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SOI: [1.1/TAS](#) DOI: [10.15863/TAS](#)

International Scientific Journal Theoretical & Applied Science

p-ISSN: 2308-4944 (print) e-ISSN: 2409-0085 (online)

Year: 2021 Issue: 02 Volume: 94

Published: 16.02.2021 <http://T-Science.org>

QR – Issue



QR – Article



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FINANCIAL SUPPORT FOR ECONOMIC DEVELOPMENT OF REGIONS IN THE CONTEXT OF THE CORONAVIRUS PANDEMIC

Abstract: The article examines the areas of financial support for economic development in Namangan region in the context of the coronavirus pandemic.

Key words: pandemic, economics, coronavirus.

Language: English

Citation: Sirojiddinov, I. Q. (2021). Financial support for economic development of regions in the context of the coronavirus pandemic. *ISJ Theoretical & Applied Science*, 02 (94), 187-190.

Soi: <http://s-o-i.org/1.1/TAS-02-94-44> **Doi:**  <https://dx.doi.org/10.15863/TAS.2021.02.94.44>

Scopus ASCC: 2000.

Introduction

At present, the coronavirus pandemic poses a number of difficulties in the implementation of economic processes. Overcoming them requires that the organizational measures taken be provided with appropriate financial resources and financial support for economic development. The activities carried out in the framework of the Action Strategy for the priorities of the development of the Republic of Uzbekistan for 2017-2021, in addition to setting long-term fundamental goals, also include the identification of means and ways to achieve these goals. The transfer of production to modern technologies and the continuous increase of efficiency remain at the center of economic processes, even in pandemic conditions [1].

In the Action Strategy, the issues of rational use of raw materials of the regions, accelerated development of industry, wide introduction of innovative technologies, ensuring the competitiveness of products in the domestic and foreign markets are urgent tasks. Accordingly, with the use of advanced production technologies existing in the world and their introduction into practice in the industry of the regions, drastic changes are taking place, new types of products are being consistently created, new jobs are being created. As for in the field of agriculture, the scope of free market relations is gradually expanding,

on this basis the industry should be focused on ensuring the country's food security as a priority.

In Namangan region, the issue of increasing the competitiveness of enterprises in the domestic and international markets is becoming increasingly important, especially in the context of globalization. The economic reforms and liberalization processes taking place in Uzbekistan in recent years have led to significant changes in the conditions in which enterprises operate. At the same time, there is an intensification of market competition at the international level. Despite the significant measures taken under the Action Strategy, some industrial enterprises are forced to buy resources and services in monopoly markets and sell their goods in highly competitive international and domestic markets. This limits the financial capacity of enterprises, which is the case when their ability to attract external financial resources is limited reduces efficiency and competitiveness. The coronavirus pandemic is leading to a more pronounced display of similar problems that already exist in our economy.

It should be noted that in times of crisis the national economy the importance of various aspects of independent mobility (economic security, financial security, food security, energy security, access to medicines and medical equipment, job security, etc.) has increased. This, of course, is due to the fact that in the context of the global crisis, without denying the

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importance of external resources (material, financial, scientific, etc.), each country must first solve its problems on its own.

While economic entities operate independently in the context of market relations, the importance of financial support from the state is becoming increasingly important. In the context of the coronavirus pandemic in Uzbekistan, the state's anti-crisis measures are aimed at direct and indirect support of financial and economic activities of business entities [2]. These include reducing the tax burden (exemption from land tax and property tax for 3 months, then until the end of 2020, delays in tax payments, reduction of various tax payments - in 2020 they amounted to 70 trillion sums), simplification and simplification of bank lending procedures, expansion of the resource base of bank lending.

Industrial processing enterprises have a place in economic development. The textile industry employs 365,000 people and employs 1.6 billion people. It exports products in the amount of USD. In the next 3 years, the volume of exports should increase at least 2 times. From 2020, the export of cotton fiber was stopped and it was fully processed in the enterprises of the country. In addition to domestic financial resources in the network, 300 million foreign direct investment in the amount of USD will be used. In 2019, the export of textiles in Namangan region will reach 226 million. In 2020, it reached to 417 million US dollars.

One of the priorities in the development of the national economy is the expansion and promotion of innovative activities in the context of the coronavirus pandemic, the formation of an innovative economy, a "knowledge" economy. The global economic crisis caused by the coronavirus pandemic has a serious negative impact on the economic situation, the development of various sectors, employment, incomes. These lead to large shifts in the volume and structure of market demand by changing the system of needs in society. In such circumstances, the requirements for the innovative content of investments are growing.

In this regard, we can distinguish two main modern trends in the development of regional economies:

- Modernization in accordance with the requirements of the "knowledge" economy and development of education, science, innovation;
- Comprehensive support of business activities, especially innovative activities, including financial support [3].

