

## FINANCING THE CULTIVATION OF FRUIT AND VEGETABLE PRODUCTS SUPPORT AND USE OF LOANS WAYS TO INCREASE EFFICIENCY

Nazarova Munavvar Soatmurad qizi  
Tashkent University of Economics and Technologies  
Senior teacher of the Department of Economics  
+998 915767117

### Abstract

In this article, through a survey, the activities of farms specializing in growing fruits and vegetables in the Surkhandarya region were studied, and it was found that farms have problems using loans. In addition, proposals and conclusions were formulated to solve problems and support the activities of farms.

**Keywords.** production of fruits and vegetables, farmers and household plots, farms, financial support, credit efficiency, preferential loans, intensive gardening, drip irrigation technologies.

### Introduction

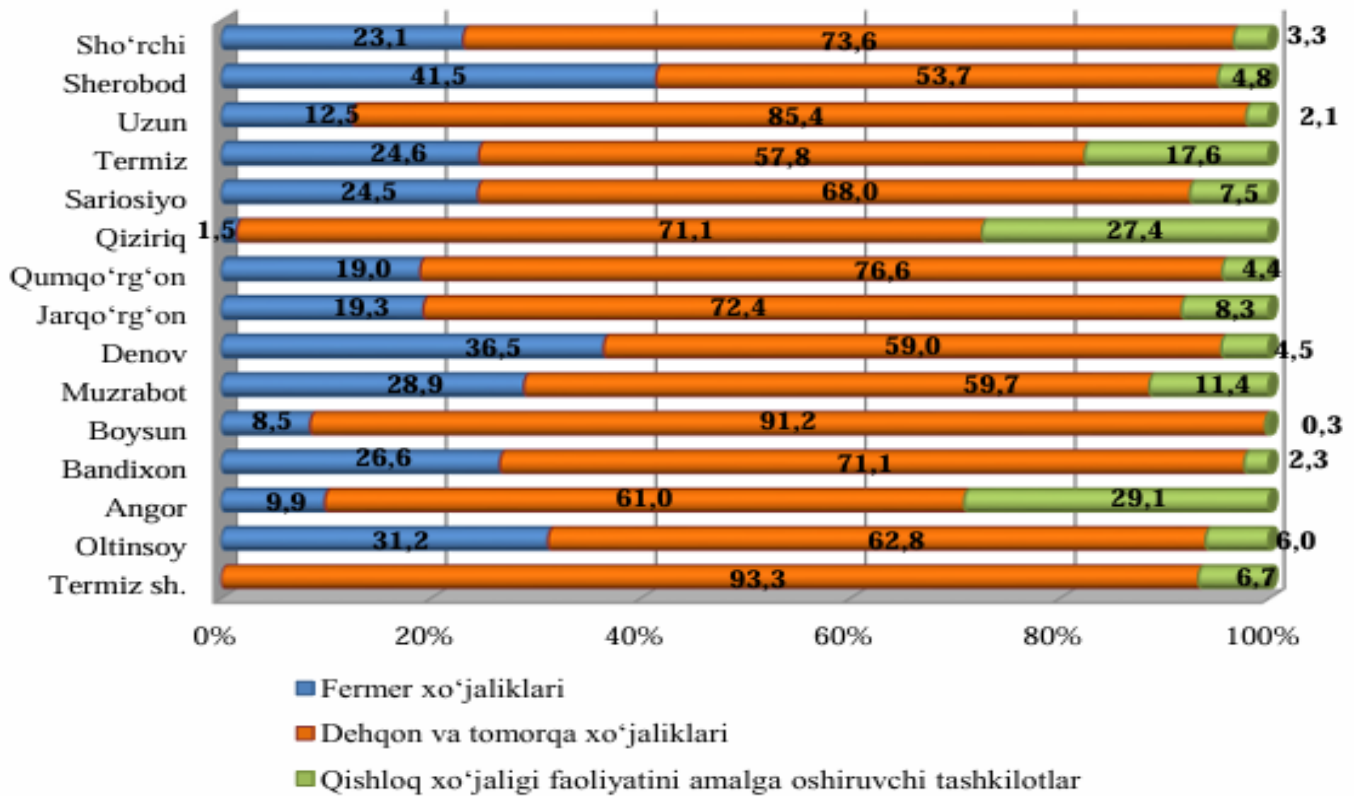
Solving strategic tasks such as modernizing and diversifying our country's agriculture, increasing its export potential, fundamentally changing the financing system of the sector today, ensuring the financial stability of agricultural production entities, targeted and it requires the formation of a new approach and a system of measures in the areas of targeted support and increasing their material interest. This requirement is especially important for the study of the activities of farms specializing in the production of fruit and vegetable products, which occupy a significant place in the export of agricultural products of our country, their expansion and organization based on the introduction of innovations. From this point of view, ensuring the financial stability of horticulture and vegetable growing sectors, achieving high efficiency as a result of effective use of credit resources in these sectors is an urgent issue.

