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Peculiarities of Increasing the Added Value Based on the Improvement of Product Quality in Farms Specializing in Horticulture

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Abstract: As a result of reforms implemented in the agrarian sector of the economy of the Republic of Uzbekistan, farms have become the main subject of agricultural production. It is known that the existing natural conditions in our country allow for the sustainable development of the production of agricultural products, in particular, fruit and vegetable growing. This requires, first of all, to focus on increasing the high added value in the field of fruit and vegetable production in enterprises specializing in fruit and vegetable production.

Keywords: agriculture, food, fruit growing, agrocluster, gross domestic product, product quality, competitiveness, added value.

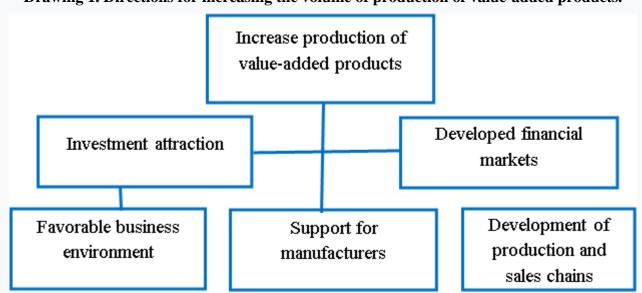
In his Address to the Oliv Majlis on January 24, 2020 on the most important priorities for the development of our country, the President stated that "The only way to ensure the stability of the price of food products in the consumer market is to grow fruits and vegetables, livestock and other food products "is to increase the size and create a continuous chain from the field to the store," they emphasized. Based on this, it is planned to increase the country's GDP from 58.3 billion dollars to 150 billion dollars by 2030, i.e. by almost 2.5 times, to increase the amount of GDP per capita from 1532.5 dollars to 4000 dollars or 2.6 times. This, of course, plays an important role in dramatically increasing the well-being of the population. In the following years, the reform of our country's agriculture, in particular, the improvement of the state management system in the field, the wide introduction of market relations, the strengthening of the legal basis of relations between the entities that grow, process and sell agricultural products, attract investments in the field, specific works are being carried out to introduce resource-saving technologies and to provide producers of agricultural products with modern techniques. At the same time, the lack of a long-term strategy for the development of agriculture hinders the effective use of land and water resources, the widespread attraction of investments in the sector, the high income of producers and the increase of competitiveness of products.

Diversification of production, improvement of land and water relations, creation of a favorable agribusiness environment and high added value chain, support for the development of cooperative relations, wide introduction of market mechanisms, information and communication technologies in the field, as well as scientific achievements in order to effectively use and increase the potential of personnel, based on the decree of the President of the Republic of Uzbekistan, the strategy for the development of agriculture of the Republic of Uzbekistan for 2020-2030 was approved. The low level of development of the food production industry limits the possibility of increasing the production volume of products with high added value. In general, as the main ways of increasing the production volume of products with added value in our country, it is appropriate to pay special attention to the following.

Limited possibilities of processing and packing products in farms producing the main part of exported fruits and vegetables lead to big losses. Also, seasonal price changes and unstable market conditions have a negative impact on their activity.

In recent years, small producers have been investing in modern warehouses and processing equipment at the expense of various financial sources, including loans from international financial institutions. However, they are separated from processing enterprises and exporting organizations.

Drawing 1. Directions for increasing the volume of production of value-added products.



Due to the incomplete formation of effective mechanisms for uniting small agricultural producers, their activities remain fragmented. This prevents the achievement of high economic indicators and limits the possibility of integration into value added chains.

It is worth noting that the share of cooperatives in the markets of developed countries (EU, USA, Canada) exceeds 40 percent, and in Uzbekistan this direction is just developing. There is a shortage of equipment for phytosanitary control of fruits and vegetables in laboratories, wholesale markets and logistics centers that meet international standards and quality requirements, as well as in customs and border posts. This, in turn, hinders the increase of the volume of products produced and sold, increase of added value, diversification of export geography and types of products.

In addition, relations of mutual cooperation between farmers and landowners, which have a share of more than 70 percent in the gross agricultural product, and processing, processing and exporting enterprises are not sufficiently developed.

The main goal of this priority direction is to increase the export potential of the agricultural sector, to increase the volume of products with added value, to widely introduce the product certification system based on international standards, and to develop cooperative relations.

