

POSSIBILITIES AND ADVANTAGES OF INVESTING IN AGRICULTURE IN UZBEKISTAN

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Abstract

The article devoted to the topic possibilities and advantages of investing in agriculture in Uzbekistan. Moreover, the most recent measures taken in Uzbekistan regarding this issue and their results were discussed.

Keywords: financial institutions, visa-free entry, agricultural sector, poultry farming, traditional livestock, export potential.

In 2019, Uzbekistan did really well in making it easier for businesses to work there. It was one of the top 20 countries in the world for this. Uzbekistan was ranked 166th in "Doing Business" 2012, which is better than before by 97 positions. In 2020, the country did very well in helping and supporting smaller groups of people, paying government fees, making sure agreements are followed, and doing business with other countries. In fact, the republic moved up from 76th to 69th place in "Doing Business 2020" ranking among 190 countries. In accordance with the Decree of the President of the Republic of Uzbekistan "On measures to further improve the mechanisms for attracting foreign direct investment in the economy of the republic" dated April 29, 2019 № PD-4300 foreign investors are offered state shares in 29 large enterprises, including 4 financial institutions, 2 from energy sector, 6 oil and gas, 3 chemical and other industries[1]. In addition, the shares of Uzpromstroybank, Asia Alliance Bank and Jizzakh Plastic are put up for an initial public offering (IPO), the shares of Quartz, Alokabank and the Uzbek Republican Commodity and Raw Materials Exchange for a secondary public offer of shares (SPO.)

The leader of the country decided that tourists from 86 different countries don't need a visa to come visit. This is a big deal. Uzbekistan is becoming the most welcoming country for tourists, compared to other CIS countries. In 2017, only nine countries had the same chance as they do now. The number of countries you can enter without a visa has gone up a lot from 9 in 2017 to 86 in 2020. It's almost 10 times more now. With these new rules, more people from other countries are coming to visit. In the past, 1.9 million people came, but now it's 5.4. Soon, in 2022-2023, it's expected that 10 million people will come to visit. Uzbekistan is very safe for people and travel. A big rating company called Gallup said so. Uzbekistan is the 5th safest country in the world, like Switzerland and other good countries. Moreover, an "investment visa" has been introduced for investors who have contributed at least 200,000 US dollars[2]. The agricultural sector of Uzbekistan is an important sector of the country's economy. It contributes significantly to its GDP and plays a major role in providing food security for its citizens. This sector is specifically a great opportunity for foreign investors, foreign exporters, and also distributors involved in the following sub-sectors:

- ✓ Cattle breeding and poultry farming
- ✓ Seeds and seedlings (berries, fruits, nuts, vegetables, melons)
- ✓ Seeds and seedlings of ornamental plants (flowers)
- ✓ Technical solutions for microclimate control in greenhouses

- ✓ Mills producing feed and feed additives for poultry
- ✓ Storage, packaging, and processing of fresh vegetables and fruits
- ✓ Water-saving irrigation technologies
- ✓ Pumping stations for water supply systems.

Uzbekistan is a good place to invest if you want to raise cows and chickens. In Uzbekistan, it is important to farm by raising cows and chickens. For a long time, they've been assisting people in countryside regions to earn a living. The people who live in the area have farmers and cooperatives who work with animals. They provide good things for the people. Uzbekistan is making more money, which encourages other countries to do business there. Raising cows has been a big deal for Uzbekistan since it became independent in 1991. The government has given money to improve businesses that raise cows. This has helped farmers work better and take care of their animals more. It helped them sell their things in their own place and other places too. In Uzbekistan, there are many cows, horses, sheep, and goats that farmers take care of. They have almost 2 million of these animals every year. They take care of cows named Jersey and Simmental. Small farmers use these animals to help them sell their crops at nearby markets or auctions. Uzbekistan is a place in Asia with diverse weather and land that allows for growing different types of seeds and young plants. Berries, fruits, nuts, vegetables and melons are all highly sought after in Uzbekistan and beyond. Uzbekistan's temperate climate makes it suitable for growing many types of berries, such as strawberries, raspberries, blueberries and more. In addition to providing local markets with fresh produce on a regular basis, these berries also have great export potential. Berries can be processed into jams or concentrated juices for sale abroad. There are also numerous processing facilities in Uzbekistan that can help turn fresh fruit into frozen fruit products for international markets.

For many years, the country has been spending a lot of money to build better roads, buildings, and water systems. This is to make life better for people and help the economy grow[3]. Uzbekistan has many rivers, lakes, and water storage areas. These are important for making sure people in cities have clean drinking water and helping farmers grow crops. Uzbekistan is updating its infrastructure to keep up with more and more people living in cities. They're putting in new, high-tech pumps in many places around the country. Companies that sell pumps, pipes, and similar things can make a lot of money by selling their products within their own country and to other countries. Foreign companies could make a lot of money by accepting contracts from the government to build new water pumping systems in different parts of Uzbekistan.

This market in Uzbekistan is big, and people with special skills are needed to work on important construction projects involving pump station installation or maintenance. Uzbekistan has skilled workers and advanced technology, so it could be a good place for foreign firms that provide services like designing or legal advice for new investments in that industry. We should consider selling things made in Uzbekistan to other countries. For example, we could make pumps here and sell them abroad because it's cheap to make them here and they would be cheaper than other countries' pumps. [4]. Thus far most suppliers have come from China or Russia but there is still plenty of room left for other players if they can create high-quality goods at reasonable prices – something that would likely prove beneficial both financially and environmentally since Uzbekistan's domestic market needs more modern technologies when it comes to handling wastewater treatment plants too (which are connected directly with pumping stations).

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