In our country, complex measures aimed at actively attracting the funds of international financial institutions for the improvement of the fruit and vegetable sector, including the significant increase of the areas planted with fruit and vegetable products, the storage and processing capacities, and the development of this industry are being implemented. According to the analysis, the volume of vegetable production in the republic increased in 2005-2022 in all categories of farms. Instead of 137,700 hectares in 2005, the cultivated area of vegetable products will be 220,500 hectares by 2022, and the growth during these years was equal to 155.1%. The average productivity increased from 215.8 centners to 301.6 centners, and the total increase was 140.6 percent. As a result, instead of 2971.6 thousand tons in 2005, the total amount of the grown crop was 6650.3 thousand tons in 2022, and the gross growth was more than 2.2 times [1].

The trend of gross growth of vegetable production in the republic is proportionally observed in Surkhandarya region. The total amount of production (services provided) in the region in 2023 is 33,655.0 billion. soums or 103.7 percent compared to 2022, including agriculture and animal husbandry, hunting, and the volume of services provided in these areas 33,151.5 billion. soums (103.8

percent), 346.0 billion soums in forestry. soums (102.1 percent), 157.5 billion soums in fisheries. amounted to soums (104.8 percent) (Fig. 1).

Analysis by categories of farms shows that 67.1% of the total volume of agricultural products is allocated to farmers and homesteads, 24.5% to farms and 8.4% to organizations performing agricultural activities. is coming [2].



**Figure 1. Distribution of the volume of production of agricultural products by economic category in the cross-section of regions (in %)**

Analyzes by categories of farms show that 44.6 percent of the total volume of agricultural products belongs to farmers and homesteads, 42.6 percent to farms, and 12.8 percent to organizations performing agricultural activities. is coming.

In January-December 2023, 753,240 tons of grain and legume crops (104.2 percent), 356,524 tons of potatoes (101.7 percent), and 1,169,170 tons of vegetables (102.1 percent) were produced by all categories of farms. , 337,307 tons of fruit (102.5 percent), 180,277 tons of fruit (100.1 percent), and 74,474 tons of grapes (69.7 percent) were grown. The growth of production of agricultural products in all regions is mainly at the expense of peasants and homesteads and farms, their share in the total volume of production of grain crops is 80.6 percent, potatoes 99.1 percent, vegetables 93.3 percent, rice 97.7 percent, fruits 96.9 percent and 96.7 percent in grape production [2].

**Table 1 The main types of agricultural products produced in Surkhandarya region in 2023**

	All kind of households		That's it including					
			Farmer households		Farmer and homestead households		Village economy activities done increasing organizations	
	A thousand tons	Growth rate, in %	A thousand tons	Growth rate, in %	A thousand tons	Growth rate, in %	A thousand tons	Growth rate, in %
Cereal crops	753.2	104.2	518.3	97.3	88.6	104.4	146.3	132.4
Potatoes	356.5	101.7	35.9	111.4	317.2	100.6	3.4	116.1
Vegetables	1169.2	102.1	305.6	104.6	785.3	100.6	78.3	107.4
Police	337.3	102.5	130.4	102.5	199.0	102.5	7.9	102.5
Fruit and berries	180.3	100.1	70.8	98.3	103.9	100.4	5.6	121.9
Grapes	74.5	69.7	31.0	53.4	41.0	92.5	2.5	55

Main kind of farming products work in release economy of categories share of cereals according to the most high indicator farmer farms contribution right came (68.8 %), potatoes work in release farmer and homestead farms contribution came right (89.0%) . Also vegetables work issue 67.2%, policy products work release 59.0%, fruits 57.6% and 55.1% production of grapes release is also a farmer and homestead farms contribution right came

Areas in the section main kind of farming products work grain crops in production according to Freezing in the district (115,5 thousand tons ) and policy products work release according to (84.4 thousand tons) Sherabad in the district note done. Also, the most high indicators vegetables work in output (191.2 thousand tons), potatoes products work in output (79.4 thousand tons ), grapes work release according to (16.4 thousand tons) Denov in the district, fruit and berries work release according to Syria in the district (29.5 thousand tons ) note done

Within the framework of 3 projects in Surkhandarya region during the last 5 years: "Development of the fruit and vegetable industry in the Republic of Uzbekistan", "Modernization of agriculture of the Republic of Uzbekistan" with the participation of the International Bank for Reconstruction and Development and the International Development Association, Japan international cooperation to 125 sub-projects with a total value of 90.9 million dollars for the financing of investment projects from the funds of international financial institutions with the participation of the "Development of the added value chain in the fruit and vegetable industry in the Republic of Uzbekistan " project a total of 54.7 million dollars were allocated .

