

REPUBLIC OF AZERBAIJAN

On the rights of the manuscript

ABSTRACT

of the dissertation for the degree of Doctor of Philosophy

**ANALYSIS OF ECONOMIC DEVELOPMENT ISSUES
EXPORT-ORIENTED PRODUCTION AREAS**

Speciality: **5312.01 “Field Economy”**

Field of science: **Economic sciences**

Applicant: **Tubu Mammadrza Rahimova**

Ganja – 2021

The work was completed at the Center for Agricultural Research of the Ministry of Agriculture of the Republic of Azerbaijan.

Scientific supervisor: Member of ANAS, Doctor of Economics, Professor **Academic Ziyad Aliabbas Samadzade**

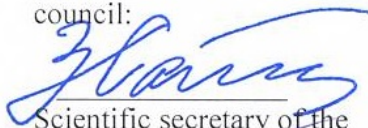
Official opponents: Ph.D. in Economics, Associated Professor **Aygun Eldar Guliyeva**

Ph.D. in Economics, Ass. Prof. **Aygun Huseynali Aliyeva**

Ph.D. in Economics, Ass. Prof. **Sevda Tofiq Hajiyeva**

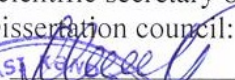
ED 2.42 Joint Dissertation Council of Azerbaijan State University and Azerbaijan Cooperation University operating under Azerbaijan Agricultural University of the Supreme Attestation Commission under the President of the Republic of Azerbaijan

Chairman of the Dissertation council:



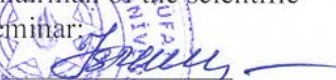
Member of ANAS. D.Ecs. Prof. **Ziyad Aliabbas Samadzade**

Scientific secretary of the Dissertation council:



Ph.D. in Economics. Ass. Prof. **Parvin Elman Mukhtarova**

Chairman of the scientific seminar:



Doctor of Economics, Prof.

Islam Haji Ibrahimov



GENERAL CHARACTERISTICS OF THE WORK

The actuality of the topic and degree of research. It is known that the important goal facing mankind is to transform the export-oriented economy, which creates high added value, based on the export-oriented economic model, while meeting the food security of the population, as well as the growing demand for agricultural products. One of the main tasks in this context is the need to expand the export potential of the agricultural sector while maintaining a high pace of development, to ensure macroeconomic stability by achieving sustainable and sustainable economic development of the country.

The natural resources of the liberated territories, especially the potential of the agricultural sector, are important in achieving economic development of our country. Issues such as the transfer of our country's agricultural experience gained during the independence period to the liberated regions, the implementation of special support programs to promote entrepreneurship there, the construction of the necessary infrastructure in the field of livestock and crop production are of priority importance. In order to assess the development potential of the agrarian sector in the relevant regions, it is necessary to analyze the situation before the occupation, identify the priority areas of the agrarian sphere in Karabakh, as well as surrounding settlements, focusing on climatic conditions, relief and various natural resources.

Identifying opportunities for agricultural products to enter foreign markets in Azerbaijan, strengthening those opportunities, supporting the export orientation of the agricultural sector have been declared as priority areas of agrarian policy. Implementation of these priorities requires the formation and development of appropriate scientific support. Therefore, the expansion of the scope of comprehensive research on the branding of national Karabakh agricultural products and increasing access to foreign markets, the realization of competitive advantages in foreign markets and a number of other issues are waiting to be resolved.

In order to achieve these goals, first of all, it is necessary to conduct comprehensive research on the relevant shortcomings of intensive development trends in the agricultural sector, including the

theoretical and methodological bases of export-oriented industries, regulatory mechanisms, marketing principles, competitive agriculture. There is a need to analyze the production and export of agricultural products, access to traditional and new markets, further expansion of favorable conditions in this area, ensuring the economic development of export-oriented industries and other factors. Taking all this into account, the need for more extensive and comprehensive research in these areas highlights the relevance of the chosen dissertation topic.

