Marketing Problems in Agriculture Export of the Republic of Uzbekistan

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Abstract
This article examines the current state of the efficiency of the agricultural production and marketing system, the existing problems and the current state of the impact of the marketing system on pricing and product management, and analyzes the supply of products to consumer markets. The analysis shows that farmers and private farms specialize in producing more of the same type of food.

Keywords: Product, Market, Analysis, Farmer, Production, livestock, fishing, land, agriculture, shop

As a result of the reforms carried out in our country in recent years, positive changes are observed in agriculture. (Table 1). As can be seen from the data in the table, the volume of production increases due to a decrease in the area of land.

Table 1 The volume of agricultural production in the Republic of Uzbekistan in 2015-2019

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<tr>
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</thead>
<tbody>
<tr>
<td>Arable land for agricultural crops, thousand hectares</td>
<td>3694.2</td>
<td>3706.7</td>
<td>3474.5</td>
<td>3396.0</td>
<td>3309.4</td>
</tr>
<tr>
<td>Agricultural production, billion soms</td>
<td>99604.6</td>
<td>115599.2</td>
<td>148199.3</td>
<td>187425.6</td>
<td>216283.1</td>
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<tr>
<td>including:</td>
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<tr>
<td>Agriculture</td>
<td>55429.2</td>
<td>61755.1</td>
<td>83303.4</td>
<td>98406.4</td>
<td>111904.8</td>
</tr>
<tr>
<td>animal husbandry</td>
<td>44175.4</td>
<td>53844.1</td>
<td>64895.9</td>
<td>89019.2</td>
<td>104378.3</td>
</tr>
<tr>
<td>Growth rates of agricultural production as a percentage of last year</td>
<td>106.1</td>
<td>106.3</td>
<td>101.0</td>
<td>100.2</td>
<td>103.3</td>
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<tr>
<td>including:</td>
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</tr>
<tr>
<td>Agriculture</td>
<td>105.5</td>
<td>105.7</td>
<td>98.2</td>
<td>95.8</td>
<td>104.8</td>
</tr>
<tr>
<td>animal husbandry</td>
<td>106.9</td>
<td>107.0</td>
<td>104.1</td>
<td>105.7</td>
<td>101.6</td>
</tr>
</tbody>
</table>

If you look at comparable prices, then in 2015-2016, there was a positive trend in the industry, that is, the growth rate was at least 6%. In subsequent years, the pace of production slowed down and, one might say, will recover by 2019. We can see the production of agricultural products in the following diagrams (Figures 1 and 2).
Analyzing the composition of agricultural production, the bulk of production is produced by farms (Table 2.2).

**Figure 1. Dynamics of agricultural production in the Republic of Uzbekistan in current prices, billion soums.**

**Figure 2. Dynamics of agricultural and livestock production in the Republic of Uzbekistan, billion soums.**

Analyzing the composition of agricultural production, the bulk of production is produced by farms (Table 2.2).

<table>
<thead>
<tr>
<th>All farm categories</th>
<th>Including:</th>
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<tbody>
<tr>
<td></td>
<td>Jami</td>
<td>Agriculture</td>
<td>Livestock</td>
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<td>100</td>
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<td>100</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>30.7</td>
<td>66.9</td>
<td>2.4</td>
<td>52.0</td>
<td>46.2</td>
<td>1.8</td>
<td>4.0</td>
<td>92.9</td>
</tr>
<tr>
<td></td>
<td>29.7</td>
<td>68.0</td>
<td>2.3</td>
<td>52.0</td>
<td>46.4</td>
<td>1.6</td>
<td>3.9</td>
<td>92.9</td>
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</tbody>
</table>
The composition of agricultural production in 2015, %. 

