



EXPANDING THE GEOGRAPHY OF EXPORTS OF AGRICULTURAL PRODUCTS OF THE REPUBLIC OF KARAKALPAKSTAN

Kalbaeva Jazira Kuanishovna

<https://doi.org/10.5281/zenodo.8328779>

Annotation

This article discusses economic mechanisms for increasing the competitiveness of agricultural products of the Republic of Karakalpakstan. An analysis of the US market was carried out and the export potential of agricultural products of the Republic of Karakalpakstan were studied. The tasks of the Association of Organizations for the Production and Processing of Licorice and Other Medicinal Plants were reflected.

Key words: Export potential, competitiveness, regulations, licorice roots, association, investment, foreign partners, economic development

Agriculture is an important economic sector in the world, because many products are grown and sold abroad. Increasing the competitiveness of agricultural products can increase country's export potential and have a significant impact on the country's economic development. I do research to analyze the necessary economic mechanisms for increasing the competitiveness of agricultural products in the world market. By the term "MECHANISMS" is meant political and legal regulation of economic processes, financial and credit levers, pricing, creation of new organizational structures that ensure the direct inclusion of science in production. Moreover, I try to create new methods of cultivation of crops. It is an impressive power to ensure rapid development by organizing and ensuring agricultural processing with the help of mechanisms. This can lower the price of industrial products and increase their competitiveness in global market.

For instance, The United States is the second largest importer of consumer goods in the world. In 2022, 27 percent of all US imports were food products. American consumers are looking for safe, varied and abundant food that is simultaneously available throughout the year. To meet these consumer demands, the United States imports about 15 percent of its total food supply. Today, more than 200 countries, 125,000 food service outlets and farms supply approximately 32 percent of the fresh vegetables, 55 percent of fresh fruits, and 94 percent of the seafood Americans consume each year.

Analyzing the import needs of the United States through the prism of the economic interests of the Republic of Uzbekistan, it seems appropriate to consider the possibility of developing export deliveries (including re-export) to this country of the following items of Uzbek goods: organic chemicals; mineral fertilizers; fruits, dried fruits, legumes and nuts; tea; spices of various types: dairy products; confectionery; sunflower oil; liquorice root. According to American importers, the consumer basket of the US population, given the high level of income, makes it possible to sell Uzbek goods among a wide segment of the population. However, for this it is necessary to revise the pricing policy, as well as improve

the quality of goods in order to obtain permits from the standardization bodies of quarantine departments.

For the Republic of Karakalpakstan in January-June 2023 Export of products in the amount of 133.66 million US dollars was provided by 106 business entities. It includes industrial and agricultural products. Agricultural exports include melons, watermelons, cucumbers, peppers, cabbage, onions, tomatoes, grapes, dried fruits, vegetables, and licorice root. In 2023, 14 enterprises located in Karakalpakstan exported \$1,535,964 licorice root. Licorice roots are used primarily for perfumery, pharmacy, or insecticidal, fungicidal or similar purposes. They can be fresh, chilled, frozen or dried, whole or chopped. Association of Organizations for the production and processing of licorice and other medicinal plants perform the following tasks:

- participation in the formation and coordination of the implementation of programs for the integrated development of production and processing of licorice and other medicinal plants
- providing assistance in implementing a unified scientific, technical, export, technological, investment policy in this area
- consistent increase in production volumes of licorice and other medicinal plants by creating specialized plantations in areas favorable for their growth, including the introduction of intensive cultivation technologies and rational use of natural fishing areas
- providing assistance in the effective organization of interaction between business entities and government bodies, local government bodies of all levels in the framework of the creation of plantations, as well as deep industrial processing and production of export-oriented products with high added value from licorice and other medicinal plants
- participation in the development of draft regulations aimed at developing the industry of production and processing of licorice and other medicinal plants, as well as the implementation of public environmental control
- participation in coordinating the implementation of investment programs and projects in the production and processing of licorice and other medicinal plants
- active attraction of foreign investments and foreign specialists, consultants in the processes of creating new and developing existing facilities for growing and processing licorice and other medicinal plants, introducing advanced technologies in this area

The most important factors hindering exports can be divided into the following groups:

- Lack of knowledge and experience necessary for export among entrepreneurs and employees of enterprises;
- High costs of entering foreign markets (high transport and logistics costs, costs for enterprises to introduce modern management technologies and quality standards);
- Lack of available information about foreign markets (about the requirements for certification and product quality, about the state of competition and demand, about the reliability of foreign partners);
- Limited participation in foreign exhibitions-fairs;
- Low competitiveness of manufactured products in terms of price and quality;
- Difficulties in entering foreign markets.
- Lack of working capital and limited access to credit resources.
- Difficulties with importing the necessary inputs for the production of competitive products (lack of hard currency, high customs payments).
- Insufficient information about export promotion projects and programs.