Shortcomings related to increasing the production of agricultural export-oriented goods and opportunities to eliminate them, issues of production, as well as the implementation, management and regulation of export opportunities of these products have been studied by Azerbaijani economists Z.A. Samadzade, A.H. Musayev, H. A. Aliyev, S.V. Salahov, H.A. Khalilov, R.A. Balayev, E.R. Ibrahimov, B.X. Atashov, R.K. Isgandarov, A.H. Valiyev, I.H. Ibrahimov, I.V. Ahmadov, A.T. Ahmadov, N.A. Javadov, E.A. Guliyev, V. H. Abbasov, A.Kh.Nuriyev, I.Sh.Garayev, I.H.Aliyev, A.Sh.Shakaraliyev, MA Ahmadov, AANadirov, H.B. Allahverdiyev, M.G. Musayev, F.F. Rzayev, A.F. Abbasov and others. It has been studied by foreign scientists such as L.I. Abalkin, I.I. Lukinov, I.V. Baranov, D.A. Chernikova, Y.Y. Donetsk, L.D. Revutskiy, E.V. Bartova, M.K. Starovoytov, A.S. Molchan, K. E. Andreyev, Í. N. Vostyutchenko, V. S. Artyomova, P. A Fomin and others.

Objectives and subjects of the research. The object of research is the agrarian sector of the Republic of Azerbaijan, including export-oriented industries and institutions included in the complex of agricultural products, and the subject is the factors influencing the development of export-oriented industries in agricultural enterprises and their economic analysis is.

Goals and tasks of the research. The purpose of the study is to study the directions of ensuring the development of export-oriented agricultural production in the modern conditions of globalization of the economy and to study their economic analysis.

In accordance with the purpose, the dissertation provides for the implementation of the following relevant tasks:

- theoretical determination of the economic efficiency of the development of export-oriented industries and its macroeconomic impact;
- characterization of production and economic potentials in the agricultural sector from the theoretical and methodological point of view;
- assessment of existing opportunities on the basis of economic analysis of the dynamics of development of industries engaged in the production of export-oriented products;
- assessment and analysis of the current state of production at export enterprises;
- research of marketing methods to accelerate the market access of export-oriented industries;
- modernization of export-oriented industries and identification of innovative development directions;
- to determine the directions of expanding the production of export-oriented products in the agrarian sphere in the liberated territories and increasing the competitiveness of the National Karabakh brand products;
- preparation of proposals on the basis of economic analysis of the development of export-oriented industries.

Research methods. As a research method, grouping, observation, comparison, logical generalization, goal-system approach, development dynamics, forecasting, economic-statistical, as well as systematic economic analysis and other methods were used. The theoretical and methodological basis of the research is based on the scientific provisions of the agrarian economist classics, scientific research work of foreign and domestic economists dedicated to increasing the export orientation of agricultural enterprises, etc. contane. While writing the dissertation, the laws of the Republic of Azerbaijan, decrees and orders of the President of the Republic of Azerbaijan, laws adopted by the Supreme Legislative Body, decisions and orders of the Cabinet of Ministers of the Republic of Azerbaijan, normative legal acts, including Azerbaijan State support programs for the development of agrarian entrepreneurship were used in the Republic. Provisions on economic analysis of the development of

areas engaged in the development of products with export potential in the agricultural sector in the context of the formation of market relations formed the methodological basis of the study.

The main provisions of the defense are as follows: The main provisions submitted for defense are characterized by the following:

- it is required to determine the theoretical basis of the economic efficiency of the development of export-oriented industries, as well as the methodological aspects of the impact of stimulating export potential on economic development;

- there is a need for theoretical and methodological assessment of production and economic potential in the agricultural sector;

- based on the development dynamics of export-oriented industries, there is a need for a marketing method to manage their market access;

- determining the efficiency of export-oriented production in the agricultural sector can be quite useful;

- recommendations and proposals should be prepared for the modernization and innovative development of export-oriented industries;

- taking into account the prospects formed by the liberation of Karabakh from occupation, there is a need to determine adequate areas of activity for the export potential of agricultural products.

