# INSTITUTIONAL STRUCTURE OF THE MARKET OF MATERIAL AND TECHNICAL RESOURCES AND METHODOLOGICAL BASES OF RESOURCE EFFICIENCY ASSESSMENT

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# **ABSTRACT:**

The establishment of market relations in agriculture requires the development of the system of material and technical resources on the basis of market principles. Weak financial situation of agricultural enterprises, weakening of economic relations with the manufacturer of equipment, transport costs, transit, high customs duties, devaluation of money, imbalances between prices for agricultural and industrial products and a number of other factors.

Due to the above factors, agricultural enterprises are not provided with material and technical resources at the required level. There is still a state monopoly in this area, a healthy competitive environment has not been formed, insufficient attention is establishment of paid to the nongovernmental enterprises, investment in the sector is not in demand, which is a major obstacle to the formation of a free market.

As a result of the lack of a free market for material and technical resources in the country, farms are not able to buy the required type of resource at any place and at any price. As a result, the lack of one type of resource also has a negative impact on the efficiency of using other types.

Also, the leasing system, introduced as an alternative form of meeting the needs farms in material technical of and resources, is developing slowly, there are a number of problems, staffing of the supply system is not in demand, and economic and legal relations between farms and supply structures are the same. there are a number of shortcomings. The mechanism of state support of the logistics system remains ineffective.

Keywords: regions, efficiency, austerity, agricultural production, forecasting, production potential, intensification, resources, economic mechanism.

# **INTRODUCTION:**

The market of material and technical resources is a part of the agrarian market and is regulated by the market of agricultural products. Because it is in this market of agricultural products that the ultimate goals of the agro-industrial complex are realized. Although the market of material and technical resources operates independently, it serves other sectors of the agricultural market. In other words, the market of material and technical resources can be considered as a tool that creates favorable conditions for the production of cheap and quality products in

#### agriculture.

In the agricultural sector, the market of material and technical resources can be considered as a set of markets that serve individual sectors. These include the market of mineral fertilizers and chemicals, the market of seeds and planting materials, the market of machinery and spare parts, the market of fuels and lubricants, the market of breeding and productive animals, the market of feed and others. Each of them has organizational and managerial features as a separate and integrated market.

The importance of resource conservation is that in order to achieve balanced development of agriculture in real conditions, it is necessary to save all kinds of raw materials, materials, energy and other resources. This means a reduction in material and energy consumption of production.

#### **MATERIALS AND METHODS:**

The research used dialectical, logical thinking, scientific abstraction, analysis and synthesis, complex, comparative analysis, grouping, SWOT analysis, econometric and forecasting methods of scientific knowledge.

# LITERATURE REVIEW:

The issues of scientific study and solution of economic problems of efficient use and regulation of resources in agriculture have always been in the focus of economists. In particular, the theoretical and practical aspects of this issue were studied by foreign economists Kuznetsov VV, Kovalenko N.Ya, M.A. Studied by Kanakov, V.M.Bautin, N.V.Daki, N.E.Zimin, I.Ya.Petrenko, P.I.Chujinov and others.

In the context of Uzbekistan, RH Husanov, RR Radjapov, QA Choriev, A. Kadyrov, UP Umurzakov, BI Rakhimov and others have conducted significant research on this issue. **RESULTS:**  The market of material and technical resources is a part of the agrarian market and is regulated by the market of agricultural products. Because it is in this market of agricultural products that the ultimate goals of the agro-industrial complex are realized. Although the market of material and technical resources operates independently, it serves other sectors of the agricultural market. In other words, the market of material and technical resources can be considered as a tool that creates favorable conditions for the production of cheap and quality products in agriculture.

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The following factors should be taken into account in the formation of the market of material and technical resources: the demand for different resources depending on the area under cultivation; structure of agricultural production by regions; structure of agricultural crops; crop yields and animal productivity; degree of specialization in agriculture; forms of ownership and management, etc.

Supply and competition are formed on the basis of demand for material and technical resources. An increase in the number of producers and sellers of material and technical resources creates a competitive environment, and a small number of them leads to an increase in the monopoly in the market.

In order to create a healthy competitive environment in the resource market, it is necessary to have sufficient service structures with a sufficient number of related enterprises that produce the same type of material resources, and to create conditions for the formation of supply and demand. This, of course, can be achieved through government coordination of prices for agricultural and industrial products.