To achieve this goal, the following tasks are defined in the strategy:

organization of short-term, including remote trainings, development and distribution of training manuals for horticulture and greenhouse specialists;

adaptation of the national quarantine and plant protection system to the requirements of the Agreement on Sanitary and Phytosanitary Measures of the World Trade Organization;

establishment of an Innovative Education Center to support the development of the value added chain in agriculture based on international best practices;

development of mechanisms to support the introduction of recognized quality standards (Global G.A.P, Organic, NACCP, etc.) in international markets;

development and implementation of feedback mechanisms with leading agricultural enterprises;



setting priorities for conducting negotiations and implementing trade agreements in new target export markets;

reduce marketing and transportation costs of agricultural and food products in local and targeted international markets;

expanding the use of the "Made in Uzbekistan" brand for the release of local food products to target export markets;

development of a plan for improving the national quality system;

providing information on export markets, developing consulting services on preparation for export, trade regime and trade financing;

increasing the role of diplomatic missions of the Republic of Uzbekistan in the process of collecting information about target markets, promoting trade in agriculture and food products;

improvement of the system of protection of the rights of authors of plant varieties (including patent trials);

introduction of a single trade system (based on auction and exchange trade) on the basis of agrologistics centers;

creation of the National Gene Bank in order to improve the services provided by the agricultural crop variety testing center, to preserve new crop varieties;

improvement of the types of services provided by the agricultural standardization center;

Adherence to the International Plant Protection and Quarantine Convention (IPPC);

organization of a special laboratory for testing varieties of genetically modified crops with the involvement of funds from international financial institutions;

attracting grants and technical assistance funds from international financial institutions to modernize the material and technical base of scientific research institutes in the field of seed and fruit and vegetable growing;

development of measures to encourage cooperation between producers of agricultural products and integrate them into the modern production and sales chain in domestic and foreign markets;

organization of associations (cooperatives, etc.) participating in negotiations on the production of agricultural products and coordination of services in this field, making quick decisions and forming sector policies;

ensuring mutual cooperation of agricultural associations, farmers and peasant farms with processing industry enterprises (including clusters);

experience to support the development of small entrepreneurship and diversification of activities in the agricultural sector - implementation of investment programs as a test; developing a strategy for increasing exports based on the results of the evaluation of the fruit and vegetable and animal husbandry sectors (first, based on the analysis of long-term data and market trends, on the main 10-15 types of exported products);

modernization of the food safety and quality control system.

In the development of the fruit and vegetable sector, which is a branch of the agricultural sector, it is envisaged to achieve the following indicators until 2030:

depending on the type of land, high-yielding crops are planted independently by growers;

ensuring the stability of production, storage, deep processing and export growth of high-quality competitive fruits and vegetables;

effective integration of science, education and production;

integral connection between higher and secondary education is ensured in personnel training;



the material and technical base of scientific-research institutions will be improved, laboratory equipment will be updated, and the qualifications of employees will be increased;

higher educational institutions in the field of agriculture will be transferred to self-financing;

productivity and competitiveness of agricultural products will increase;

Good Agricultural and Environmental Practice (GAEP), Good Manufacturing Practice (GMP) and other quality standards are introduced to agricultural producers;

market services based on transparency and competition in agriculture will develop;

average labor productivity in agriculture increases 1.7 times;

additional capacity of 3.4 million tons will be created for the processing of agricultural products;

the rate of product processing will reach 30% (by 2030, the export volume will reach 20 billion US dollars).

The policy of agricultural development is consistently implemented in the republic. Initially, agrarian economic reforms were carried out step by step in order to create a multi-sector economy in the network. As a result, various forms of ownership were stably established and political, legal and economic conditions were created for their free operation. New techniques and effective technologies were introduced to agriculture, and its material and technical base was strengthened. The knowledge, skills, and entrepreneurial abilities of employees in the network have been improved. As a result, the gross output of farms has been increasing year by year in recent years. In the course of our studies, the economic efficiency of farms increases from year to year by increasing the added value based on increasing the competitiveness and quality of products in fruit and vegetable farms within the agrocluster of IZBOSKAN AGROEXPO LLC in Izboskan district.

A competitive product will have features that consumers demand at a higher level than similar ones in the market and, as a result, will achieve higher demand. Competitiveness can be determined by comparing it to competitors' products. Because the competitiveness of commodity products is a relative concept, it is strongly connected to the specific market and time of sale (especially for agricultural products).

Competitiveness is mainly determined in two ways: by the price and quality of the product, therefore, the second factor gradually becomes the leader. Product quality is inextricably linked to consumer value. Consumers are interested not in the nature of the product, but in its ability to become a commodity. At the time of the sale, the buyer confirms that the goods are in accordance with the market conditions. The competitiveness of such a product will be higher.

Product quality is the sum of its characteristics based on the satisfaction of a certain demand according to its function. The buyer considers the product that meets his consumer demand to be of high quality, regardless of what specific requirements it satisfies. The quality of a product can be considered high or low for a single purpose. For example, an increase in protein in barley increases its value as forage, but reduces the quality of the brewing product.

Today, as farms in the country perform important social and economic tasks such as growing food products, providing rural residents with additional income, and creating additional jobs, it is necessary to further improve their existing organizational and legal conditions for their development. , it is important to strengthen comprehensive support from the state.

A competitive product will have features that consumers demand at a higher level than similar ones in the market and, as a result, will achieve higher demand. Competitiveness can be determined by comparing it to competitors' products. Because the competitiveness of commodity products is a relative concept, it is strongly connected to the specific market and time of sale (especially for agricultural products). Competitiveness is ensured mainly in two ways:

Figure 2. The method of ensuring competitiveness.



