

## ENTERPRISES OF THE FRUIT AND VEGETABLE AGROCLUSTER IN UZBEKISTAN AND ISSUES OF INCREASING THEIR ECONOMIC EFFICIENCY

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**Abstract:** Providing the population of Uzbekistan with food products and ensuring economic growth through the export of fruits and vegetables to the world market is one of the pressing issues of our time. This article reveals the importance of the development of fruit and vegetable growing and viticulture in our country, including in the Andijan region, and the features of improving the management system in the activities of enterprises of the fruit and vegetable cluster in this area, and also emphasizes the importance of regulatory documents for the development of the industry and the importance of the ongoing with this work

**Key words:** economy and agricultural sector, integration, fruits and vegetables, food security, exports, investments, cluster, greenhouses, farmers, leasing, lending, financial support.

**Introduction.** In Uzbekistan, the direction that gives the closest and fastest results to the lifestyle of our people while constantly improving the welfare of the population is the organization of high-income intensive production in agriculture. Taking into account the need to use our existing potential to the fullest and to get a correspondingly large income, this sector has been reforming in our country in recent years.

Initially, in order to ensure the effective development of fruit and vegetable growing in Uzbekistan, to expand the production of high-quality and competitive finished products, and to introduce them to large foreign markets, on March 29, 2018, the President of the Republic of Uzbekistan "On additional measures for the rapid development of fruit and vegetable growing in the Republic of Uzbekistan" PF-5388 by decree no. an experiment on supporting the creation of a cluster method in agricultural production in the field of fruit and vegetable products was launched in Surkhandarya region.

Also, the President of the Republic of Uzbekistan Sh. As noted in Mirziyoyev's traditional address to the members of the Oliy Majlis on January 24, 2020: "The state order for the cultivation of cotton and grain will be canceled. In the future, the Ministry of Agriculture will abandon instructions, allocation of resources, setting plans, etc. Cheap loans will be allocated to other sectors of the agricultural sector. After that, this

year, equal to 2 billion US dollars, the next In 5-7 years, it is planned to export 3-4 times more fruit and vegetable products. This year alone, water-saving technologies will be introduced on 44,000 hectares of land." [4]

Decree No. PF-5853 of the President of the Republic of Uzbekistan dated October 23, 2019 "On approval of the strategy of agricultural development of the Republic of Uzbekistan for 2020-2030", Ensuring the implementation of the decision No. PQ-4549 of December 11, 2019 "On further development of the fruit and vegetable and viticulture network, additional measures to create an added value chain in the sector", and in order to provide additional financial support to horticulture and greenhouse farms and fruit and vegetable clusters in the republic, Cabinet of Ministers Resolution No. 102 of February 19, 2020 "On additional financial support measures for horticulture and greenhouse farms and fruit and vegetable clusters", Ministers The implementation of the tasks defined in the decisions of the court No. 130 of March 11, 2021 "On the organization of state financial support for producers of agricultural products" and other regulatory legal documents related to other fields will serve the rapid development of this field.

In the "New Development Strategy of Uzbekistan for 2022 - 2026" approved by the Decree of the President of the Republic of Uzbekistan No. PF-60 dated January 28, 2022, the following was determined:

- To increase the income of peasants and farmers by at least 2 times through intensive development of agriculture on a scientific basis, to bring the annual growth of agriculture to at least 5%.
  - Specialization of districts in cultivation of specific type of product.
  - Expanding the scope of state support in agriculture and implementing new insurance mechanisms.
  - Development of 464,000 hectares of new and disused land and allocating it to clusters on the basis of open selection, reduction of 200,000 hectares of cotton and grain areas and long-term lease to the population on the basis of open selection.
  - Tasks such as cultivation of export-oriented products and development of fruit and vegetable cultivation, increasing the area of intensive gardens by 3 times and greenhouses by 2 times and increasing the export potential to 1 billion US dollars were set [3].

President of our country Sh. One of the initiatives put forward in Mirziyoyev's speech at the Shanghai Cooperation Organization Summit was the idea of developing agro-industry clusters. This innovative idea was quickly recognized by the world scientific community [3]. President Sh. Based on Mirziyoyev's direct idea, the uniqueness, innovation, strategic importance of the innovative cotton textile cluster system implemented in Uzbekistan in increasing the quality of life of the people and

the country's export potential have been thoroughly analyzed from both a scientific, theoretical and practical point of view.