<table>
<thead>
<tr>
<th>Year</th>
<th>Fermer xo`jalik lari</th>
<th>Dehqon xo`jaliklari</th>
<th>Qishloq xo`jaligi tashkilotlar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov 17</td>
<td>29.3</td>
<td>68.4</td>
<td>2.3</td>
</tr>
<tr>
<td>Oct 2018</td>
<td>26.0</td>
<td>71.2</td>
<td>2.8</td>
</tr>
<tr>
<td>Dec 2019</td>
<td>27.9</td>
<td>68.3</td>
<td>3.8</td>
</tr>
<tr>
<td>Feb 2020</td>
<td>27.8</td>
<td>68.0</td>
<td>4.2</td>
</tr>
</tbody>
</table>

The structure of agricultural production in 2020, %. 

<table>
<thead>
<tr>
<th>Year</th>
<th>Fermer xo`jalik lari</th>
<th>Dehqon xo`jaliklari</th>
<th>Qishloq xo`jaligi tashkilotlar</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>30.7</td>
<td>66.9</td>
<td>2.4</td>
</tr>
</tbody>
</table>

The composition of agricultural production in 2015, %.

The structure of agricultural production in 2020, %.
If we turn to the current analytical data, then in January-December 2019, the total volume of products (services) in agriculture, forestry and fisheries amounted to 224.3 trillion. soums or 102.5% to the corresponding period of 2018, including agriculture and animal husbandry, hunting and services in these areas - 217.2 trillion. soums (102.4%), forestry - 5.7 trillion soums. soums (101.8%), fishing - 1.4 trillion soums. soums (127.0%).

96.9% of the total volume of products (services) in agriculture, forestry and fisheries falls on agriculture and animal husbandry, hunting and services in these areas, 2.5% - forestry and 0.6% - fishing.

In January-December 2019, the largest volume of products (services) of agriculture, forestry and fisheries in the regions falls on the Samarkand (30.3 trillion soums) and Andijan (24.4 trillion soums) regions. On the contrary, the smallest in terms of area are the Syrdarya region (7.3 trillion soums), the Republic of Karakalpakstan (8.1 trillion soums) and the Navoi region (10.3 trillion soums).

The share of agriculture, forestry and fisheries in GDP was 28.1%. The impact of this sector on the absolute GDP growth rate was 0.7 percentage points. As of January 1, 2020, the number of farms was 92.6 thousand, dehkan (personal) farms - 5 million, organizations engaged in agricultural activities - 27.6 thousand. Of the total number of farms, cotton and grain - 40 thousand, gardening and viticulture - 31 thousand, livestock - 14.8 thousand, vegetables and melons - 5 thousand, other areas - 1.8 thousand.

The volume of agricultural production in January-December 2019 amounted to 215.7 trillion. soums or 102.7% to the corresponding period of 2018, including agricultural products - 108.3 trillion. soums (103.7%), livestock products - 107.4 trillion soums. soums (101.7%).

The volume of agricultural products in January-December 2019 amounted to 108.3 trillion soums, or 103.7% compared to the same period in 2018. The share of agricultural products in the total agricultural production amounted to 50.2%.

In 2020, we see that reforms in the agricultural sector have yielded results. In addition, government measures to prevent the spread of the coronavirus pandemic in the country have yielded positive results.

In January-December 2020, the total volume of products (services) in agriculture, forestry and fisheries amounted to 260.3 trillion. Sumov. soums, including agriculture and animal husbandry, hunting and services in these areas amounted to 251.8 trillion soums. soums, forestry - 6.7 trillion. soums, fishing - 1.8 trillion. soums.

In January-December 2020, the volume of products (services) in agriculture, forestry and fisheries increased by 103.0% compared to the same period last year, including agriculture and livestock, hunting and services in these areas - 102.9% , forestry - 101.7%. , fishing - 119.8%.

The share of agriculture, forestry and fisheries in GDP was 28.2%. The impact of this sector on the absolute GDP growth rate was 0.8 percentage points.

At the end of January-December 2020, 96.7% of the total volume of products (services) in agriculture, forestry and fisheries - agriculture and animal husbandry, hunting and services in these areas (96.9% in January-December 2019), 2 , 6% - forestry (2.4%) and 0.7% - fishing (0.7%)

In January-December 2020, the largest volume of products (services) of agriculture, forestry and fisheries was registered in Samarkand (33.629 billion soums), Andijan (27.117 billion soums) and Tashkent (25.815 billion soums) regions. On the contrary, Syrdarya region (8 689 billion soums), the Republic of Karakalpakstan (10 444 billion soums) and Navoi region (11 900 billion soums) can be called small territories.