- In Surkhandarya region, in the last 5 years, the value is 1860 billion. 8,600 new jobs were created as a result of the implementation of 905 investment projects worth 606 billion soums, bank loans 577.2 billion soums, foreign loans 38.2 million dollars and foreign investment was 10.8 million dollars). Including by sectors and industries:

- 675.0 billion in fruits and vegetables. soums (equity 244.6 billion soums, bank loan 252.8 billion soums, foreign loan 6.0 million dollars and foreign investment 8.9 million dollars) 445 projects 3588 jobs;

- 359.6 billion in food. soums (equity 52.7 billion soums, bank loan 58.0 billion soums and foreign loan 20.4 million dollars) 118 projects 1 989 jobs;
- 461.1 billion in livestock breeding. soums (equity 222.3 billion soums, bank loan 172.5 billion soums, foreign loan 3.4 million dollars and foreign investment 1.9 million dollars) 272 project 1,879 jobs;
- 363.4 billion in other agricultural sectors. soums (own funds 86.3 billion soums, bank loan 94.0 billion soums and foreign loan 8.4 million dollars) 70 projects 1134 jobs were created.

According to the conducted researches, farms in the districts of Surkhondarya region need loans to create an intensive garden, introduce drip irrigation technologies, build greenhouses, build warehouses for storing fruits and vegetables and buy refrigerators, grow seeds and dig wells. it was found that there are needs.

In the course of the research, the opinions of farms and other agro-business entities on the assessment of the state of use of loans and ways of effective use of financial resources were studied on the basis of a questionnaire :

"Is the amount of credit you received for your business activity sufficient?" only 46.6% of the respondents gave a positive answer to the question, while the rest expressed the opinion that "It is difficult to answer" or "It was not possible";

20.0% of the respondents said "Relatively satisfied", 13.3% "Not satisfied", and 27.0% said "I find it difficult to answer" to the question "How much did the loan term satisfy you?"

27.0% of the respondents said "High" and 33.3% "It will be bearable" to the question "What do you think about the interest rate of the loan?"

To the question "How do you evaluate the process of reviewing documents for obtaining a loan?", 20.0% of respondents confirmed that "It was delayed a bit", 13.3% said "It took too long";

"What about other loan requirements?" to the question, 27.0% of the respondents said "There were no other requirements" , 20.0% said "It is possible to meet the requirements relatively", and another 20.0% said "I find it difficult to answer". they emphasized;

"Are you satisfied with your loan?" 20.0% of respondents said "No, I'm not satisfied, I didn't make a profit", and 53.3% said "I wouldn't have taken a loan if I knew it would be difficult to repay the loan".

Analysis shows that the very high interest rate of the loan is reducing the demand for the loan of the farms. Especially considering that fruit products in horticulture bring income after 3 years or more, it is appropriate to reduce the percentage of commercial loans to 14% and lower, and make the grace period 5 years.

Most of the farmers and peasant farms use innovative approaches to land and water resources, increasing productivity through the use of resource-saving technologies, increasing soil fertility, developing the added value chain by diversifying the structure of crops and increasing income, new expressed that they are eager to ensure employment of the population based on the creation of jobs, and emphasized that they are ready to use their financial resources and all financial resources in this regard.

According to the results of the survey conducted in the farms specializing in fruit and vegetable growing in the districts of Surkhondarya region, the problems and shortcomings that prevent the increase of the efficiency of financial support and loans for the production of products are as follows :

Problems of local banks in providing loans for financial support in the fruit and vegetable sector.

- ❖ Lack of storage warehouses for fruits, vegetables and grapes.
- ❖ Problems in introducing drip irrigation technology to vegetable farms.
- ❖ High percentage of preferential loans for the development of the fruit and vegetable sector.
- ❖ Lack of subsidies for solar panels on horticultural farms.

The following proposals were made for financial support of fruit and vegetable production and increasing the efficiency of the use of allocated loans:

In a survey of fruit and vegetable farms in Surkhandarya district, 32 percent of farmers said that they need a loan to grow fruit trees, 29 percent of farmers said that drip irrigation technology is effective in irrigation, 32 percent of farmers use drip irrigation technology. stated that they need the support of the state in the introduction. 40% of farmers answered "no" to the question "Would you like to organize and join a fruit and vegetable cluster in the region to store, sell and process vegetable products?"

Therefore, it can be noted that farms specializing in fruit and vegetable production have enough knowledge and experience to grow, store and sell their own products through the channels of their choice .

To conclude, it is appropriate to implement financial support in the field of fruit and vegetable production and increase the efficiency of allocated loans in the following directions: improvement of contractual relations; improvement of the mechanism of mutual payments; development of the activities of processing enterprises and the environment of competition between them; protection of farmers and peasant farms producing agricultural products; is to develop the system of storage and transportation of products.

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