

INNOVATIVE DIRECTIONS OF DEVELOPMENT OF EXPORT POTENTIAL OF SMALL BUSINESS ENTITIES IN THE CONTEXT OF COVID-19 PANDEMY

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Abstract. *This article describes the innovative directions of developing the export potential of small businesses in the context of the COVID-19 pandemic. The author explores the issues of improving the efficiency of the use of the logistics system in the development of export potential of small businesses.*

Index terms - *export potential, small businesses, entrepreneurship, organization, logistics management, fruits and vegetables.*

Relevance of the topic

Today, the development of small business and private entrepreneurship is a strategic task of economic policy of our country. Today, more than 525,000 business entities operate in the country. More than 56% of the country's GDP is accounted for by small business and private entrepreneurship, which provide employment to more than 78% of the able-bodied population in the country.

Literature review

This problem is solved by foreign scientists, including Y. Shumpeter, M. Xayn, V. Gorfinkelya, G. Polyaka has been studied to some extent in the scientific research work of W. Schwandara.

A number of scientific researches on entrepreneurship and its effective organization have been carried out in our country, in particular, U. "Improvement of economic mechanisms of state regulation of small business" by Gafurov [1], D. Mekhmonova studied "Factors for the development of industrial entrepreneurship in the regions and their effective use." [2]

The foundations of the cluster approach in economics were formulated in the studies of Burkhanov A. [3], Porter M. E. [4], M. Enright [5], S. Resenfeld, T. Andersen, S. Breschi, P. Drucker, M. Castells, K. Ketels, E. Canari, Yu Kimura, P. Krugman, K. Kutsun, A. Kuchiki, B. Lundval, R. M. Marsh, G. Mensch, U. Migari, O. Solvela, G. White, K. Freeman, S. Harrison, J. Henderson, D. Hilgers, J. Schumpeter, etc.

Among modern scientists dealing with cluster forms of organizing textile production, such as D.P.Barsukov [6], I.N. Goretov, R.R. Tokhchukov, L.V. Shchukina, O.A. Fedotenkova, L.I. Pronyaeva, V.I. Vagizova, S.I. Record, E.Z. Zelinskaya, M.P. Postalyuk, V.Ya. Pogoretskaya, N.N. Vnukova, A.A. Sytnik and others.

Among domestic scientists, the priority directions of development of textile clusters were directly or indirectly studied by N.Sh. Dekhkanova, S.N.Khamraev, G.N.Khalmatzhanova, B.A.Khamidov, M.A. Zhumaniyozova, O.M. Kostyuchenko, O. Arkhipova, Ch. Murodov, I. Toshmatova, G. T. Ismoilova, N.Yuldashev [8], Tursunov B.[7] and others.

According to KT Taygashinova, "logistics" - translated from English - "supply", and according to K.A. Dadabaev, "logistics" - is a Greek word meaning "calculation", our research shows that in different periods it has different definitions. To date, many of our scientists have expressed different views and opinions based on their own views as a result of their research.

Western experts believe that strategic planning of firms and companies based on logistics is the most powerful tool in the fight against its competitors. This is because the introduction of logistics management leads to savings in financial, commodity, raw materials and material resources.

Several economists, including L.F.Bobinin, K.A.Dadaboev, V.G.Degtyarenko, O.Dilmurodov, E.A.Golikov, M.P.Gordon, L.S.Fedorov, G.Shtabenau and others have described logistics in their monographs, textbooks, manuals, and other scientific works, but have not emphasized the role and importance of freight in export processes. They recognized logistics as a material flow management system, revealing only aspects that were unique to supply processes. Summarizing the definitions of economists in this regard, the flow as an object of logistics can be considered as an action that causes dynamic changes over a period of time.

The following groups of our national researchers, namely N.R.Asadulina, A.Sh.Bekmurodov, K.A.Dadaboev, N.H.Burieva, G.M.Kosimov, H.Ch.Buriev and others -state the need to apply the methods and tools of marketing, management and logistics to the national economy.

However, economists in our country have not sufficiently studied the issues of improving the efficiency of the use of the logistics system in the development of export potential of small businesses.

Research methods.

The dissertation uses the methods of expert evaluation, induction and deduction, correlation and regression analysis, economic mathematical modeling and SWOT analysis.