The scientific novelty of the research is as follows:

- indicators of efficiency of export-oriented industries were identified and proposals for the formation of production and economic potential were prepared;

- improving the theoretical and methodological aspects of the impact of the realization of export potential on economic development, grouping the factors that determine them, the distribution of positive and negative factors affecting the export potential;

- on the basis of economic analysis of the dynamics of development of export-oriented industries in the agricultural sector, potential opportunities were assessed and a comparative analysis of different categories of agriculture was given;

- existing opportunities were assessed on the basis of economic analysis of the development dynamics of export-oriented industries;
- a model of production efficiency was developed and based on this model, the factors affecting efficiency, economic categories such as efficiency, which includes production-technological, production-economic and social spheres, were mutually analyzed;
- proposals were prepared for the implementation of the production of competitive products in the liberated territories and the formation of the market infrastructure of export-oriented industries;
- The role of the marketing method in the access of export-oriented products to the market was determined and the directions of improving the marketing system were indicated;
- proposals have been prepared for the modernization and innovative development of export-oriented industries.

Theoretical and practical significance of the research. The obtained scientific results will help to improve the organization of production and export of agricultural products in export-oriented areas of production. Scientific approaches to agricultural development, as well as proposals can be used in the implementation of state policy and local projects in this area. The main provisions of the research, the results obtained, as well as scientific innovations can be useful in the process of teaching various economic disciplines.

The practical significance of the work is that the use of its main provisions, scientifically substantiated results and proposals will allow the development and modernization of export-oriented industries, thereby increasing their competitiveness and economic efficiency. Theoretical and methodological provisions, substantiated proposals and recommendations put forward in the dissertation are relevant to the economic development of export-oriented industries in agriculture and the implementation of production, as well as economic decision-making in this area, as well as research, teaching and so on. can be used.

Approbation and application. Separate provisions of the dissertation work, results obtained during the research, proposals and recommendations were presented at two national and one international

scientific conferences, as well as 6 scientific articles, one abroad, were published in various scientific journals and works.

The main provisions and results of the dissertation were accepted for use by “Rufat” Peasant Farm of Govlar settlement of Tovuz region (reference No. 07 dated September 21, 2018) and the Agrarian Science and Innovation Center of the Ministry of Agriculture of the Republic of Azerbaijan (25.11.2020).

Name of the organization where the dissertation work is performed. The dissertation work was carried out at the Agrarian Research Center.

The total volume of the dissertation with a sign, indicating the volume of the structural units of the dissertation separately. The dissertation consists of an introduction, three chapters, results, list of references and appendices. There are 2 graphs, 17 tables, 16 figures, 1 diagram and 3 appendices. The structure of the dissertation is 7 pages with 12857 characters, the first chapter is 28 pages with 46548 characters, the second chapter is 51 pages with 85347 characters, the third chapter is 34 pages with 62492 characters, the results are 4 pages with 7270 characters and the list of 116 used literature is 10 pages 15980 consists of a sign. The total volume of the dissertation consists of 141 pages of computer writing.

GENERAL CONTENT OF THE RESEARCH

In the introductory part of the dissertation developed at the level of relevant requirements, the relevance of the topic is substantiated, the level of study of the problem is objectively assessed, the goals and objectives, object, subject, theoretical and methodological bases, information base, scientific novelty and practical significance are concisely stated.

The first chapter of the dissertation is entitled "Theoretical and methodological bases of the development of export-oriented industries." The sections "Theoretical bases of economic efficiency of development of export-oriented industries", "Assessment of the system of indicators characterizing production and economic potentials in the agricultural sector", "Theoretical and methodological

aspects of the impact of export potential on economic development" are widely commented here.

Since the important goal of mankind is to meet the growing food needs of the population, it is safe to say that in addition to providing the country's population with food, it is also possible to create a large export potential. In this regard, it is important to assess the effectiveness of the state's position in the agricultural sector, to determine the parameters for determining the optimal level of support for agrarian entrepreneurship, as well as to study the economic efficiency of export-oriented production. Given that the agricultural sector is characterized by special specifics of export-oriented industries, it is important to study it systematically and fully. For this purpose, there is a need to analyze the content, characteristics, related factors and regulatory mechanisms, marketing principles and other factors of production and sales in this area. should be identified.

