Strategy for the Development of Agriculture of the Republic of Uzbekistan for 2020-2030

Key reforms and indicators

Developed by the Ministry of Agriculture of the Republic of Uzbekistan with support of World Bank, EU Delegation to Uzbekistan and other international organizations and partners

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Key challenges:

- Low labor productivity
- Soil degradation
- Lack of qualified labor
- Lack of fertilizers
- Deficit of water
- Inefficient production administration
- Gender inequality
- Expensive food

*to be continued...*
Strategy in numbers:

9 Strategic priorities

1. Ensuring food security of the population
2. Creating a favorable agribusiness environment and added value chains
3. Decreasing state involvement in sector management and enhancement of investment attractiveness
4. Ensuring rational use of natural resources and environmental protection
5. Development of modern public administration systems
6. Gradual diversification of state expenditures on sector support
7. Development of science, education, system of information and advisory services in agriculture
8. Development of rural areas
9. Development of transparent industry statistics system

Implementation mechanism:

- Strategy implementation Coordination Council
- Ministry of Agriculture – working body of the council
- EU Budget Support for the implementation of reforms in agriculture (40 mln. euros)
“Develop a competitive, market and export-oriented agri-food sector that will increase farm incomes, create new jobs, enhance food security and ensure the sustainable use of natural resources”
1. Land reform

1. Introduction of the new order of land allocation for production clusters, international companies, cooperatives, smallholders and others

2. Termination of land lease contract only on the basis of the decision of the court

Agricultural lands will remain as property of the state as an integral element of national natural resources
2. Water resources

Introduction of cost-recovery mechanism will not only help to decrease the costs of the state budget, but also will stimulate wider introduction of water-saving technologies.
3. State procurement

1. Creation of intervention fund on wheat market
2. Pilot implementation of new mechanism to support introduction of market principles:
   - Allocation of funds in commercial banks;
   - State subsidy of interest rates of commercial loans.
3. Privatization of non-strategic state-owned enterprises in the area of provision of material resources and service provision

Reforms are aimed at liberalization of wheat and cotton production as well as diversification of agriculture
4. State support

1. Establishment of inter-ministerial budget committee for the sector of agriculture
2. Introduction of mid-term expenditure framework for sector development and support programs
3. Allowing producers to independently decide the amount of credit funds and their further disbursement
4. Increasing budget allocation for the support for public services
5. Increasing capital investments into irrigation systems
6. Review of the taxation regime in agriculture
7. Full transfer to the system of incentivizing the increase in productivity

- Increase the state budget non-irrigation expenditure to 40%
- Decreasing the burden on the state budget, while improving the effectiveness of the use of public finance
- Increase of state budget allocations for research and development from 0.02% to 0.05% of the agriculture GDP
- Decreasing share of state agriculture support in GDP from 1.7% to 1.4% in 2030 while improving economic sustainability and profitability of agricultural producers
5. Add-value chains

1. Adoption of strategies for the increasing of export of agricultural products based on sub-sectors

2. Enhancement of harvest insurance mechanisms, foreseeing implementation of “warehouse receipts”

3. Performing national SPS system and harmonizing with WTO SPS agreement and animal health protection system with World Organization for Animal Health (OIE)

4. Roll-out of a unified network of agri-logistics centres

5. Enhancement of pesticide registration and maximum residue level (MRL)

6. Joining International Plant Protection Convention (IPPC)

7. Introduction of a unified trade system (auctions and exchange) on the basis of a network of agrilogistics centers

8. Establishment of a specialized laboratory for testing genetically modified products

Minimization of costs incurred by exporters

Improvement of quality of local products and harmonization with international standards

Boosting export of agri-food products to 20bln USD by 2030.

Improvement of ranking in World Bank Logistics Performance Index (LPI) rating at least by 3 positions

Increasing the share of processed products in export to 30% by 2021

Increasing profits of agricultural producers and minimizing post-harvest losses

Broading export of organic products
6. Education and science

I

1. Reforming activities of the research centers with emphasis of improving commercial viability

Defining National priorities for seeds management and enhancement of legal environment

II

2. Создание Establishment of Coordination Council for research activities in agriculture

3. Increasing expenditure from state budget for R&D

4. Establishment of an Innovative Centre to support the development of value chains

5. Improving the system for protecting the rights of authors of plant varieties

6. Modernization of R&D institutes

Increasing the number of graduates, involved in agribusiness by 10%

III

7. Introduction of advisory support system with wide use of PPP mechanisms in all regions of Uzbekistan

8. Establishment of gene bank in accordance with international standards

Increasing number of farmers, who have access to extension services to 10%

IV

9. Reforming system of R&D: introduction of PPP mechanisms, privatization of ineffective assets, optimization of number of state education and research and development institutions

Improving commercial effectiveness of research and development institutes
7. Digitalization of agriculture

I

1. Adoption of agri-food statistics development plan aimed at modernization and gradual digitalization of information collection and analysis systems

2. Development of state program on developing “smart agriculture practices”

3. Conducting assessment of used ICT systems and databases

II

4. Annual publication of Annual agriculture report

5. Conducting Agriculture Census

III

6. Introduction of mandatory animal tracking system in agriculture

Attracting more investments to agriculture sector and introduction of new technologies

Increasing total number of lease and sub-lease holders for the use of agriculture lands by 20%

Boosting growth of added-value in agriculture
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Thank you!