Analysis and results

At the current stage of development of the Republic of Uzbekistan, agriculture plays an important role both economically and socially. Increasing the production and export potential of the agricultural sector will contribute to increasing the welfare of the rural population, economic growth and a balanced consumer market.

From 2010 to 2018, the gross domestic product of Uzbekistan increased by an average of 8% per year and reached \$ 50.5 billion. During this period, the annual growth of agricultural GDP was slightly lower - at 7.3%.

The importance of horticulture has increased in agriculture as a result of the state policy to diversify production by reducing the area of cotton and grain. The share of cotton and grain in GDP fell from 7% in 2000 to 4%.

By 2018, the share of fruits and vegetables increased from 5.2% to 10.6% during the same period. Between 2000 and 2018, a significant increase in area was recorded for vegetables (59%), fruits and berries (37%). Fruit and vegetable production grew faster than area expansion, indicating a significant increase in productivity.

Significant changes were also observed in the structure of agricultural exports. In particular, between 2000 and 2018, exports of cotton fiber decreased by 7 times - from \$ 1.58 billion in 2010 to \$ 0.22 billion in 2018. On the contrary, exports of fresh and dried fruits and vegetables increased 13 times - in 2000 to 68.7 million. from \$ 900 million in 2018 to \$ 900 million.

However, the study found that increasing the production capacity of fruit and vegetable products is limited to the use of good land, specialized agricultural equipment, other resources and financial instruments.

According to the structure of the balance of production and consumption of fruits and vegetables, about 69% of total fruit production is consumed in pure form, 20% is processed and 11% is exported, while 81% of vegetables are consumed in pure form, 11% is processed, 4.5% is used for seeds and 3.5% is exported.

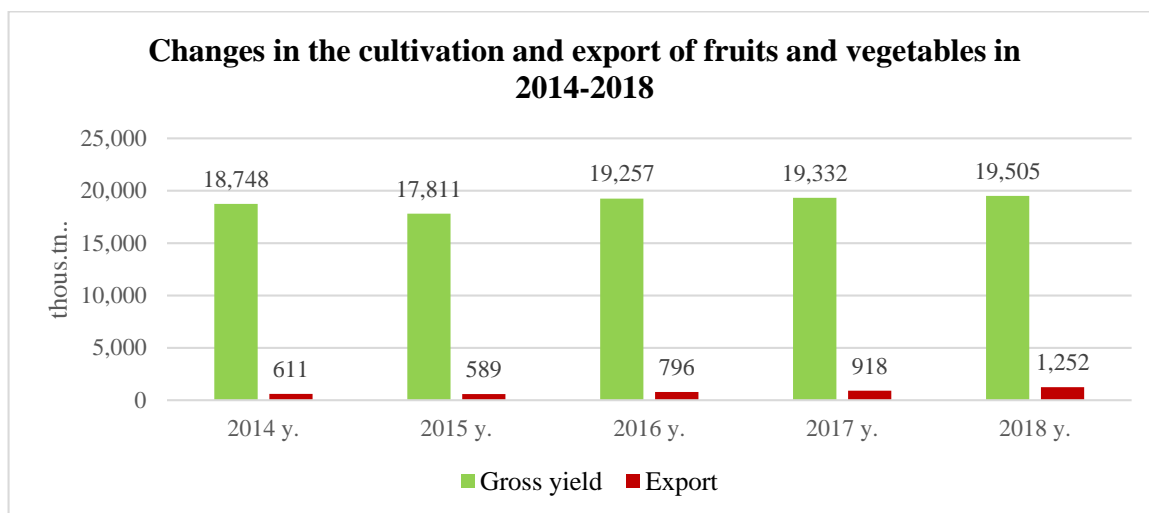
According to the study, the country has great potential to achieve a slightly higher added value by increasing the volume of processing of agricultural products and redirecting them to a more expensive segment, the share of transportation costs in their prices does not cause export losses or low profitability.

Analysis of Uzbekistan's comparative advantages shows that the country specializes in the production of many fruits and vegetables compared to many world producers, which has the potential to expand exports to new markets in Europe, along with traditional markets in the Russian Federation and Central Asia. However, access to the European market, especially to EU countries, requires improved safety and quality standards of fruit and vegetable products.

