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Kamoliddin Sirojiddinov
Namangan State University
Candidate of Economics Sciences, Assoc.

DEVELOPING THE FOOD ORIENTATION OF AGRICULTURAL PRODUCTION AND THE NEED TO DEVELOP AGROMARKETING

Abstract: *The article examines the need for the development of agromarketing in the conditions of strengthening the food orientation of agriculture, as well as the possibility of developing production and increasing the export potential of horticulture, viticulture and vegetable growing in the Namangan region of Uzbekistan.*

Key words: *horticulture, viticulture, vegetable growing, agromarketing, food orientation, agriculture, export potential.*

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Introduction

The article examines the process of strengthening the food orientation of agriculture, as well as the possibilities of developing production and increasing the export potential of horticulture, viticulture and vegetable growing in the Namangan region of Uzbekistan.

In recent years, Uzbekistan has significantly accelerated the processes of modernization and liberalization of the economy and particularly, agriculture. Action strategy for further development of the Republic of Uzbekistan in 2017 – 2021 provides for deepening structural changes and consistent development of agriculture, further strengthening of the country's food independence, expansion of production of environmentally friendly products, a significant increase in the export potential of the agricultural sector, as well as optimization of acreage by reducing cotton and cereal crops, placing potatoes, vegetables, fodder and oilseeds, new intensive orchards and vineyards on the freed up areas(1).

Since 2017, agriculture in Uzbekistan is increasingly focused on ensuring food security and well-being of the rural population. The decree of the President of the Republic of Uzbekistan "on measures to further ensure food security of the country" clearly outlined further actions necessary to fully meet the demand of the population for quality and affordable

food products (2). In other words, the functioning and development of the industry should be based on a more complete use of the market mechanism, which imposes appropriate requirements for the organization of agromarketing.

It is known that agromarketing covers all stages of creation and passing of agricultural products: studying of requirements, forecasting of demand, the organization of processes of sale of production, assortment policy and development of the production program.

Strong competition between producers in the conditions of maintaining low prices for agricultural products, as well as strong dependence on weather and climatic conditions significantly complicate the possibility of using modern marketing methods in agriculture. However, this does not negate the need for effective management, rational planning of marketing activities, constant analysis of its results.

Marketing is the most effective means of organizing the sale of products, sales promotion and promotional activities. The variety of agricultural products produced largely requires the use of different approaches of marketing activities in the production and distribution of products.

Marketing activities in agriculture should be organized taking into account the following circumstances:

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- natural conditions of production, productivity and level of intensity of use of agricultural lands;
- the importance of the goods or products, which determines the special requirements for the processes of production, storage and transportation;
- mismatch of periods of production and consumption of products;
- seasonality of production;
- variety of forms of ownership of economic entities (personal subsidiary farms, peasant farms, farms, agricultural firms);
- The length of production and consumption cycles, making it difficult to make marketing decisions in a competitive environment, the complexity of meeting special requirements for quality and delivery times;
- Higher in comparison with other systems of agromarketing sensitivity and susceptibility to the effects of various factors;
- Low level of use of marketing research and development in the agricultural sector in comparison with other industries, lack of experience in this area (3).

Successful completion of the task of agromarketing imply legal (the inviolability of private property, the rights of farmers, the legal norms), institutional (state and non-state institutions that support farmers), economic (the presence of economic entities with the necessary volumes of capital), financial (the ability to attract financial resources from other sectors and industries, state financial support), personnel (training and retraining), research and development (scientific research, selection work) prerequisites, market infrastructure and, what is also important, the preservation of national traditions of growing food crops, respect for dehqan labor. In Uzbekistan, the reform and restructuring of agriculture implies further strengthening of these prerequisites.

In general, Uzbekistan has favorable conditions for the production of sufficiently competitive agricultural products, including fruits and vegetables, fruits and grapes. In 2018 in Uzbekistan were produced 6124 tonnes, 2300 tonnes of raw cotton, 8661 thousand tons of vegetables, 1607 tons of melons, 2411 thousand tons of potatoes, 2100 thousand tons of fruits, 1314 thousand tons, 18 thousand tons of cocoons (4). According to official data, per capita consumption of vegetables per year exceeds 270 kilograms, fruits-140, potatoes-55, meat and meat products-40, sugar-30, eggs-210 pieces, milk and dairy products-270 liters, vegetable oil-25. According to the recommendations of the world health organization, the norms of consumption of fruits and vegetables for an adult are 400 grams per day. Therefore, according to this indicator, in Uzbekistan, residents are provided with a diet five times higher than this norm.