Each of the measures taken by enterprises to modernize production, technical and technological renewal, is inherently innovative, as they form the economic, production and sales potential, based on advanced techniques and technologies. Stimulation of modernization processes involves the integration of the goals of technical and investment policy of the

enterprise and the expansion of the production and range of new products. As a result of the consistent structural policy pursued in the country to modernize the leading sectors of the economy, there have been qualitative changes in the structural structure of the economy.

World experience shows that development is effective through the simultaneous use of foreign resources, new knowledge and technologies attracted to the country, along with national resources. Also, if the technological and institutional innovations developed in the region or enterprise are recognized and disseminated internationally, the development will be creative and can bring a certain amount of income (in the form of rent, royalties).

Even in the context of the coronavirus pandemic, the positive trends achieved in economic development and investment processes in Namangan region remain stable and deepen. In 2019, 5.4 trillion sums were invested and in 2020, 7.2 trillion sums were invested in Uzbekistan and 20,800 jobs were created [4].

Foreign financial resources are consistently involved in investment processes. In 2020, 326.4 million USD, including 234 million foreign direct investment in the amount of US dollars was disbursed. In the 1st quarter of 2020, 76.8 million foreign direct investment in the amount of USD 1 billion was used and 10,000 new jobs were created [5].

It should be noted that the investments have a high economic efficiency. In particular, Chust Textile and Ifoda enterprises in the Namangan Free Economic Zone have received \$ 21.5 million, while their annual production capacity is \$ 63.6 million. An investment project to launch the production of ceramic granite slabs is being implemented in the "Yuksalish" industrial zone. It is planned that the cost of 1 square meter of product will be \$ 3 [6]. In related enterprises abroad, this figure is \$ 8, with the same product quality. The main reason for this is that the company uses high quality raw materials from sources located in Uzbekistan. The annual capacity of the enterprise is 1.6 million square meters. Currently, the country's demand for such products is met by 70% through imports [7].

The positive results of investment processes are also reflected in the changes in the volume and structure of regional exports. In 2000, the region exported \$ 75.3 million worth of goods to foreign markets, while in 2010 the figure was \$ 119.5 million. In 2017, exports amounted to 196.6 million US dollars. In 2020, the region's exports exceeded 450 million U.S. dollar [8].

It has affected the external economic relations between the coronavirus pandemic, the structure of exports and imports. The role of food exports has increased. Of course, this was important before. In the context of the pandemic, not only the nutritional and energy properties of food, but also their value in terms

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of their impact on human immunity are taken into account. These factors are opening up new opportunities for fruit and vegetable exports, opening the way for producers to enter larger markets.

In order to accelerate the process of agro-industrial integration in the fruit and vegetable sector in the country in 2020, 86 clusters and 125 cooperatives were established. Their activities should serve to strengthen the material interest of producers in the production of food products that are competitive and in demand in foreign markets [9]. Clusters and cooperatives should not only sell the product, but also organize its storage and processing. The result is a value chain and a socio-economic effect is achieved.

In the context of the coronavirus pandemic, there is a growing urgency to ensure the well-being of the rural population and reduce poverty. In this regard, the financial support of the state farms is yielding both economic and social results. The number of personal subsidiary plots in Uzbekistan is 4.5 million and they have 435,000 hectares of land at their disposal. On April 15, 2020, the President of the Republic of Uzbekistan adopted a decision on the systematic organization of effective use and planting of land plots of the population and farms. In 2020, the state budget will provide \$ 300 billion to support them and 100 billion sums will be allocated for bank loans. In addition, the state has allocated 600 billion sums for the construction of light greenhouses for the population. In 2020, production in this sector should be doubled.

As part of these measures, 1,000 greenhouses for rural families were built in Chartak district of

Namangan region. They can be harvested three times a year. The family's income from the greenhouse is 30-40 million a year. sum, which allows to get out of poverty. 13 billion sums will be allocated for the construction of these greenhouses. 6.7 billion sums were spent from state subsidies, 6.3 billion sums were soft bank loans. A family that can use the greenhouse properly can repay a bank loan (6.3 million sums) a year. Such a project is also supported by institutional measures. A cluster will be established under the leadership of a private entrepreneur. It provides greenhouse owners with seeds on a contract basis, purchases their products, and provides agronomic services and advice. An agribusiness training center has been established in the cluster. In 2020, it is planned to export products worth \$ 1 million, and in the future to increase it to \$ 5 million [10].

Currently, the development of the food industry and agriculture in Namangan region, the focus of economic development on ensuring food security of the country is wider and deeper, and includes:

- increase the production of the most important products in stable volumes;
- maintaining and strengthening the competitiveness of products in domestic and foreign markets, export orientation;
- Improving production efficiency on the basis of innovative development (new technologies, and agrotechnics, varietal change, introduction of organic production, water and energy saving, high agricultural culture);
- harmonization of agricultural development with environmental requirements.

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