The volume of agricultural production in January-December 2020 amounted to 249.8 trillion soums. soums (101.7%).
soums. soums or 102.8% compared to the same period last year, including agricultural products - 123.6 trillion. soums (103.4%), 49.5%, livestock products - 126.2 trillion. soums. soums (102.1%) accounted for 50.5%.

In January-December 2020, farms of all categories produced 7 566.6 thousand tons. grain crops (1.7% more than in January-December 2019), 3143.5 thousand tons. potatoes (1.7% more), 10 459.5 thousand tons. vegetables (2.4% more), 2134.4 thousand tons. melons (more by 3.2%), 2 864.0 thousand tons. fruits and berries (up 4.0%), 1639.2 thousand tons. grapes grown (2.2% more).

Among the regions, the main part in the structure of grain production is occupied by the Kashkadarya region, its share was 11.7%. The largest share is noted in Samarkand (10.7%), Fergana (10.0%), Jizzakh (9.7%) and Surkhandarya (9.0%) regions. Low rates were observed in the Navoi region (3.2%) and the Republic of Karakalpakstan (3.7%). The highest growth rates were recorded in Fergana (112.5%), Surkhandarya (110.2%), Samarkand (107.5%) and Andijan (105.2%) regions.

The largest volume of vegetable production - 6,940.6 thousand tons, or 66.3% of the total cultivation was registered in dekhkan (personal helpers) farms. The minimum volume of 258.4 thousand tons or 2.5% of the total cultivation was observed in organizations engaged in agricultural activities. Compared to the corresponding period of 2019, there was an increase in farms by 2.5%, in dekhkan (personal) farms - by 1.8%, as well as by 17.4% in organizations engaged in agricultural activities.

Among the regions, the main part of the structure of vegetable growing is occupied by the Samarkand region, its share was 15.6%. The largest share is noted in Andijan (15.4%), Fergana (10.8%), Tashkent (10.2%) and Surkhandarya (9.7%) regions. Low rates were observed in the Republic of Karakalpakstan (2.8%) and Navoi region (2.8%). The highest growth rates were recorded in the Bukhara region (105.4%), the Republic of Karakalpakstan (105.1%), Surkhandarya (104.3%) and Fergana (103.5%) regions.

The current state of the efficiency of the system of growing and marketing agricultural products, the existing problems and the current state of the influence of the marketing system on the formation and management of prices for products, as well as the provision of consumer markets with products are studied, analyzed. The analysis shows that farmers and private farms specialize in producing more of the same type of food. In particular, 31% of farmers in Fergana, 28% in Jizzak, 34% in Syrdarya and 33% in Andijan prefer to grow the same product for the free market. Preferred office work.

The widespread use of intermediary services in the sale of products grown by most growers is the main factor influencing consumer prices (Figure 3). They are also more interested in market size and price fluctuations because intermediaries study consumer markets after the product is grown. This means that the share of manufacturers in the structure of prices for products offered for sale averages 45-50 percent. The final price is formed at the expense of additional interest rates for the services of third parties. In particular, the average interest rate is 17-18% in transport, 20-25% in wholesale and 15-20% in retail.

In fact, one of the important issues is to provide the population with original (natural) agricultural products, especially in autumn and winter, as well as to study the effect of seasonal fluctuations in market prices on the purchasing power of consumers during these periods. One of the main factors in market price fluctuations is bringing products to markets without accurate forecasting of consumer demand. Indeed, the lack of a fully developed mechanism to tackle this problem has led to seasonal fluctuations in consumer prices with sharp price fluctuations compared to the winter and spring seasons.