These include PF-5388 of the President of the Republic of Uzbekistan dated March 29, 2018 "On additional measures for the rapid development of fruit and vegetable growing in the Republic of Uzbekistan" and PF-5388 dated October 23, 2019 "On approval of the strategy for the development of agriculture of the Republic of Uzbekistan for 2020-2030" Decrees No. 5853 and PQ-3978 dated October 17, 2018 "On additional measures to increase the efficiency of the export of fruit and vegetable products to foreign markets" and March 14, 2019 "On measures to develop agricultural cooperation in the field of fruit and vegetable production" gi PQ-4239 decisions can be cited.

Also, as a number of important reforms that gave a new impetus to the development of agriculture, the strategy for the development of agriculture of the Republic of Uzbekistan for 2020-2030 and the concept of priority development of the system of knowledge and innovation in agriculture in 2021-2025 were approved, the cluster system was introduced, trade was liberalized and exports were approved. incentives, lease (secondary lease) of agricultural land, introduction of subsidies for the use of water-saving technologies, opening of AKIS (Agricultural Knowledge and Innovation System) agro-services center, etc.

As a result of the attention and opportunities given by our state, it had a positive effect on the development of agriculture in the country. A total of 465 agroclusters have been established in various fields in the agricultural sector, including 146 fruit and vegetable farms, 157 grain farms, and 122 cotton textile farms. the share of fields increased from 1.7 percent to 24 percent. Water-saving technologies were implemented in them.

Changes in the legislation related to trade liberalization and export promotion in our republic made it possible to increase the export of fruit and vegetable products by 1.7 times, from 652.3 million dollars to 1,134.3 million dollars in 2017-2022. Today, 3142 greenhouses are operating, of which 1622 have been built and put into operation in the next 5 years, their total area is 6300 hectares. In 2019-2022, Uzbekistan improved its position in the Global Food Security Index by 12 places and rose from 85th to 73rd place. [13]

In 2017-2022, the export value of fruits and nuts showed a 1.5-fold increase, that is, the export volume in 2017 will be 417.2 million US dollars, and in 2022 it will be 618.6 million US dollars. In the years analyzed above, the geography of fruit and nut exports expanded to 18 more countries, such as Belgium, Algeria, Mexico, Brazil, and Slovakia. Russia (361.3 million US dollars), Kazakhstan (118.4 million US dollars), Kyrgyzstan (26.4 million US dollars), China (19.2 million US dollars) and Turkey (13 .6 million US dollars).

**The five main export markets of Uzbekistan in 2017-2022 according to the dynamics of export of fruits and nuts. [12]**

2017 year	Countries	2022 year	% in 2022 compared to 2017
80,6 million US \$	Russia	361,3 million US \$	4,5 times
236,9 million US \$	Kazakhstan	118,4 million US \$	50,0
22,5 million US \$	Kyrgyzstan	26,4 million US \$	117,3
17, million US \$	China	19,2 million US \$	112,9
14,3 million US \$	Turkey	13,6 million US \$	95,1

According to the decision of the Cabinet of Ministers of the Republic of Uzbekistan No. 752 dated September 21, 2018 "On additional measures for the development of fruit and vegetable growing in the Andijan region in a cluster method", diversification of agriculture in the Andijan region, suitable for the natural and climatic conditions of the regional districts, fertile and exportable fruit- placement of varieties of vegetable crops, widespread introduction of a cluster system that fully covers the process of cultivation, storage, processing and sale of products that fully meet the demand of the foreign market, in order to create new jobs, to increase the material interest of the participants in the process of growing and processing fruit and vegetables, in the Andijan region, the limited liability companies "Premium Agro Gold" and "Navigul" and the farm "Dream of a Prosperous Life" have grown, stored, processed fruit and vegetable products Model fruit and vegetable clusters specialized in production and sale were established and the following tasks were defined:

- on the basis of the study of advanced foreign experiences in fruit and vegetable cultivation, their wide use in regional conditions and the involvement of foreign experts in the implementation of the cluster system in the field of fruit and vegetable growing;
- cultivation of agricultural products that fully meet the demand of the foreign market, assimilation and development of their selection and seed breeding in the future in our country;
- tasks such as introducing a system that fully covers the process of planting, growing, storing, processing and selling fruitful fruit and vegetable crops, as well as introducing modern innovative, resource-saving technologies into the process of growing fruit and vegetable products and observing phytosanitary rules.