When analyzing the areas of export potential products considered as the object of research, the construction of the production-sales sequence in the agricultural sector on theoretical and methodological bases and the number of objects to be studied should be studied in relation to their specificity. Such an approach constitutes a systematic preparation of a set of research tasks. First of all, the system of export-oriented production should be studied and new cases of problems in this direction, changes in the state of solved problems and contradictions should be analyzed. In general, when determining the scientific, theoretical and methodological basis of research, it is necessary to take into account the distinctive features of the agricultural sector, which is one of the leading sectors of the economy.

The research focuses on the problems of both theoretical and methodological application of production potential, as well as its technical-technological and economic-social problems, material assets from subsystems included in the production potential, including material-technical and technological resources, labor resources , information resources, financial resources, as well as intangible assets and their components are identified and reflected in the work. Subsystems included in the production potential cannot operate in isolation from each other, because they are considered to be the result

of economic activity, interacting with each other as components of an enterprise.

It is known that the export potential is part of the economic potential of the country, the ability to produce and export various types of material goods in quantities and quality in accordance with the requirements of foreign market consumers, making full use of the means of production. In general, the concepts of increasing the export potential of the agricultural industry have been accompanied by strategic mechanisms in countries around the world. Therefore, it is important to study the theoretical and methodological aspects of the impact of the export potential of agricultural enterprises on economic development. From this point of view, the classification of export potential in the international trade process depending on the origin and purpose of the product and the factors that theoretically determine the export potential of agro-industrial enterprises are grouped and reflected in the research. Also, based on the assessment, the distribution of positive and negative factors affecting the export potential of agro-industrial products in our country was carried out.

Increasing export potential is encouraged and stimulated by the state through various regulatory methods. Thus, the financing of this sector plays an important role in increasing the agricultural export potential. Two government agencies specializing in preferential lending to agriculture in Azerbaijan - the Entrepreneurship Development Fund and the State Agency for Agricultural Credits - are actively involved. Other priorities for the sustainable development of the agricultural sector and the impact of government regulation and support on its export potential are the creation of conditions for its adaptation to the market relations of commodity producers and the adaptation of the structure of the agricultural sector to natural climatic potential and market relations. creation of conditions for material and technical support. The implementation of the "Strategic Roadmap for the production and processing of agricultural products in the Republic of Azerbaijan" approved by the President on December 6, 2016 can also be considered as a major driving force in the realization of export capacity.

Thus, in the current context of globalization of the economy, based on the action plan for the development of export-oriented industries, the theoretical basis of economic efficiency of these industries, the theoretical and methodological aspects of the impact of the system of indicators on production, economic and export potential. — is considered appropriate.

The second chapter examines "Comparative analysis and assessment of the development dynamics of export-oriented industries." The dissertation includes economic analysis of the dynamics of development of export-oriented industries in the Republic of Azerbaijan, assessment of the current state of production of export-oriented products in the agricultural sector,

Evaluation of efficiency indicators and analysis of the current state and development trends of the marketing method of market access management of export-oriented industries.

First of all, it is important to assess the financial results of agricultural enterprises (Figure 1). As can be seen from the diagram, the number of profitable enterprises operating in 2019 began to decline, including a decrease of 7.6% compared to 2016 and 10.4% compared to 2018 to 1,471, and the number of profitable agrarian farms was corresponding. During the period it decreased by 7.5% and 11.8% to 1376. The number of unprofitable farms decreased by 8.7% in 2019 compared to 2016, and increased by 17.3% compared to 2018. Thus, the decrease in unprofitable farms and the increase in the number of profitable farms during the relevant period had a direct positive impact on the activities of agricultural enterprises.

In 2019, the number of operating enterprises began to decline, including a decrease of 7.6% compared to 2016 and 10.4% compared to 2018 to 1471, the number of profitable agricultural farms increased by 7.5% and It decreased by 11.8% and amounted to 1376. The number of unprofitable farms decreased by 8.7% in 2019 compared to 2016, and increased by 17.3% compared to 2018. Thus, the decrease in unprofitable farms and the increase in the number of profitable farms during the relevant period had a direct positive impact on the activities of agricultural enterprises.