In some of these areas, assistance to enterprises can be provided within the framework of technical assistance programs: staff development, consultations on promoting products for export and increasing their competitiveness, introducing modern management technologies and quality standards, conducting marketing research and consultations, promotion of participation in foreign exhibitions-fairs, etc. In order to increase the competitiveness of products of domestic manufacturers, export agencies provide technical assistance (provide consultations, conduct trainings, publish materials, etc.) in the following areas:

- Improving the quality and standardization of goods and services produced in the country.
- Assistance in improving the education system, advanced training in specialties important for business.
- Improving access to long-term loans for reconstruction, acquisition equipment and production of new competitive goods and services.
- Provision of grants, co-financing of research and development in strategic technology areas to increase industrial companies' competitiveness.
- Assistance in technology transfer.
- Search for investors for SMEs.
- Promoting the introduction of modern technologies and management systems (production, quality, sales, human resources, etc.).
- Promoting the implementation of international product quality standards, modern quality control systems.
- Bringing the system of financial and management accounting, which facilitates the access of enterprises to obtaining borrowed funds and establishing long-term relationships with foreign partners.

Most sought after by small businesses areas of technical assistance related to exports:

- Providing information, external consultants on the requirements and conditions of foreign markets, on methods of promoting products to foreign markets, including questions of requirements for presentation, packaging, marking, labeling, quality standards.
- Search for foreign partners, buyers.
- Assistance in organizing and financing the participation of local companies in international exhibitions and organization of own exhibitions; assistance in disseminating information about the products of domestic companies abroad.
- Consulting in the field of national legislation of export-import operations, legislation of partner countries; assistance in drawing up contracts.
- Assistance in the implementation of international quality standards, in obtaining certificates necessary for export, including assistance in international certifications (HASP, Global Gap, etc.).
- Assistance in logistics and cargo transportation.
- Assistance in obtaining pre-export financing.
- Publication of specialized literature.

Recommendations:

- Organization of short-term, including distance, trainings for specialists in horticulture and greenhouse farming, development and distribution of teaching aids;

- harmonization of the national system of quarantine and plant protection with the requirements of the World Trade Organization Agreement on the Application of Sanitary and Phytosanitary Measures;
- improving the system for protecting the rights of authors of plant varieties (including patent trials);
- introduction of a unified trading system based on agrological centers (based on auction and exchange trading);
- attracting grants and technical assistance from international financial institutions to modernize the material and technical base of research institutes in the field of seed and horticulture;
- stimulating cooperation between agricultural producers and developing measures for their integration into modern value chains in domestic and international markets

References:

- 1) <http://www.hydroponische-pflanzenzucht.de/>.
- 2) Гусаков, В. Г. Новейшая экономика и организация сельского хозяйства в условиях становления рынка: научный поиск, проблемы, решения / В. Г. Гусаков. — Минск: Ин-т системных исследований в АПК, 2008. — 431 с.
- 3) Ленская, Т. И. Организационно-экономические факторы повышения конкурентоспособности продукции АПК: дис. ... канд. экон. наук: 08.00.05 / Т. И. Ленская. — Минск, 2013. — 152 с.
- 4) Пелих, С. А. Инновационно-инвестиционная среда в агропромышленном комплексе Китая и Беларуси: анализ, проблемы, решения / С. А. Пелих, Ван Яотянь. — Минск: Право и экономика, 2012. — 176 с.
- 5) Саубанов, К. Р. Конкурентоспособность регионального сельского хозяйства в приволжском федеральном округе: дис. ... канд. экон. наук: 08.00.05 / К. Р. Саубанов. — Казань, 2010. — 176 с.