In addition, it would be expedient for the state to stimulate the growth of resourcesupplying enterprises through its tax, credit, insurance and other incentives. The stability of individual factors should be taken into account in the formation of the resource market. These are the area under cultivation, the structure of agricultural production, the population's need for food products, and so on. These factors provide a solid foundation for the regular production of certain types of resources, such as certain types of agricultural machinery, mineral fertilizers, fuels and lubricants, and other resources in a certain amount.

A set of financial, sales and other institutions will be needed to support the effective functioning of the market of material and technical resources. In other words, it is important to build its institutional basis in the organization of the market of material and technical resources.

Institutional change is a change in the relationship between market management and ownership. Institutional changes in the market of material resources include a system of relations that ensures the continuous and efficient functioning of the market. This, of course, is characterized by the correct definition of the regulatory policy of the state in creating a competitive environment in limiting the monopoly in the market of material resources.

Ensuring the development of competition in the market of material and technical resources can be achieved through the implementation of measures in two directions, namely, improving the institutional framework and limiting the monopoly in the system of production and sale of resources.

Today, the system of material and technical resources of agriculture is highly centralized, and the state monopoly is maintained. Market entities, ie stock exchanges, auctions and other trading system enterprises, do not operate in accordance with the requirements of market relations. Currently, the system of material and technical resources of agriculture in the country has its own concept and structure, the market for this type of resources has the following appearance (Figure 1).

It should be noted that in the organization of the market of material and technical resources, it is important to protect the interests of domestic producers. This factor must be taken into account in maintaining the balance between supply and demand and in coordinating market relations through economic incentives.

Structural structure of the market of material and technical resources in agriculture:

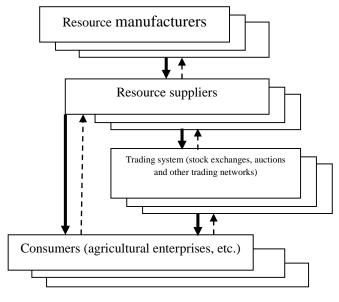


Figure 1. Source: Based on the author's research. - Demand for resources

- Supply of resources

This is due to the fact that agricultural machinery and spare parts produced at some existing machine-building plants in the country have not been sold for years. The main reasons for this are, firstly, high prices and low financial condition of farms, and secondly, the quality of some types of products is not at the level of demand. In addition, the untimely calculation of the sold equipment does not allow to expand production in factories. As a result, many plants use only 50-60% of their production capacity.

It is expedient to take into account the following in the establishment of institutions of the market of material and technical resources:

- The volume of demand for resources in each region;

- Weaknesses and strengths of competitors, the characteristics of their products;

-Price by resource quality and types;

- Approximate sales volume, profit and taxes;

- How many positions (shares) can be held in the market.

Following the results of the analysis in these areas, it will be possible to establish relations with market institutions, ie to effectively organize relations with banks, insurance and tax institutions, intermediaries and government agencies.

An important category of entrepreneurship in the organization of the institutional framework of the market of material and technical resources - dealership is widespread. In the resource market, dealers are local representatives of a particular plant, engaged in the sale of products manufactured by the plant at retail and wholesale prices, maintenance, advice on the use of products sold, rental, leasing and leasing of equipment and subsequent supply of spare parts.

Many dealerships currently operating in the country have local dealerships. In the current situation, the following conditions must be met when establishing dealer centers: - Availability of special places for storage of equipment and spare parts and warehouses;

- special technological devices for repair and maintenance of equipment;

- Highly qualified mechanics, welders and other specialists, etc.

In our opinion, one of the best ways to solve this problem is the former "Selkhoztekhnika", now JSC MTP buildings in each district center. Establishment of dealer points in these places allows to achieve the goal without the involvement of local specialists without requiring a lot of money.

A dealer is an intermediary between a plant that produces any type of material resource and an agricultural commodity producer, or a link that binds them together. Dealers are independent legal entities that operate under a franchising agreement with the plant.

A franchise is a license granted by a manufacturing company or factory to sell its products. The subject of the dealer material and technical resources market is an integral part of its institutional basis.

At the stage of liberalization of the economy in all spheres of the national economy of the republic, new relations of the market economy are spreading in agriculture as well. In the material and technical market, with the approval of the first part of the Civil Code of the Republic of Uzbekistan by the decision of the Oliy Majlis of the Republic of Uzbekistan on December 25, 1995, and the second part of this Code on August 29, 1996, leasing relations were widely introduced.

The increase in the number of agricultural producers of various forms of ownership and management, the poor financial condition of most of them, the constant increase in prices for material and technical resources, especially machinery, the introduction of leasing relations are the most favorable for stabilizing economic relations between producers and consumers. has become one of the ways. This is because an agricultural enterprise requires large financial resources at the same time to purchase new machinery.