The dynamics of the agricultural farms in the Republic of Azerbaijan for the years of 2010-2019

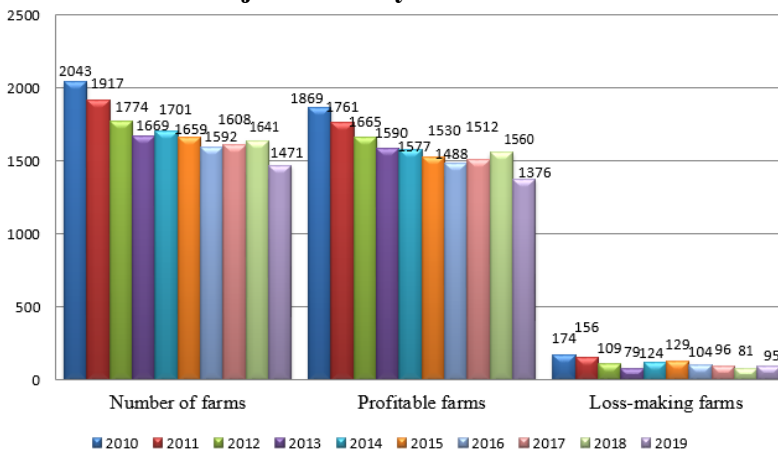
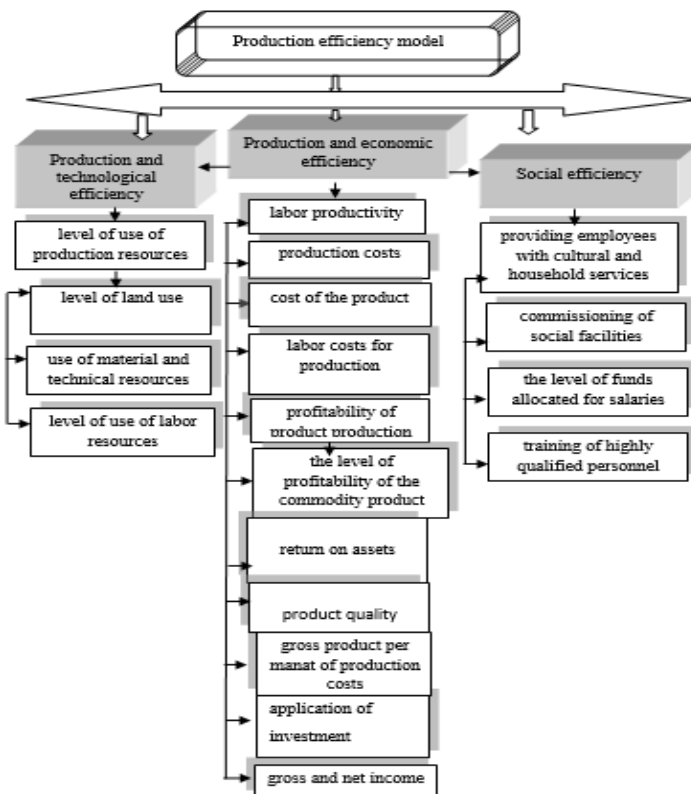


Diagram 1. * Compiled by the author on the basis of the data of SSC of AR¹.

The analysis shows that in 2019, 558 individual entrepreneurs ceased their activities, and their number decreased by 38% compared to 2016. Increasingly, the cessation of the activities of individual entrepreneurial farms has led to a decrease in the area of land allocated to them by 54.7% and the average size of land owned by each individual farm by 27.1%.

The study developed a model of efficient use of land resources, production efficiency in agro-industrial enterprises, and based on this model, the factors affecting efficiency were mutually analyzed (Scheme 1).

¹ "Agriculture of Azerbaijan". State Statistics Committee of the Republic of Azerbaijan. Baku: - 2020.- 653p., P.108.



Schemel. Production efficiency model in agro-industrial enterprises. * Compiled by the author².

The analysis of profitability obtained from the activities of agricultural enterprises, as well as from the sale of agricultural products is also a key indicator of economic efficiency, so their analysis is urgent (Figure 1).

In 2019, the decline in the level of profitability in all areas of activity of agricultural enterprises was noticeable. Thus, in 2019, the level of total profitability of agricultural enterprises decreased by 3.1% compared to 2016, by 2.9% compared to 2018 and amounted to 17.2%.

² Gasimov A. Economics and management of agro-industrial enterprises. Textbook. / Gasimov A. Baku: - Nurlan - 2015 - 354 p. pp.191-193.