In the current practice, not only an increase in the volume of agricultural and food products in farms and dekhkan farms, but also factors affecting the efficiency of buyers and sellers, require
consideration and analysis taking into account the interests of this category of entities. They consist, first, that population growth lays the foundation for consumer demand growth; secondly, the growth of incomes of the population will increase their demand for additional services at the time of purchase, prompting them to buy relatively high-quality goods; thirdly, such as a convenient location of points of sale and terms of service, taking into account the wishes of consumers.

The analysis shows that sales channels also have a significant impact on the formation of prices for agricultural products produced for the market. According to the results of a monographic study and analysis of statistical data, in 2016 46% of products sold fell to the share of farmers’ markets, while in 2018 this figure was 35.2% (Table 2).

During this period, the share of supermarkets and retail stores in the volume of sales of agricultural products increased from 14.1% to 22.4% due to the creation of favorable conditions for consumer purchases. Thanks to the convenience created in the sales and payment system, the volume of purchases by consumers in large shopping centers is growing.

We have included the following analytical data and proposals for improving the agricultural sales system:

**sales channel through the processing plant:**

Pros:
- Guaranteed buyer; - Prepayment; - legal security; - Presence of a clear market for a certain variety (fruit, viticulture)

Flaws:
- unsatisfactory conditions and form of payment; - low purchase price or disproportionate quality of goods; - Lack of incentives to over-cultivate; - monopoly situation

Offer. Providing daily changes in the purchase price in the contract depending on supply and demand. Mechanism of action. The price must be formed on the exact date of delivery through the database indicated above. In this case, if there is a guaranteed buyer, a 10% advantage may be in the interests of the processor.

**Sales channel through points of sale:**

Pros:
- possession of a relatively high purchasing power; - special packaging, good appearance and relatively long shelf life; - transport and other objects

Flaws:
- impossibility of direct coverage of farms; - there is no demand for products with low marketability; - low volume and scattered location

Offer. Organization of agricultural franchising. Mechanism of action. It is advisable to organize and advertise the shelves of products offered under certain brands and brands in large retail outlets.

**Farmers Markets Sales Channel:**

Pros:
- form of payment (in cash) in accordance with the manufacturer's requirements; - organization of wholesale trade at a convenient time for the manufacturer; - Harmony with the shopping culture

Flaws:
- a sharp difference between wholesale and retail prices; - lack of information on market capacity; - Weakness of the market infrastructure
Offer. Creation of a database on wholesale markets. Mechanism of action. A database based on modern technologies will be created at the entrance to the wholesale markets or on convenient shelves. Provided to the intermediary in case of an increase in the daily supply of products.

**Sales channel through intermediaries:**

**Pros:**
- have daily information on demand, supply and valuation;
- The relative superiority of cars in the convenience of transportation;
- supply of small products.

**Flaws:**
- relatively cheap purchase;
- severing producer-consumer relations;
- low level of competitive faith;
- based on daily activities.

Offer. Legal organization of intermediary services. Mechanism of action. It is necessary to establish a system of legal mediation services and create a support system for farms located at a certain distance. In this case, it may be preferable that the legal status serves the purpose of support.

**Trade fair sales channel:**

**Pros:**
- creation of a favorable environment and conditions for entering the market;
- the ability to quickly attract the attention of consumers;
- Creation of a "national brand" through a proposal under the name of a specific region.

**Flaws:**
- dissatisfaction with the payment system;
- the mechanism of compensation for “lost money” when selling at prices below market prices is not clear;
- existence of problems with registration and registration with the seller.

Offer. Creation of a mechanism for material incentives for fair participants. Mechanism of action. It is possible to develop methods for calculating losses and introduce incentive mechanisms for goods offered at relatively low prices. For example, buying resources of the same value at discounted prices.

**Sales channel through exporters:**

**Pros:**
- relatively high price for a quality product;
- The ability to sell products from the field (at home);
- Variety, packaging improvement.

**Flaws:**
- hypersensitivity to changes in foreign and domestic policy;
- high waste in a highly competitive environment;
- no guarantee of purchase for the next season.

Offer. Improving the insurance system for export-oriented products. Mechanism of action. Introduce a practice together with Uzagroexport and Uzagrosugurta to compensate for the loss of funds through the sale of products grown for export on the domestic market.

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