From this point of view, in order to consistently implement the decisions of the President of the Republic of Uzbekistan and the Cabinet of Ministers, by establishing fruit and vegetable cluster enterprises in Andijan region, ensuring food security and increasing the export potential of our country is being achieved.



In 2019, the organization of fruit and vegetable agroclusters in Andijan region was carried out in two stages. Initially, in 9 thousand 469 hectares of 22 thousand 764 hectares of cultivated land in Buloqbashi, Khojaabad, Andijan, Asaka, Jalakuduq, Oltinkol and Balikchi districts, "Navigul XK", DX "Andijan Vegetables", "Prosperous Life Dream", "Agro Asia Cluster", " "Sadaf Niholi" was added to agroclusters. In the second stage, agroclusters were established on 2,463 hectares of 10,484 hectares of cultivated land in Boston, Marhamat, Ulug'nor, Shakhrikhan, Korgontepa, Izboskan districts.

In general, 11 thousand 932 hectares of land in Andijan region were attached to agroclusters specializing in fruit and vegetable growing. As a result, in 2020, the primary processing of 62,900 tons of fruits and vegetables and storage of 27,200 tons of products in freezers became possible in the agrocluster system. As a result of the implementation of new projects planned in 2021, the possibility of primary processing of 71,900 tons of products, storage of 33,800 tons of products in freezers and year-round supply to the population was created.[14]

In this case, the intensive garden and greenhouses built for the initiators of the project were approved by the Cabinet of Ministers of the Republic of Uzbekistan "On measures for the development of horticulture, viticulture and greenhouses within the framework of family entrepreneurship support programs" It is provided on the basis of leasing and credit conditions in accordance with the regulation on the procedure for establishing intensive gardens and vineyards, building greenhouses and providing them to the population on the basis of lease and credit terms, approved by the decision No. 52 of January 30, 2020.

#### **Indicators of fruit-vegetable and grape cultivation in Andijan region[14]**

Se/ num b	Indicators	Unit of measure	2017y.	2018y.	2019y.	2020y.	2021y.
1	Fruits and berries	tons	568 706	606 053	633 364	634 048	657 480
	including -seed	tons	265 086	308 602	302 356	303 794	x
	- grainy	tons	227 777	216 586	249 719	229 386	x
	- nutty	tons	18 722	28 255	28 975	41 604	x
	- subtropical	tons	55 380	50 982	46 804	54 079	x
	- berries	tons	1 345	407	1 568	1 916	x
2	Vegetable	tons	1478 128	1570 917	1596891	1 611 054	1 645 197
3	Grapes	tons	78 849	71 247	77 630	76 817	80 896

As can be seen from the table, in Andijan region in 2017-2021, fruit and berry production increased from 568,706 tons to 657,480 tons or 115.6 percent, vegetable production increased from 1,478,128 tons to 1,645,197 tons, or 111.3 percent, and

grape production increased from 78,849 tons to 80,896 tons or increased to 102.6 percent.

In general, the decisions of the President of the Republic of Uzbekistan and the Cabinet of Ministers on the regulation of agroclusters have been adopted today, and they are the normative legal document on the establishment of certain clusters and the allocation of land to them.

At the same time, the analysis of the agroclusters operating in practice shows that there are the following systemic problems in the field:

- We believe that it is appropriate to adopt a single regulatory legal document regulating agroclusters and establish the legal status of clusters;
- The need to improve the organization of agroclusters, their selection criteria, as well as uniform and transparent mechanisms for allocating land to them;
- The need to improve the system of formation of agroclusters in Uzbekistan based on foreign practice and the need to widely introduce the system of information and consulting services in the agricultural sector, the need to attract competent and qualified specialists to strengthen the development of the sector;

We believe that it is appropriate to establish mutual cooperation relations and implement free contractual relations in the Agrolaster system, to improve management using the experiences of global practice in business management.

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