During the corresponding period, the level of profitability in the sale of agricultural products decreased by 4.1% and 0.9% to 15.3%, in crop production decreased by 7.8% and 4.7%, and in animal husbandry by 8%. Down 4% and 2.5% to 3.4%. This indicates that in 2019 there are problems in the development of crop production and animal husbandry.

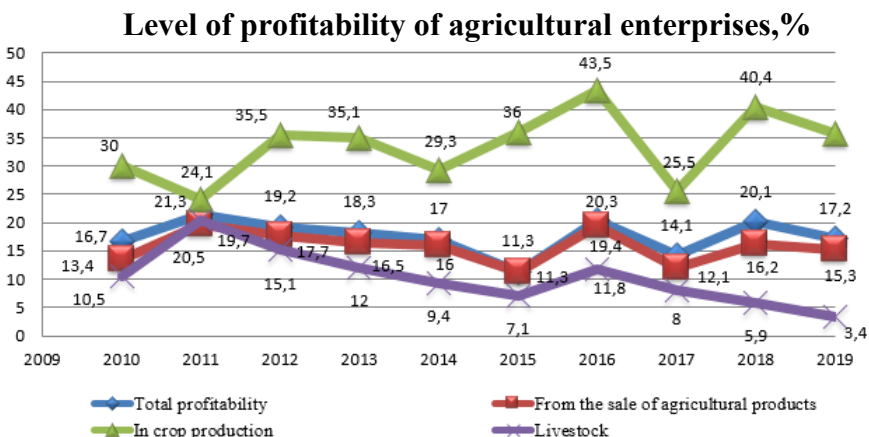


Figure 1. * Compiled by the author on the basis of the data of SSC of AR³.

The preliminary results of the implementation of the strategy of superior development of the non-oil sector in Azerbaijan require consideration of the possibility of selling the products of this sector not only in the domestic market, but also in foreign markets.

In recent years, targeted measures have been taken to build the capacity of products of various non-oil sectors, including a group of products produced in the agricultural and agrarian sectors, to be branded and exported to foreign markets. Our national products are already gaining confidence in foreign markets under the brand name "Made in Azerbaijan".

During the analysis of market opportunities, the products that brought the most currency to our country from the sale of agricultural products in 2016 were identified (Table 1).

³ "Agriculture of Azerbaijan". State Statistics Committee of the Republic of Azerbaijan. Baku: - 2020.- 653p., p.108.

So hazelnuts in the first place. In 2020, the country received \$ 116.3 million from the sale of hazelnuts, which was 0.85% of total exports and 4.95% of exports in the non-oil sector in 2020. Hazelnuts are a product with high profitability, a regular buyer in domestic and foreign markets, as well as more favorable for producers. Due to the high quality of hazelnuts on the world market, the export potential has increased, and the millions received from the sale of products in our country have had a significant impact on the social welfare and living conditions of the rural population.

In second place is the tomato. Tomatoes are considered to have the largest export potential (\$ 94 million) for the Ukrainian market from Azerbaijan. In third place was the sale of dates, which earned \$ 125.6 million in 2019 and \$ 91.6 million in 2020, which is 0.67% of total exports, compared to the non-oil sector in 2020. was 6.28% of exports. The next is the export of sugar, which is \$ 62 million. However, it should be noted that raw materials for the production of sugar were imported. Only after the transition to beet production will it be possible to double its production without allocating money for the import of raw materials.

The preliminary results of the implementation of the strategy of superior development of the non-oil sector in Azerbaijan require consideration of the possibility of selling the products of this sector not only in the domestic market, but also in foreign markets. In recent years, targeted measures have been taken to build the capacity of products of various non-oil sectors, including a group of products produced in the agricultural and agrarian sectors, to be branded and exported to foreign markets. Our national products are already gaining confidence in foreign markets under the brand name "Made in Azerbaijan".

During the analysis of market opportunities, the products that brought the most currency to our country from the sale of agricultural products in 2016 were identified (Table 1). So hazelnuts in the first place. In 2020, the country received \$ 116.3 million from the sale of hazelnuts, which was 0.85% of total exports and 4.95% of exports in the non-oil sector in 2020. Hazelnuts are a product with high profitability, a regular buyer in domestic and foreign markets, as well

as more favorable for producers. Due to the high quality of hazelnuts on the world market, the export potential has increased, and the millions received from the sale of products in our country have had a significant impact on the social welfare and living conditions of the rural population.