When a farmer or company leases machinery, in the end the cost of the machinery will be distributed over several years, even though the cost of the machinery will be more expensive. In addition, the lessee may purchase the property, plant and equipment at the end of the lease term, if provided for in the contract.

In practice, there are three types of leasing: long-term lease - more than 3 years, medium-term lease - from 1.5 to 3 years and short-term lease - up to 1.5 years. There are three main types of leasing: financial leasing, operating leasing and repayable leasing.

There is no clear limit to the types of leases mentioned above when concluding lease agreements. In a single contract, different leases can be mixed. Currently, there are more than 12 types of leasing companies in the country. For example, Barakalizing universal leasing company, Uzbekleasing-international, Uzbek-American joint leasing company, Uzavializing and Uzkishloqkhojalikmashlizing joint-stock leasing companies are among them.

Established in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 486 of October 30, 1999, Uzkishlokkhojalikmashlizing Joint-Stock Leasing Company is currently a leading leasing company providing the agricultural sector with the necessary equipment and machinery.

2000-2004, During the company 10,000 supplied more than pieces of equipment to agricultural enterprises on more than 7,000 projects on leasing terms, the volume of leasing operations amounted to billion soums. 145.3 More than 1.500companies, about 2,500 farms and more than 40 car and tractor parks were involved in the leasing process.

Leasing of material resources plays an important role in the system of market relations. Unlike a lease, the rent is paid by the lessee on a monthly basis during the lease term. The lease agreement may also provide for the obligation of the lessee to purchase the property at its residual value at the end of the lease term. Leased property can be agricultural machinery, vehicles, buildings, structures and other types of material resources.

In addition, the introduction of mortgages is important in the development of the market of material and technical resources. Mortgages are common in developed countries. However, in the context of Uzbekistan, this new direction is not given enough attention. Enterprises, buildings, structures, real estate, residential areas, land plots used for business purposes as a subject of mortgage may be mortgaged. However, so far the mechanism of mortgaging property has not been sufficiently developed or its legal framework has not been sufficiently developed. The introduction of a mortgage mechanism would increase the ability of companies, farms and dehkan farms to use material resources by mortgaging their property and land.

In agriculture, the rental of machinery or the use of high-yield machinery by several farmers on a cooperative basis gives good results. Studies show that farm-to-farm use of machinery reduces the cost of machinery by 50 percent compared to purchases.

The organization of a secondary market for machinery and spare parts will have a positive effect on improving the logistics of agricultural enterprises. It is necessary to establish a system of repairing and selling tractors, combines and agricultural machinery that have been written off or have expired on the company's farms by low-cost repair companies.

In the context of economic liberalization, as various forms of ownership operate in

agriculture, one of the most pressing issues is the efficient use of material and technical resources on the basis of economy. This is due to the emergence of competition in the market of agricultural products between producers, who are increasingly striving to produce cheaper, better and more competitive products. The desire of agricultural enterprises in the form of ownership to introduce new equipment and resource-saving technologies is growing.

It is known that the methodological basis for assessing the efficiency of the use of material resources in agriculture has been developed by many scientists. Material and technical resources include several types of material, buildings, equipment, fertilizers, fuels and lubricants, and more. It will be necessary to use a separate system of indicators to determine the cost-effectiveness of each type of resource. The research focused only on improving the methodology for determining the efficiency of material and technical resources and the methodological framework for determining the efficiency of some basic types of resources.

As noted above, a number of leading foreign and domestic economists have conducted a number of substantial studies on the methodological basis for assessing the effectiveness of the use of material and technical resources. Different approaches have been proposed in this regard, and the system of indicators has been improved at each stage of the development of the agricultural sector.

According to I.Ya. Petrenko and P.I. Chuzhinov, "The economic efficiency of the use of material and technical resources in agriculture is characterized by a system of interdependent and complementary indicators. As these types of resources are evaluated in terms of quantity and value in agriculture, performance indicators can be divided into two groups: generalized (value) indicators of material and technical resource efficiency and analytical (technical and economic) indicators describing the level of use of certain types of resources "[1 . 215bet].

In his research, K.A. Choriev evaluates the effectiveness of the use of material and technical resources, including a number of factors, including the volume and correctness of capital investments, the level of availability of machinery and equipment, the formation of valuation of fixed and circulating assets, the ratio of tractors and agricultural machinery. Stressed the need to take into account naturalclimatic conditions, etc. [3, pp. 126-147].

UP Umurzakov noted that in determining the level and dynamics of the efficiency of the use of material and technical resources should take into account a number of factors at the national and sectoral levels [2, p. 118].