The geographical location and natural climate of Uzbekistan allow to produce high quality and unique fruits and vegetables. In recent years, Uzbekistan has implemented a number of reforms to support exports, especially fruit and vegetable exports, and in practice this has yielded positive results. In recent years, the improvement of legislation in the field of fruit and vegetable production and the growth of exports, as well as the adoption of many regulations on the provision of benefits and preferences for exporting enterprises and the creation of favorable conditions for them provided an increase.

In 2018, Uzbekistan produced 19.5 million tons of fruits and vegetables, of which 1.25 million tons (6.4%) were exported.

Over the past five years, exports of fruits and vegetables have significantly doubled, from 611,000 tons to 1.25 million tons.



Source: Data of the State Statistics Committee of the Republic of Uzbekistan

Fig.1.Changes in the cultivation and export of fruits and vegetables in 2014-2018

In 2015-2018, the volume of fruit and vegetable production increased by 9.5% and amounted to 19.5 million tons. At the same time, due to unfavorable weather conditions in 2015, production decreased by 5% to 17.8 million tons and exports of fruits and vegetables decreased by 4% to 589 thousand tons compared to the same period in 2014.

In 2018, the volume of exports of fruits and vegetables increased by 38.4% or from 347.6 thousand tons to 1,252 thousand tons, in terms of value by 37% or 238.5 million tons in 2017 compared to such figures. \$ 884.0 million. dollars.

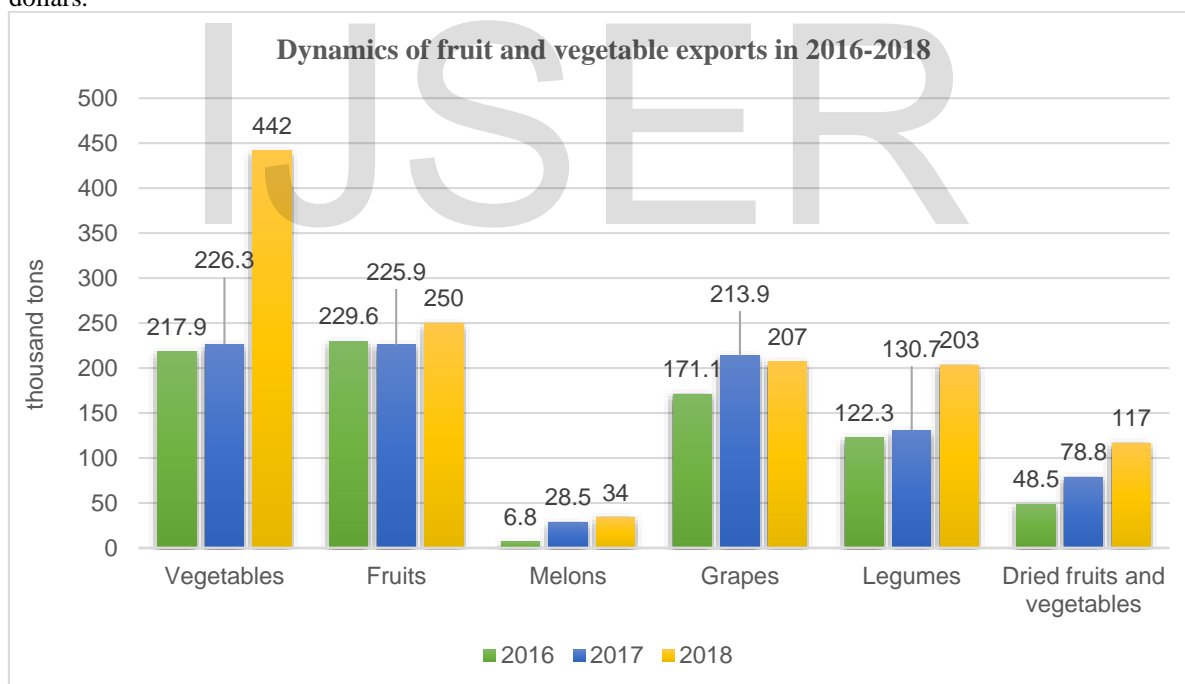


Fig.2.Dynamics of fruit and vegetable exports in 2016-2018

Source: Data of the State Statistics Committee of the Republic of Uzbekistan

In 2016, the total export of fruits and vegetables from Uzbekistan amounted to 796.2 thousand tons, in 2017 - 903.4 thousand tons (total growth - 113.5%, including vegetables - 103.9%, melons - 4.2 times, grapes - 125.0%, legumes - 106.8%, dried fruits and vegetables - 162.4%) and in 2018 - 1,252 thousand tons (total growth - 138.6%, vegetables - 195.3%, fruits - 110.6%, melons - 119.2%, legumes - 155.3%, dried fruits and vegetables - 148.4%).

