

Development Of Fruits And Vegetables In Uzbekistan Trends And Prospects

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Abstract

The article deals with the issues of meeting the growing needs of the population in the current complex socio-economic and environmental conditions, the full and effective use of domestic potential to replace imported fruits and vegetables, sustainable development of the fruit and vegetable sector through agricultural modernization and reform. The advantages and opportunities of growing fruits and vegetables in Uzbekistan are scientifically covered.

Keywords: Agriculture, fruits and vegetables, value chain, exports, economic reforms, transport and logistics.

Introduction

Relevance of the topic. It is known that the current natural and climatic conditions in our country allow for the sustainable development of agricultural products, especially fruits and vegetables. Therefore, after gaining independence, great attention is paid to the development of this sector. In other words, the President and the Government of the

Republic of Uzbekistan have paid great attention to the development of fruit and vegetable growing as a priority in the transition to market relations. Indeed, the fact that a significant part of the country's foreign exchange earnings is formed through the sale of fruits and vegetables in foreign markets also indicates the priority of radical reform and rapid development of the industry.

In particular, it should be noted that a number of decrees and decisions have been adopted in recent years. These include the Decree of the President of the Republic of Uzbekistan dated March 29, 2018 PD-5388 "On additional measures for the accelerated development of fruit and vegetable growing in the Republic of Uzbekistan" and Decrees PD-5853 of October 23, 2019 "On approval of the Strategy of agricultural development of the Republic of Uzbekistan for 2020-2030" and PD-3978 of October 17, 2018 "On additional measures to increase the efficiency of export of fruits and vegetables" PD-4239 of March 14, 2019 "On measures to develop agricultural cooperation in the field of fruit and vegetables" examples of decisions. In general, the ongoing economic reforms in the sector provide an opportunity to address the following socio-economic issues:

In economic terms – Fruits and vegetables account for 32.2% of the total agricultural output (8.7% of the country's GDP) and are one of the main incomes of the population in rural areas, which has a direct impact on the development of a number of industries. This sector also plays a key role in the country's agricultural exports;

Social issue – the effectiveness of sustainable development of fruit and vegetables has a direct impact not only on the living standards of the rural population, but also on improving the social welfare of the entire population of the country. Ultimately, the ultimate goal of these reforms is to ensure food security in the country, which is reflected in the positive results of economic reforms in all processes of development of the new Uzbekistan and reflects the increase in living standards.

At the same time, "... the lack of systematic effective market mechanisms in the field, especially in the development of fruit and vegetable growing and viticulture, the lack of a scientific approach leads to underutilization of the existing potential of the industry.

According to estimates, there is an opportunity to earn 7 times more from grapes, 6 times more from cherries and 5 times more from walnuts than from raw cotton grown on 1 hectare" (1).

It is also impossible to say that the existing opportunities for processing, storage and export of these products are being fully used. As the President of the Republic of Uzbekistan Sh. Mirziyoyev noted: "Today, only 15% of fruits and vegetables grown in our country are processed and only 8% are exported. Especially in Syrdarya, Jizzakh, Khorezm, Kashkadarya and Tashkent regions, these figures remain low. Does the fact that 860,000 tons or \$ 620 million worth of fruits and vegetables have been exported this year correspond to our opportunities and potential? No, of course not! Based on the experience of developed countries, there is no equipment for processing orchards and vineyards, sowing and harvesting vegetable and potato seeds, fuel and lubricants, mineral fertilizers, seed supply, disease and pest controls are not organized at the required level."(2).

The Purpose of the Study

Substantiate the role of further development of fruit and vegetable production, processing, storage, logistics and export in the development of the economy. It consists of the development of scientific proposals and practical recommendations aimed at sustainable development of the fruit and vegetable market, increasing its economic efficiency.

Research Tasks

The following main tasks have been identified and solved to achieve the goal of scientific work:

- identification and theoretical coverage of internal and external factors affecting sustainable economic growth;
- Improving the methodology for determining the competitiveness of products based on the specifics of the world market;

- Analysis of the specifics of fruit and vegetable production and the current state of exports;
- Development of an economic mechanism to increase competitiveness in the world market;
- Study of the world experience of state support of the “value chain”, clusters and cooperatives and their application to the conditions of Uzbekistan;
- identify ways to create new jobs and increase incomes;
- identify ways to improve economic and legal relations between market participants;
- identification of potential opportunities, means and sources of their sale to fully meet the demand for fruit and vegetable products in conditions of limited land and water resources;
- Identification of priorities for export promotion and improvement of legal, economic, social and organizational mechanisms for its implementation.

Object of Research

Entities engaged in the cultivation, storage, processing, export and logistics of fruit and vegetable products are the object of research.

Research Subjects

Economic relations at the stage of the value chain of fruit and vegetable products are the subject of research.