At the same time, the export opportunities of the industry are not fully used. In 2017, 860 thousand tons of fruits and vegetables were exported for 620 million dollars, i.e. less than 4 percent of the total production. In 2018, exports in the amount of 1 million tons and 1 billion dollars, and in 2019, the volume of exports should increase by 1.5 times. The measures taken in recent years have made it possible to achieve this.

In 2017, as part of the implementation of measures Of the strategy of priority directions of development of the Republic of Uzbekistan, 13 thousand hectares of intensive orchards and 7.3 hectares of vineyards were created, 15.4 thousand hectares of orchards and 9 thousand hectares of vineyards were reconstructed, 147 projects in the field of fruit, vegetables and meat processing were implemented for a total cost of 147 million dollars. This was due to the reduction of areas under cotton by 49 thousand hectares and under wheat-by 10 thousand hectares. in addition, the area of potatoes increased by 8.1 thousand hectares, vegetables – by 27.2 thousand hectares, intensive gardens – by 5.9 thousand hectares. the President of the Republic of Uzbekistan sh. m. Mirziyoyev has repeatedly stressed the need to continue structural reforms in agriculture and the cultivation of export-oriented crops in the liberated areas, which are in great demand both in the domestic and foreign markets (5).

In 2018, there was a noticeable shift in the introduction of market mechanisms in the agricultural sector, a cluster system is being introduced, which will essentially overcome the direct state intervention inherited from the Soviet period in the production and financial activities of agricultural entities. The old traditional branches of agriculture are being revived and new ones are being created: modern greenhouses, fish farming, beekeeping, poultry farming, horse breeding, licorice, saffron, bitter pepper, garlic cultivation, expansion of the practice of secondary autumn sowing of vegetable crops, household management(3). All this creates favorable conditions both for a significant increase in the supply of agricultural products in the markets and for the creation of rational competition between producers.

In the total supply of agricultural products, the share of food products increases, which is the result of diversification of agriculture with an increase in the share of food directions in it. It should be noted that in 2016 – 2018 the land area under cotton significantly decreased in Uzbekistan. In 2018, 2300 thousand tons of raw cotton were produced, which is 1.5-2 times less than in previous years. In the structure of agricultural production there is more space for food and, although to a lesser extent, forage crops.

Modernization of the total supply of agricultural products in modern conditions is based on the use of intensive factors in production on the basis of improving the land reclamation condition. For these purposes, in 2019, 1.7 trillion will be allocated from

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the State budget. sums and 84 million dollars of funds of international financial institutions. In 2019 – 2020, stable irrigation of 1200 thousand hectares, saving of 1700 million cubic meters of water per year will be provided, the reclamation condition of 600 thousand hectares will improve. In 2019, a number of investment projects worth 1870 million us dollars are planned to be implemented in the agricultural sector.

In the regions, the growth of yields of food crops is hampered by factors such as poor equipment, which is associated with a lack of investment in the industry, the shortage of irrigation water and the practical lack of application of irrigation water saving technologies, in the foothill zone is mainly used irrigation with electric pumps, which significantly increases the cost of products. To mitigate the impact of such factors in 2018, Namangan region carried out work on the implementation of 360 projects directly or indirectly related to the expansion of the export potential of the food complex of the region.

In Uzbekistan, the production of agricultural food is also important for export. The structure of agricultural exports has undergone significant changes in recent years. The export of raw cotton has ceased to be a decisive item of national exports. The course is taken to completely abandon the export of raw cotton and replace it with the export of finished products with high added value. Currently, the diversification of exports is important, it is necessary to expand the range of agricultural goods sold abroad, as well as to overcome the predominance of certain types of goods in the export structure. In this regard, it is important to expand the geography of exports, which significantly reduces market and other risks associated with the sale of goods. In recent years, positive trends have been observed in the geography of exports, for example, in the export of fruits (table 1).

Table 1.

№	Product name	2015	2016	2017	2017 / 2016
1.	Grapes, fresh or dried	7884	8126	8597	105.8%
2.	Dried fruit	1507	1024	5973	483.3%
3.	Walnut	836	2363	2718	115.0%
4.	Fresh melons and watermelons	718	750	1016	135.5%
5.	Apricot, cherry, peaches, plum	2	2	11	450.0%
6.	Other fresh fruit	27	38	41	148.1%
	Total	10 974	12266	18315	149.3%

The table shows that the volume of exports to the EU is still small. However, there are positive trends indicate. So, we can say that Uzbek exporters are quite capable of conquering this market. In General, the geography of fruit and vegetable exports is expanding dynamically. If these products were traditionally exported to the markets of the Commonwealth of Independent States (mainly to Russia and Kazakhstan), now this list includes countries such as Norway, Thailand, Vietnam, Malaysia, Indonesia, Brazil, Cyprus, Macedonia, Chile, Japan, Romania, Slovakia, Canada, Bulgaria and the United States. For example, Uzbek cherries and melons have established themselves in the markets of Belgium, Norway and the Baltic countries.

