

TOPIC: IMPROVING FINANCIAL SUPPORT FOR AGRICULTURAL EXPORTS TO ENHANCE REGIONAL COMPETITIVENESS

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INTRODUCTION

In the context of globalization and increasing international competition, strengthening regional competitiveness has become a strategic priority for many developing economies, including Uzbekistan. The agricultural sector plays a crucial role in ensuring food security, employment, and export revenues. However, despite significant production potential, the export performance of agricultural products often remains below capacity due to limited financial resources, high transaction costs, export risks, and insufficient access to international markets.

Financial support mechanisms such as export credits, subsidies, insurance, and state guarantees are essential tools for stimulating agricultural exports. Nevertheless, the effectiveness of these instruments depends on their accessibility, transparency, and alignment with international trade standards. This article aims to analyze current financial support mechanisms for agricultural exports and propose ways to improve them in order to enhance regional competitiveness.

METHODS

This research applies a comprehensive and systematic methodological framework combining qualitative and analytical approaches.

First, a **documentary analysis** method was used to examine national development strategies, agricultural reform programs, export promotion policies, and financial support regulations. Particular attention was given to state programs aimed at supporting agricultural producers and exporters.

Second, a **comparative analysis** method was applied to study international best practices in agricultural export financing. The experiences of developed and emerging economies were analyzed to identify effective instruments such as export credit agencies, agricultural insurance schemes, export guarantees, and blended finance mechanisms.

Third, a **systemic approach** was used to evaluate the interconnection between financial support instruments and other components of export competitiveness, including logistics infrastructure, quality certification systems, and trade facilitation mechanisms. This approach allowed the research to assess financial policy not in isolation, but as part of a broader regional development framework.

Fourth, **economic analysis methods** were employed to examine how access to credit, interest rate levels, risk coverage, and subsidy allocation influence production volume, cost efficiency, and export performance. The study also considered theoretical concepts such as comparative advantage, value chain development, and regional economic integration.

Fifth, a **logical synthesis and policy modeling approach** was used to formulate practical recommendations. By identifying structural weaknesses in the existing financial system, the research developed improvement strategies aimed at increasing transparency, efficiency, and sustainability of export financing.

 **Small Table: Financial Support and Export Competitiveness**

Financial Instrument	Main Problem	Improvement Measure	Expected Result
Export Credit	Limited access to low-interest loans	Expand preferential financing	Higher export volume
Export Insurance	Weak risk protection	Broaden risk coverage	Reduced export risks
Subsidies	Inefficient allocation	Transparent digital system	Increased value-added exports

RESULTS

The analysis revealed several key challenges in the financial support system for agricultural exports:

1. Limited access to affordable long-term credit for export-oriented producers.
2. Insufficient development of export insurance and risk mitigation mechanisms.
3. Weak coordination between financial institutions and export promotion agencies.
4. Inefficient or non-targeted subsidy allocation systems.
5. Limited financial inclusion of small and medium-sized agricultural enterprises.

To address these challenges, the following measures are proposed:

- Expansion of concessional export financing programs;
- Strengthening state-backed export credit guarantees;
- Development of agricultural insurance systems covering commercial and climate risks;
- Digitalization of financial services and subsidy allocation;
- Integration of financial support with logistics and processing infrastructure development;

- Encouragement of value-added production and export diversification.

DISCUSSION

Improving financial support mechanisms enhances competitiveness at both microeconomic and macroeconomic levels. At the enterprise level, better access to financing increases productivity, promotes technological modernization, and improves product quality. At the regional level, stronger export performance contributes to employment growth, income generation, and fiscal stability.

A coordinated financial policy also strengthens regional integration into global value chains. Moreover, aligning financial instruments with international trade standards reduces the risk of trade disputes and ensures long-term sustainability of export support measures.

CONCLUSION

The study confirms that financial support plays a decisive role in enhancing the export potential of agricultural products and strengthening regional competitiveness. Without accessible and efficient financing mechanisms, agricultural producers face structural barriers that limit their ability to compete in international markets.

Improving financial support requires a multidimensional strategy. First, credit systems must be modernized to ensure affordable, long-term financing tailored to the seasonal nature of agricultural production. Second, export insurance and guarantee mechanisms should be expanded to reduce commercial, currency, and climate-related risks. Third, subsidy allocation must become transparent, performance-based, and focused on high value-added production and export diversification.

Furthermore, digital financial technologies should be integrated into export support systems to increase transparency, reduce administrative costs, and enhance monitoring efficiency. Establishing stronger cooperation between commercial banks, export promotion agencies, insurance companies, and government institutions is also critical for creating a coordinated support framework.

In the long term, strengthening financial support mechanisms will contribute not only to higher export volumes but also to structural transformation of the agricultural sector. It will stimulate innovation, encourage processing industries, create new jobs, and increase foreign exchange earnings. As a result, regions will achieve sustainable economic growth, improved resilience to external shocks, and a stronger competitive position in global agricultural markets.

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