Main Part

One of the untapped opportunities is the cultivation of fruits and vegetables along with traditional methods, as well as modern innovative methods, processing them without destroying them, and extending their seasonality. The abundance of freshly preserved fresh fruits prevents the artificial increase in the cost of such products in the markets every winter and spring, and has a positive effect on social protection, eliminating the

need for imports of related products in the winter.

One of the highest factors in the development of competitive products and improving the structure of its range is the implementation of a wide range of nutritional supplements based on the processing of existing natural raw materials in our region. For example, sweet drinks are made using artificial raw materials (tinctures, extracts), most of which are imported at the expense of foreign currency. However, the potential of existing raw materials in the country, competitive raw materials that can be obtained on the basis of processing of fresh fruits, raw material base can reveal dozens of new aspects of the range of beverages. At the same time, it will be possible to restore the operation of hundreds of enterprises of soft drinks of different capacities, which do not have foreign currency for imported raw materials.

The results of the analysis show that the annual growth of fruit and vegetable production requires the elimination of a number of problems and shortcomings in the storage and processing industry, a radical change in the reform of the industry with the widespread use of modern innovative, resource-saving digital technologies. In particular:

- **18.9%** of fruits, **5.6%** of vegetables and melons, **9.5%** of grapes are processed at industrial enterprises in relation to the total production volumes in the country;
- the level of refrigeration for the storage of fruits and vegetables in the regions is **3.7%** (refrigerated warehouses are supplied with only **20-22%** of the product during the year);
- most of the existing refrigerators are obsolete, not technologically updated, modern technology and digital innovations are not applied properly;
- the issue of training qualified personnel for the industry requires an innovative approach, the ability to work with modern equipment with advanced experience, insufficient attention is paid to the training of specialists in the field of processing, storage;

- there is a lack of a systematic approach to the issues of adequate supply of modern and technological requirements and volumes of products of storage and processing enterprises;

- transport and logistics are lagging behind;

- In recent years, fruit and vegetable growing is carried out on the basis of intensive technology. As a result, the resources used in agriculture, including YMM, chemicals (255 thousand tons of phosphorus, 290 thousand tons of nitrogen fertilizers for fruits and vegetables are lacking) and rising seed prices, low incomes of the rural population, as well as the use of mineral fertilizers, chemicals, the use of heavy machinery, the deterioration of the quality of land resources, leads to a violation of the ecological balance. Therefore, according to the analysis and data of the Food and Agriculture Organization of the United Nations (FAO), the volume of losses in the collection, transportation and storage of fruits and vegetables is 22-45%, and waste is 12-18%. Another important issue is the lack of information and consultation centers and digital technologies that provide customers with the necessary information about the products grown in the regions.

In addition, the unresolved problems in the field of transport and logistics in the country remain a problem of sorting, processing, packaging and delivery of products to customers.

2019 Exports of fruits and vegetables of Uzbekistan

Product name	Mln. U.S. dollars	Compared to 2018,%
fruits and berries	658,1	116,1
vegetables	542,4	170,1
processed fruits and vegetables	47,9	156,0

Source: Data from the State Statistics Committee

Results and Discussion

The main export markets for fruits and vegetables are Kyrgyzstan, Kazakhstan, Russia and Turkey.

According to the data, by the end of 2019, more than 19.2 million tons of fruits and vegetables produced in the country, 132 types of pure or processed exports to 69 foreign

countries (more than 1.4 million tons worth about \$ 1.2 billion), the importance of the issue will be demonstrated. The increase in exports of fruits and vegetables was significantly influenced by the increase in the number of bars and **processed vegetables** by 1.8 and 1.6 times, respectively, compared to 2018, and accounted for 46.5% of the total content of fruits and vegetables. In April-May, more than 60% of the country's exports of greens, tomatoes, cucumbers, cherries and apricots accounted for these products. It should be noted that in 2019 the share of fruits and vegetables in total exports was 6.7%. Exports of fruits and vegetables accounted for the largest share of the Kyrgyz Republic in value (26.7% of total fruit and vegetable exports), and in kind exports to Kazakhstan amounted to 556.5 thousand tons, which is 4.4 times more than in the Kyrgyz Republic (3).

Export geography of fruit and vegetable products

№	States	2018			2019		
		thousand tons	mln. U.S. dollars	share * %	thousand tons	mln. U.S. dollars	share * %
1.	Kyrgyzstan	89,9	80,3	9,1	127,0	320,0	26,7
2.	Kazakhstan	598,1	392,3	44,3	556,5	283,0	23,6
3.	Russian Federation	238,9	166,3	18,8	245,1	160,6	13,4
4.	Turkey	23,5	25,1	2,8	65,1	99,3	8,3
5.	Pakistan	29,8	22,2	2,5	76,2	78,8	6,6
6.	Afghanistan	73,4	53,2	6,0	45,5	57,5	4,8
7.	People's Republic of China	66,9	46,2	5,2	55,3	48,5	4,0
8.	Ukraine	15,1	9,0	1,0	55,2	32,4	2,7
9.	Tajikistan	5,8	3,6	0,4	21,0	13,5	1,1
10.	Eron	13,0	10,0	1,1	16,2	12,4	1,0
11.	Iraq	6,1	6,2	0,7	20,5	12,3	1,0