Many scientists have proposed different approaches to determining the efficiency of material and technical resources on a separate fixed and circulating means. Respectively, fund returns and fund capacity are recognized as generalized indicators that assess the efficiency of the use of fixed assets, and for working capital, the turnover ratio of working capital [2. Pp. 70-74].

It is noted in the scientific work of RH Husanov that in assessing the efficiency of resources should take into account the above characteristics and the amount of output per unit of resource consumed in the future should be the main criterion for assessing their use and efficiency of agricultural production [3. Page 6].

In our opinion, in the context of economic liberalization, it is expedient to closely link the economic efficiency of the use of material and technical resources in agriculture with the final results of the agroindustrial complex. The development of a system of indicators for assessing the efficiency of resources should take into account key criteria such as increasing the productivity of crops and livestock, reducing production costs, increasing farm profitability and increasing production per unit of resource. In addition, it is advisable to take into account the characteristics of resources in the system of indicators. Based on the scientific research of our leading scientists on this problem, the following complex system of indicators determining the efficiency of material and technical resources is proposed (Figure 2):

At the same time, the following indicators were included in the indicators determining the effectiveness of the use of mineral fertilizers and chemicals:

-1 kg of fertilizer or chemical product, kg;

-1 kg or the cost of the product at the expense of 100 soums of fertilizer or chemical agent, soums;

-1 kg of additional product at the expense of fertilizer, kg;

- The cost of additional products at the expense of fertilizers in the amount of 100 soums, soums;

- Income from fertilizers or chemicals by 100 soums, soums;

-100 soums of profit due to fertilizers or chemicals, soums;

- The share of the cost of fertilizers or chemicals in the cost of production,%;

-report of mineral fertilizers,%;

-1 unit of yield retained by chemical means, kg;

Level of nutrient coverage in the soil,%;-profitability rate,% and others.

Indicators determining the effectiveness of the use of seeds and planting material:

-1 kg of seed yield, kg;

-1 kg or the cost of the product per 100 soums of seeds, soums;

-1 kg amount of additional product at the expense of seeds, kg;

- Value of additional products at the expense of seeds for 100 soums, soums;

- Income from seeds at the rate of 100 soums, soums;

- Profit per 100 soums of seeds, soums;

- The share of seed costs in the cost of production,%;

-profitability rate,% and others.

Indicators that determine the effectiveness of the use of equipment and spare parts:

-Fund capacity, soums;

-Fund return, soums;

- Return on funds,%;

- Level of mechanization,%;

- The share of mechanization costs in the cost of production,%;

- Product produced at the expense of technical means in the physical unit, kg, soums;

-Labor productivity, kg / person, kg / hour;

- Hourly productivity of equipment, ha, tn, tn km;

- Daily productivity of the equipment, ha, tn, tn km;

- Annual productivity of the vehicle, ha, tn, tn km;

-Shift coefficient;

- Machine-days of the technical means in the physical unit;

- Coefficient of use of the annual working time fund;

- Additional products, kg, soums, etc., obtained due to the quality and timeliness of mechanization work.

Indicators determining the efficiency of the use of fuels and lubricants:

-1 kg of product at the expense of fuel and lubricants, kg;

-1 kg or the cost of the product at the expense of fuel and lubricants of 100 soums, soums;

-100 soums of income from fuel and lubricants, soums;

-100 soums of profit due to fuel and lubricants, soums;

- The share of fuel and lubricants costs in the cost of production,%;

-Profitability rate,% and others.

Pedigree and productive animals and indicators of feed efficiency:

- Volume of products produced at the expense of 100 hectares of agricultural land, kg, l, tn;

-100 head of livestock, offspring;

- Average daily, monthly and annual weight gain of livestock, gr., kg;

- Live and slaughtered weight of fattened livestock, kg;

-Labor productivity, kg, l, pieces / person, kg, l, pieces / hour

-1 product produced per feed unit, kg, l, tn, pieces;

- The cost of the product, which corresponds to the feed account of 100 soums, soums;

- Income from food at the rate of 100 soums, soums;

- Profit per 100 soums of food, soums;

- The share of feed costs in the cost of production,%;

- Cost of production, soums;

-Profit, soums;

-Profitability rate,% and others.

It should be noted that the use of value indicators in determining the efficiency of resources in the context of constant growth of prices for material and technical resources, especially when analyzed over the years, does not allow to determine the real situation. Therefore, it is advisable to use more natural indicators.

Thus, the harmonization of individual indicators for each type of material and technical resources allows an objective assessment of the efficiency of resource use.

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