Analysis of fruit and vegetable production in the country shows that during 2018. More than 3.2 million tons of fruit were harvested, of which 250,000 tons (7.8%) were exported.

At the same time, the highest indicators were exported apricots (9.3% of the total volume of grown apricots), peaches (23.0%), cherries (15.4%), plums (13.6%), pomegranates (12.6%). %) and dates (90.5%). During the year, about 1.9 million tons of grapes were grown, of which 207.2 thousand tons were exported, which is 11% of the total.

Nationwide in 2018. about 11.5 million tons of vegetables were grown, of which 441.5 thousand tons were exported. In general, 3.9% of the total volume of vegetable crops were exported, in particular: tomatoes - 61.6 thousand tons (3.1%), cucumbers - 16.7 thousand tons (1.8%), onions - 100.3 thousand tons (7.2%), carrots - 63.4 thousand tons (2.8%), cabbage - 84.4 thousand tons (6.8%), garlic - 5.2 thousand tons (1.4%), sweet peppers - 6.8 thousand tons (1.3%) and greens - 81.5 thousand tons (6.8%).

Table 1 Growing and exporting fruits and vegetables (for 2018)

№	Plant type	Ялпи ҳосил (тонна)	Экспорт	
			тонна	%
I	Fruits	3 211 546	249 802	7,8%
1.	Don't	1 468 743	7 396	0,5%
2.	Nok	118 070	644	0,5%
3.	Apricot	458 945	42 663	9,3%
4.	Peaches	281 870	64 822	23,0%
5.	Cherries	219 320	33 811	15,4%
6.	Cherry	55 723	47	0,1%
7.	Plum	206 217	28 124	13,6%
8.	Pomegranate	77 127	9 733	12,6%
9.	Dates	60 770	55 023	90,5%
	Other fruits	264 761	7 539	2,8%
II	Grapes	1 884 157	207 188	11,0%
III	Vegetables	11 416 196	441 586	3,9%
1.	Tomatoes	1 963 818	61 611	3,1%
2.	Bodiring	935 471	16 710	1,8%
3.	Onions	1 399 955	100 373	7,2%
4.	Carrots	2 240 473	63 458	2,8%
5.	Cabbage	1 245 780	84 394	6,8%
6.	Beets	550 024	16 088	2,9%
7.	Garlic	371 771	5 202	1,4%
8.	Bell peppers	528 611	6 849	1,3%
9.	Eggplant	397 071	13 755	3,5%
10.	Greens	754 217	51 531	6,8%
11.	Turnip	446 975	2 606	0,6%
	Others	582 030	19 009	3,3%
IV	Melons	2 575 431	33 738	1,3%
1.	Melon	1 013 975	14 840	1,5%
2.	Watermelon	1 101 843	1 681	0,2%
3.	Pumpkin	459 613	17 217	3,7%
V	Legumes	389 894	203 210	52,1%
1.	Mosh	200 647	109 254	54,5%
2.	Beans	165 945	87 753	52,9%
3.	Peas	23 302	6 203	26,6%
VI	Others	27 950	2 584	9,2%

	Dried fruits and vegetables		113 780	
Overall		19 505 175	1 251 888	6,4%

Source: Ministry of Agriculture of the Republic of Uzbekistan and the State Statistics Committee of the Republic of Uzbekistan

In 2019, the country exported 2.6 million tons of melons, of which 33.7 thousand tons (1.3% of the total), including pumpkins and melons - 17.2 thousand tons and 14.8 thousand tons, respectively. .

The share of exports in the volume of legumes grown was high, amounting to 197.1 thousand tons and 54% of 364.7 thousand tons of legumes grown. Despite the proportion of fruit, grapes and legumes, the production and export of fruits and vegetables are high, while the share of vegetables in exports remains low.