For the formation and development of the modern agricultural market in Uzbekistan, the creation and effective functioning of specialized farms

are very important, the priority orientation of family farms on horticulture, vegetable growing and viticulture, the acceleration of agro-industrial integration in the industry (farmers establish industrial processing of their own products) will also give a tangible market effect. These economic entities are inherently receptive to innovation. All this is supported by positive trends of technological renewal, rapid growth of lending by banks to economic entities of the industry, the annually observed trend of reducing the tax burden on private business. In addition, the production infrastructure is mainly financed by the state, there is a market infrastructure for the sale of industry products, there is a steady demand for industry products in the domestic and foreign markets. In addition, from November 1, 2018, the exports industry is almost completely free mode – abolished prepayment, mandatory export contract and

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registration, we have simplified customs procedures and, also very important, the government abolished the monopoly of the multi-state business entities for export of fruits and vegetables.

The revival of a separate sector of the agricultural market can be observed on the example of sericulture. It creates a single organizational chain that incorporates all processes—from the provision of fodder to the production of finished products. 600 hectares of land have been allocated and special farms have been established to strengthen the forage base, grow mulberry seeds and create nurseries. The total area of plantations of mulberry, the leaves of which are fodder for the silkworm, is 45.7 thousand hectares. In autumn 2017 and spring 2018, 25 million mulberry seedlings were planted across the country. Another 39 million were delivered from China. Bushes'. The volume of exports of the industry in 2016 amounted to 22 million dollars, and in 2018 exceeded 50 million dollars. Employment in the processing part of the industry in 2018 reached 15 thousand workers. 2-3 years ago it did not exceed 2 thousand people.

In the Namangan region in 2017, the area under vegetable crops amounted to 194 thousand hectares, i.e. they became comparable to the area under cotton and grain crops. From year to year the yield of vegetable crops grows. In 2017, the gross harvest amounted to 10.1 million tons, which is more than the volume of 2013 by 44.8 percent. However, in the field of crop yield growth is hampered by factors such as poor equipment, which is associated with a lack of investment in the industry, the shortage of irrigation water and the practical lack of application of irrigation water saving technologies, in the foothill zone is mainly used irrigation with electric pumps, which significantly increases the cost of products. In 2018, the Namangan region carried out work on the implementation of 360 projects directly or indirectly related to the expansion of the export potential of the food complex of the region.

It should be noted that both in the country as a whole and in the Namangan region, the technical and technological backlog of agriculture has not yet been overcome. The material and technical equipment of the industry does not meet modern requirements, there is a shortage of specialized equipment, its prices are unattainable for the main part of agricultural producers, the needs for mineral fertilizers and biological and chemical protection are not fully met, they are set monopolistically high prices, modern agricultural equipment is replicated slowly (7).

The researchers note the persistence of difficulties in the field of sales. Wholesale buyers of the domestic market and large processors buy products at unreasonably low prices, due to their monopoly position and insufficient development of wholesale trade channels. Voluntary and compulsory fixation of manufacturers to large buyers of their products and the obligation of preliminary conclusion of supply contracts negates the marketing activities of manufacturers. The study of foreign markets are engaged in structures that have no direct interest in the results of production. Difficulties remain in the delivery of products to distant consumers. Storage capacities, despite their accelerated expansion, are still insufficient for long-term storage of products in large volumes, which forces the manufacturer to sell its products at low prices and increases the seasonal nature of production and the disproportion between supply and demand in the market (8).

By mid-2019, 31 agrologistic centers were functioning in Uzbekistan, the total capacity of 1500 refrigerators was 760 thousand tons. However, they cover only 4.5 to 5 per cent of fruits and vegetables produced. Therefore, for 2019 – 2021, it is planned to store 3 million tons of products in Andijan, Bukhara, Jizzakh, Samarkand, Surkhandarya, Tashkent, Fergana and Khorezm regions at the expense of international institutions.

Further elimination or mitigation of the above factors will significantly contribute to the development of agromarketing and fuller realization of export opportunities and potential of the regions for the production of agricultural products of food orientation.

Favorable conditions for the successful development of agromarketing are created by the adoption of the Concept of the strategy for the development of agriculture until 2030. It provides among other measures and very important for the development of a modern and efficient agricultural market measures:

- giving agricultural producers the freedom to choose their crops and markets;
- from 2020, the transition to market pricing for all crops;
- real consolidation of the right to use land;
- increase of fertility of the earth, protection of the rights of originators of plants;
- increase in agricultural exports from 2.3 billion to 20 billion dollars by 2030;
- rational management of water resources (transition to market principles), water saving (9).

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