Source: based on author's research

Consequently, the second factor gradually becomes the leader. The competitiveness of such a product is leading. Product quality is inextricably linked to consumer value. Consumers are interested not in the nature of the product, but in its ability to become a commodity. At the time of the sale, the buyer confirms that the goods are in accordance with the market conditions. The competitiveness of the product is determined only by its specific characteristics (for example, size, freshness, taste of the fruit) that can arouse interest for the buyer. All other parameters (for example, shape, fruit color) are not taken into account when evaluating competitiveness. The development of a competitive market is indicated by the level of improvement and growth of product quality. Therefore, before the product manufacturers, there is a question of quality planning and its management, taking into account the choice of the most economical option of the costs of reaching a certain level. The following diagram shows the parameters of the product.

Figure 3. Product competitiveness parameters

COMPETITIVE PARAMETERS			
ORGANIZATIONAL	ECONOMIC	TECHNICAL	STANDARDS
—	▼	—	—
System of discounts	Product price	Set parameters	International requirements
Delivery and payment system.	Transportation costs.	Ergonomic parameters.	State requirements
Completeness of delivery	Employee training costs	Constructive and technical parameters	Regional requirements
Warranty terms and conditions	others	Aesthetic parameters	Consumer requirements
Others			

Conclusion. In order to increase the added value in agricultural enterprises, the quality of the products grown is in the first place. Product quality is inextricably linked to consumer value. Consumers are interested not in the nature of the product, but in its ability to become a commodity. At the time of the sale, the buyer confirms that the goods are in accordance with the market conditions. The competitiveness of such a product will be higher. The introduction of a single trading system (based on auction and exchange trading) on the basis of agrologistics centers serves to prevent losses related to transportation.

In order to grow high-quality, competitive, exportable fruits and vegetables in the farms of fruit and vegetable agroclusters in Uzbekistan, it is desirable to pay attention to the following as the main ways to increase the volume of production of products with added value in our country in general: attracting investments reach; development of production and sales chains; creating a favorable business environment; support for producers.

The introduction of scientific and technical achievements gives way to advanced forms of economic management, which create favorable conditions for the rational organization of the entire sub-set of production processes and technological processes in the production of fruit and vegetable products and their industrial processing.

Based on the results of the research, we make the following suggestions and recommendations:

- 1. In order to increase the added value, first of all, to increase the productivity and quality of agricultural production on the basis of cost-effectiveness using innovations in production processes, vertical production and processing of agricultural raw materials on the basis of farms. The most important tasks of integration are to change the organization plan of the small producer in accordance with the marketing policy, to constantly improve the level of land use and technical equipment, to standardize the product in accordance with the requirements of the world market, to switch to perfect methods of processing, packaging, canning, is considered
- 2. Limited processing and packaging capabilities of agricultural farms producing the majority of exported fruits and vegetables lead to huge losses. Also, seasonal sharp changes in prices and unstable market conditions have a negative impact on their activity. Therefore, it is necessary to consider the development of export of fruit and vegetable products as one of the priority directions of economic policy.
- 3. The participation of various participants of the market of fruit and vegetable products in the general chain of reproduction processes from production to final consumption, and by organizing this process on a cluster basis, the opportunities for increasing the added value increase.
- 4. It is appropriate to pay special attention to the issues of effective protection of fruit trees from diseases and pests. Because, as a result of rapid weather changes in recent years, along with unfavorable conditions for the normal growth and development of fruit trees, there are also favorable conditions for the rapid development of pests and diseases.
- 5. An additional branch of production in agroclusters can be implemented in the following acceptable directions:
- ✓ in the direction of production of agricultural products;
- ✓ in the areas of preparation, transportation, storage and processing of agricultural products;
- ✓ in the directions of providing services to agricultural production entities in agro-technical, economic, technical, zoo-veterinary and other fields;
- ✓ can be organized in the fields of trade, transport, and household services.
- ✓ Development of beekeeping in horticultural farms within agracluster, natural and climatic conditions are considered very favorable for development of beekeeping.
- 6. According to our analysis, it is possible to draw the following conclusions based on the study of the experiences of advanced foreign countries in the organization of Agroclusters:
- ➤ agroclusters ensure the interest of the parties in controlling and increasing the quality and competitiveness of products by combining the technological processes of production storage processing sale of fruit and vegetable products into a single integrated system;
- ➤ agrocluster combines the processes of production, processing and sale of agricultural products into a single chain and uses high-tech innovations, increasing the competitiveness of agricultural products in the domestic and foreign markets, thereby increasing the value-added products;
- ➤ division of labor, regional and inter-farm specialization, and labor cooperation are strongly developed in agroclusters, which makes it possible to increase production efficiency.
- 7. In order to increase the added value in agricultural enterprises, the quality of the products grown is in the first place. Product quality is inextricably linked to consumer value. Consumers are interested not in the nature of the product, but in its ability to become a commodity. At the time



of the sale, the buyer confirms that the goods are in accordance with the market conditions. The competitiveness of such a product will be higher.

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