In 2018, the number of enterprises engaged in the export of fruit and vegetable products doubled to 1,504 units, which is 760 units more than in 2017. At the same time, compared to 2017, the volume of exports of 12 types of products more than tripled. In particular, the export of pumpkins 44 times, dried apples - 14 times, dried onions - 9.5 times, dried figs - 9.2 times, dried tomatoes - 6.2 times, dried peaches - 6 times, handon pistachios - 5 times, eggplant - 5.2 times, figs - 4.2 times, onions - 3.5 times, beets - 3 4 times.

The main regions exporting fruits and vegetables are the following regions: Samarkand (202 thousand tons, 8.2% of total production), Surkhandarya (198 thousand tons, 11.3%), Fergana (176 thousand tons, 9%) . Tashkent (172 thousand tons, 6.8%), Syrdarya (121 thousand tons, 13.2%) and others.

In Andijan (3.3%), Jizzakh (3.1%), Kashkadarya (2.3%), Bukhara (1.2%), Khorezm regions (0.6%) and the Republic of Karakalpakstan (3.0%) low export figures are observed compared to the output.

The main importers of fresh and dried fruits and vegetables produced in the country are Kazakhstan, Russia, Kyrgyzstan, Afghanistan and China. In 2018, there was a significant increase in exports of domestic products to the markets of these countries. In particular, exports to Kazakhstan increased by 26.6% (from 472.0 to 598.0 thousand tons), to the Russian Federation by 44.6% (from 165.2 to 238.9 thousand tons), to Kyrgyzstan by 69.9% (from 52.9 to 89.9 thousand tons), Afghanistan increased by 39.2% (from 52.9 to 73.4 thousand tons) and the PRC tripled (from 21.9 to 66.9 thousand tons).

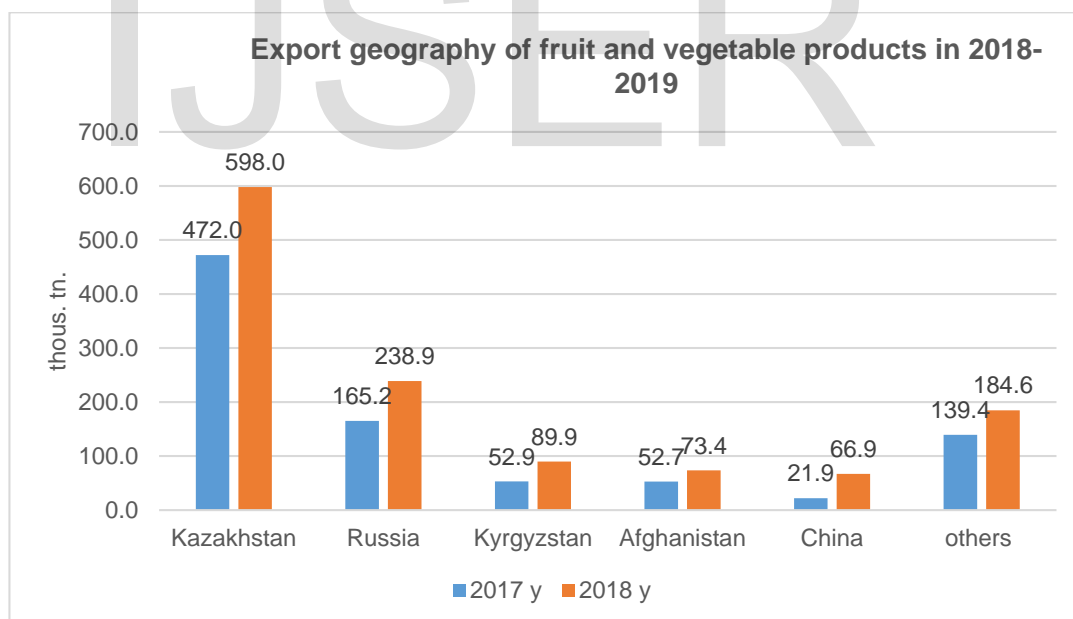


Fig.3.Export geography of fruit and vegetable products in 2018-2019

In 2018, the geography of fruit and vegetable exports increased by 12 countries (57 countries in 2017) and reached 69 countries. in particular, 288 tons of fruits and vegetables worth \$ 144,000 were exported to taiwan, 197 tons to serbia - \$ 164,000, 119 tons to nepal - \$ 77,000, 24 tons to morocco - \$ 38,000, 14 tons to chile - \$ 35,000. .