12.	Belarus	8,5	7,7	0,9	14,3	10,6	0,9
13.	БAA	11,6	5,7	0,6	27,5	9,7	0,8
14.	Turkmenistan	9,5	7,5	0,8	8,5	9,5	0,8
15.	Azerbaijan	4,3	4,9	0,6	6,5	7,3	0,6
16.	Germany	2,7	5,6	0,6	2,9	6,6	0,6
17.	Other countries	51,8	40,0	4,5	64,1	38,3	3,2

* -from the expression of value. Source of the State Statistics Committee.

Demand for organic products is growing in the world. In European and Asian countries, the buyer pays more for ready-certified organic products. Our fruit and vegetable products are naturally organic, but most are not certified by an appropriate certification body. Due to this, agricultural products of Uzbekistan are re-exported ready or processed in accordance with international requirements established by third countries.

In developed countries, 2-5% of the labor force, and in most less developed countries, up to 90% work in the agricultural sector. Agricultural production in developing countries plays a much larger role than in developed countries. The share of agriculture in GDP is on average 22% in developing countries and 4% in developed countries. In developing countries, more than half of the agricultural products grown in developed countries are grown. According to UN experts, to solve the food problem every year, its volume needs to be increased by 6 percent. According to the analysis, the productivity of orchards and vineyards in our country is very low.

This is definitely an economically inefficient agriculture.

Recommended measures for sustainable development of the fruit and vegetable industry:

first, modernization and renewal of the fruit and vegetable sector, development and implementation of measures to ensure the competitiveness of products that give a strong impetus to the sustainable development of the industry;

secondly, to ensure food security as a result of increasing dependence of the world

consumer market on imports, to improve the mechanism of state support and management of the agricultural sector;

third, the limited use of irrigated land due to the annual shortage of water resources, the use of advanced methods of irrigation based on innovative technologies, in particular, the widespread introduction of drip and sprinkler irrigation;

fourth, the creation of high-yielding seedling varieties that are resistant to the effects of extreme climate change, disease and pests, and can be grown in saline soils;

fifth, to develop a mechanism for allocating tax incentives and soft loans to businesses to renovate old orchards and vineyards;

sixth, the use of existing scientific and innovative opportunities through in-depth analysis of the economic and technological, legal and other opportunities and achievements of farmers and agricultural enterprises among the factors influencing the sustainable development of fruit and vegetable growing;

seventh, the adoption of programs to replace the imported fruits and vegetables in order to meet the needs of the population through the full and effective use of our domestic potential, etc.

Also, the analysis of the experience of developed countries in the cultivation, storage, processing and export of fruits and vegetables shows that there is a need to develop **cooperation and clusters** of producers of these products.

Economic growth of the fruit and vegetable sector should be achieved not by further expanding the use of existing domestic resources, but by introducing a system of competitive production cooperation and clusters that meet the modern requirements in terms of product quality.

Conclusion

Based on the above analysis, in the context of sustainable development of the industry in Uzbekistan, it is expedient to pay attention to the following:

- further strengthening the financial incentives for exemplary enterprises specializing in the cultivation, storage and processing of agricultural products in innovative resource-

saving ways, operating in rural areas, the introduction of tax, customs and other benefits;

- increase the production, storage and processing of agricultural raw materials grown on the basis of the development of compact and small branches of industrial enterprises in each rural area of the country, as well as economic incentives (currency allocation, preferential taxation, credit allocation, etc.) aimed at the production of competitive finished products that are in demand in the domestic and foreign markets;

- **Pre-export credit**, insurance, foreign market positioning, “geographical, economic, financial and quality risks”, transport and logistics, obtaining relevant certificates, comprehensive practical assistance in food safety (HACCP) and standards, international establishment of export-credit organizations in order to facilitate participation in exhibitions and fairs, or entrust the solution of these issues to the responsible ministry and agency;

- Establishment of multidisciplinary agro-logistics complexes “Agropark” and “Agrosanoat” based on digital innovative technologies in convenient places. All conditions are created in this complex, ie the creation of a system of all processes from product sales, storage, processing, packaging, biolaboratory services, standardization and export;

- Introduction of “Fruit and Vegetable Clinic” service;

- development of legal and regulatory documents governing the requirements for quality and safety of fruits and vegetables and processed products.

In short, at the current stage of reforms in the country, the implementation of these measures will ensure the long-term sustainable development of fruit and vegetable growing, continuous satisfaction of demand for food products by increasing the efficiency of the industry, ensuring its security, expanding the geography of exports and improving the living conditions of our people.

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