in Uzbekistan the main objectives and outlines modernization, are formed the main conditions and mechanisms, formed a critical mass of agents of innovation development. The country enters the start of the next modernization breakthrough. The new stage should fully reveal the potential of agro-raw materials complex of the Republic. Today the Republic has attracted in the agricultural sector of the order of $700 million for infrastructure and institutional projects through loans and grants of international financial institutions – World Bank, Asian development Bank, Islamic development Bank, and others.

Only in sector of a water management at the expense of means of the foreign states and the international financial institutions within 21 projects works for the sum of 255 million dollars on 1637 hydraulic engineering constructions are performed, irrigated networks and inter-economic collectors more than 500 km long are constructed, works on laser alignment of 1174 hectares of the area of the earth are performed, is brought about 300 agricultural machinery, 14 large pump units, 8 dredges and 4 water-wheels answering to the international standards.

Besides, in 2010 Uzbekistan joined the agreement on creation of the International fund of agricultural development (IFAD) that is an additional source of financing of investment projects in the sphere of a rural and water management. Also, a number of programs of support of agricultural sector of the republic work from the different states. For example, the 3-year Program "Development of Agricultural Communications" worth $5 million financed by Agency of the USA on the international development (USAID), is aimed at increase of productivity of grapes and some types of fruit-trees, such as a pear, an apple-tree, a quince, cherry and a peach.

The program also cooperates with associations of water users, the agro firms which have been recently privatized by collective farms, and other organizations inviting farmers to visit demonstration sites of the project, informs the edition. The purpose of the program consists in helping to open the capacity of fruit and vegetable economy of Uzbekistan. Despite the reached successes of attraction of investments, on this way of modernization there is a huge potential and need for investments.

Owing to the objective reasons of low investment appeal of agriculture, the republic has to initiate and encourage mutual investments with CIS countries, first of all Russia, Ukraine, Belarus and Kazakhstan. If to concern relationship of Uzbekistan and Russia, it should be noted that between two countries in 2004 the
Contract on strategic partnership, in 2005 – the Contract on the allied relations on the basis of which present cooperation develops was signed.

In General, we can say that the relations are premised on 276 documents of different levels. Bilateral trade has shown positive dynamics and in 2010 it has grown by almost 50 percent and amounted to USD 6.4 billion. Uzbekistan exports to Russia, natural gas, agricultural products, transport and communication services, vehicles, textiles and more.

From Russia to Uzbekistan imports mechanical and electrical equipment, vehicles, ferrous and non-ferrous metals and metal products, chemical products, pharmaceuticals, wood and woodworking products. Dynamics of investment cooperation is evident in the increase in the number of joint ventures. In Uzbekistan there are 843 Uzbek-Russian joint ventures.

Besides, 135 firms and the companies of Russia opened the representations in Uzbekistan. In the Russian Federation function 385 joint ventures created with participation of the Uzbek partners. The volume of investment, enclosed by the Russian side in formation of an authorized capital of data of the enterprises, exceeds 1 billion dollar of the USA. For the last years over 98% of direct Russian investments in economy of Uzbekistan fall generally on fuel and energy complex and the sphere of the telecommunications, about 2% – on all other branches.

It is necessary to emphasize also that development of domestic agro-industrial production is possible only at integration of the interfaced participants of business. However, despite a certain mass of advantages which are realized by industrial and production subsystems of agrarian and industrial complex and are already realized by them at integration, in many cases they are used not in full that, first, reduces a positive synergy of association of subjects, and secondly, testifies to preservation of some imbalance in management of organizational development and interface of target interests. Elimination of an essential share of noted shortcomings and creation of conditions for mobilization of integration advantages seems possible during formation of cluster associations.

Another direction of modernization of the agricultural sector is the introduction of innovations, which can ensure more effective use of competitive advantages in production of different kinds of food. In addition to investments in the development of the raw materials base, modernization and creation of new processing facilities for the production competitive on external markets, it is necessary to highlight other areas of investment in agriculture, which are equally important for the translational motion of the countries of the region towards the creation of effective, having a real incomes of the population and the state sector of the economy.

In such priority areas of investment, in our opinion, should be the development of export infrastructure (creation of a network of large, modern bases of storage of fruit and vegetables, development of optimal route of transportation of the target markets, increase of capacity of fruit and vegetable terminal), the creation of large interstate fruit and vegetable assets (establishment of the agricultural transnational companies), as well as the development of the industry of high-tech manufacturing processed agricultural products.

References