Products worth \$ 670.6 million were exported to cis countries (75.4% of total exports), which is \$ 186 million, or 0.4% higher than in 2017.

AT the same time, fruits and vegetables worth \$ 64.8 million were exported to the countries of the asia-pacific region, which is 7.3% of total exports, and \$ 26 million higher than in 2017, or 2.8%.

In 2018, due to the lifting of quarantine restrictions (permission to export mosh beans), fruits and vegetables were exported to the prc in the amount of \$ 46.2 million (\$ 28.8 million or 2.5 times more than in 2017), to vietnam -

14.6 million dollars. (an increase of 6.3 million us dollars or 1.8 times), which is 2-2.5 times more than the volume of exports to these countries in 2017.

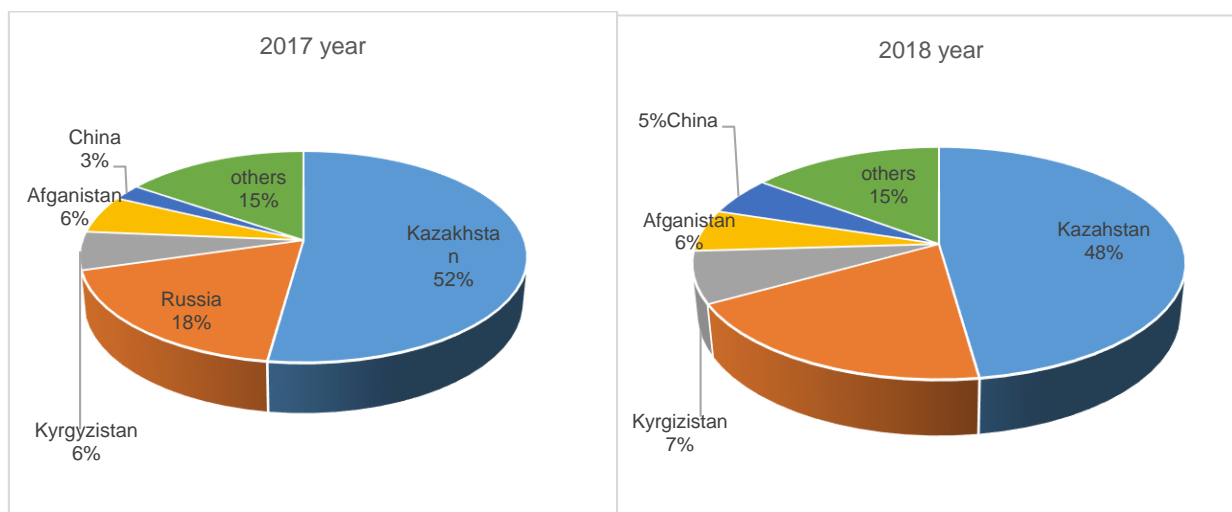


Fig.4. The main exporting countries are fruits and vegetables in 2017-2018

In 2017-2018, 85% of total fruit and vegetable exports will fall to Kazakhstan, Russia, Kyrgyzstan, Afghanistan and China. If in the last two years the share of Kazakhstan has decreased from 52% to 48%, then the share of Russia has increased from 18% to 19%, the share of Kyrgyzstan from 6% to 7% and the share of China from 3% to 5%. The increase in fruit and vegetable exports to China is mainly due to obtaining permits for the import of legumes, especially mosh.

It should be noted that Uzbekistan ranks 2nd in the world in exports of dried apricots, 4th in exports of fresh apricots, 5th in exports of cherries, 7th in exports of plums, 9th in exports of cabbage, 9th in exports of dried grapes and ranks 10th in exports of fresh peaches and grapes.

Market conditions, quality characteristics and competitiveness for promising types of fruit and vegetable products. In recent years, many measures have been taken to improve the legislation in the field of fruit and vegetable production, increase exports, as well as create benefits and preferences for exporting enterprises. As a result, there is an increase in the volume and value of exports of fruits and vegetables.

In 2017, the total volume of fruit and vegetable exports increased by 108.3%, in value terms by 110.7%, while in 2018 these figures increased by 138.4% and 137%, respectively.

Analysis of export prices of domestic fruits and vegetables shows that in 2018 the average annual price of fruits (144.8%) in 2017 increased the volume of grapes (117.4%) and melons, the average export price of vegetables (70.1%), dried fruits and a declining trend was observed in vegetables (81.2%) and legumes (93.5%).

In accordance with the Decree of the President of the Republic of Uzbekistan dated August 1, 2018 PF-5495 "On measures to radically improve the investment climate in the Republic of Uzbekistan" in the framework of liberalization and simplification of export activities, diversification of export structure and geography the requirements for concluding export contracts for vegetable products and sending them for export at prices not lower than the minimum fixed prices have been abolished.

The abolition of the direct pricing policy has helped increase exports. However, with the increase in vegetable exports from 227.9 thousand tons to 441.3 thousand tons in 2018 compared to 2017, the average price of each ton of exported vegetables is an in-depth analysis of the list of directly exported vegetables and replacement of low-cost exported vegetable products with alternative vegetable crops requires exploring the possibilities.

62.4% or 275.4 thousand tons of the total volume of vegetable products are export-oriented, the price is less than \$ 300 / ton, the cost of transportation in exports exceeds the realizable value of goods. In particular, 100.4 thousand tons of onions were exported. The average price is \$ 135.8 / t, 84.4 thousand tons of cabbage - \$ 154.1 / t, 63.4 thousand tons of carrots - \$ 153.5 / ton, 63.4 thousand tons of beets - 138.7 usd / ton And 8.2 thousand tons of radishes - 226.0 dollars / t.

Given the volume of exports of low-income traditional vegetables, there is an opportunity to increase revenues from fruit and vegetable exports through the transition to an expensive segment of agricultural supply, the share of transportation costs in its price does not affect profitability or low profitability.

It is also possible to limit the export of the new products listed above and increase the export of processed products. Subsequent processing increases the cost of onions, white cabbage, carrots, beets (in the form of dried products) by \$ 1000 / t, squash by \$ 2000 / t.

Conclusions

World experience has shown that a number of countries (China, Ukraine, Kazakhstan, Russia, etc.) have begun to develop valuable crops to diversify and increase export earnings.

In China, rare purple varieties (chinese red delicious) grown in the Tibetan mountains are produced, and sales are made in high-end supermarkets in Beijing, Shanghai, Guangzhou and Shenzhen. The fruits are packed in gift boxes of 6-8 pieces. The cost of one fruit is \$ 7.2.

Farmers in Ukraine have high export value and are taking the first steps in growing crops that are in demand in the world market, such as broccoli, celery, asparagus (asparagus), sweet potatoes, chlorella, eucalyptus and others. In addition, consulting assistance to agricultural producers is being actively provided. Thus, every year since 2014 with the support of the EBRD. A national conference of Ukraine "Million per hectare" has been organized, which identifies specific segments of the Ukrainian agricultural market and, in particular, the development trends of its fruit and vegetable sector.

In Kazakhstan, the area is expanding and exports of legumes are increasing. Thus, the growth of lentil production increased more than 52 times from 6.0 thousand tons in 2013. In 2017, up to 313.6 thousand tons, and exports from 3 thousand to 100 thousand tons.

In the same way and using alternative solutions, Uzbekistan has great potential to increase fruit and vegetable production and exports. In particular, taking into account growth requirements, growing season, yield, price conditions and demand in foreign trade markets, the most promising crops among traditional crops are:

- Cherries (intensive orchards). The creation of intensive gardens requires a capital investment of up to 10 thousand euros per hectare. The density of seedlings is 1000 - 1500 trees per hectare. Necessary Gisela rootstocks,

Piku 1 and Tabel give a yield of 3–4 years. With proper care the yield reaches 10 t / ha. The ripening period is March-September. The average price in the world is 2000-3500 USD / t, depending on the exporting country. The cost of dried cherries is 15000 - 25000 USD / ton (up to 80% of the weight of the product is lost during drying). The price of sweet cherry jam varies from \$ 6,000 to \$ 25,000 / ton, depending on the origin and composition.

Global cherry sales are estimated at \$ 2.5 billion. The largest importers are China, Germany, and South Korea, which together account for 63 percent of world imports;

- pista. Ripening period is August-September, yield 500 kg / ha. The average price in the world is \$ 8,000 - \$ 12,000 / ton, depending on the exporting country. The cost of cleaned and packaged products is 6000 - 25000 USD / t depending on the country of manufacture.

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