Table 1. Potential export markets and key export products

	Countries	Key priorities	Secondary priorities
1.	Russia	chocolate and processed coffee, alcohol from grape wine, hazelnuts	Peach, cherry
2.	Ukrain, Russia	Tomato, black tea	chocolate and processed coffee, grape wine alcohol
3.	Central Asia, CIS countries: Uzbekistan, Kazakhstan, Turkmenistan	sunflower / safflower oil, non-liquid margarine, chocolate and processed coffee, cherries	Peaches, fresh fruit, dates, currants
4.	Central Asia, EU: Austria, Poland, Belgium, Denmark, Greece, Italy, the Netherlands, Spain, Germany, Hungary, Portugal, France	hazelnuts, cherries, fruit juices, sunflower / safflower oil, chocolate and processed coffee, cane, refined oils	fresh fruit, dates, corn
5.	Persian Gulf countries: Saudi Arabia, United Arab Emirates, Qatar, Bahrain, Kuwait	chocolate and processed coffee	sunflower seeds / safflower oil

* Compiled by the author on the basis of the data of SSC of AR ⁴.

Thus, in modern times, the export-oriented industries operating in the agricultural sector in our country prefer to produce the above-mentioned environmentally friendly food products and enter the international market with these products can lead to a significant expansion of their production and sales activities. Although Azerbaijan has favorable natural and climatic conditions for the production of ecologically clean agricultural products, the lack of sufficient marketing experience of these products makes it difficult for them to enter international markets.

⁴ Decree of the President of the Republic of Azerbaijan on “Strategic Road Map for Production and Processing of Agricultural Products in the Republic of Azerbaijan” // Baku: December 6, 2016. -177p., P.109.

However, export-oriented industries can have favorable sales markets by mastering marketing concepts, skillfully using marketing methods, and entering domestic and international markets to increase the efficiency of production and sales activities. However, it is almost impossible to sell products in domestic and international markets without a well-developed marketing policy and marketing plan.

In determining the optimal level of sales of agricultural products in the conditions of market relations, the export of domestic and foreign markets for different types of goods should be analyzed. In this case, it is more expedient to conduct the analysis on the basis of Table 3, which we have compiled in accordance with the indicators for 2016-2019. In 2018, the most exported agricultural products from our country are fresh fruits, vegetables and potatoes.

Table 2. The structure of agricultural exports by main types of products in the Republic of Azerbaijan

Name of goods	2016		2018		2019		2019/2016
	Quantity, tons	thousand USD	Quantity, tons	thousand USD	Quantity, tons	thousand USD	%
Potato,	38 230	15789	66 563	29 628	61 785	26 852	70,1
Fresh vegetables	124511	113187	233332	202 812	221195	214 130	89,2
Fresh fruit	214 350	243435	319188	324 781	336342	361 368	48,5
Tea	1 138	6 179	1 367	9 374	1 506	9510	53,9
Wheat flour	24	7	1 207	326	724	186	26,7dafa
Plant oils	10 254	10 711	10 842	9 354	8219	7399	-30,1
Fruit and vegetable juices	6 121	6 265	7 487	9 673	9870	11184	78,5

* Compiled by the author

Fresh fruits are mainly exported to the Russian Federation, Ukraine, Kazakhstan, Italy, Germany, Georgia, the Islamic Republic of Iran and Turkey, fresh vegetables to the Russian Federation, Georgia, Ukraine, Iraq, Bulgaria, Turkmenistan, the Republic of Moldova, Turkey and the Republic of Moldova, and potatoes to the Russian Federation. Exported to Ukraine, Kazakhstan and Georgia. Compared to 2016, in 2019 there will be a high increase in agricultural exports from our republic. During the comparable period, only the export of vegetable oils decreased by 30.1%.

It is also important to analyze exports in our country according to the International Standard Classification of Trade (Table 3). If we

look at the structure of exports according to the International Standard Trade Classification, it turns out that in 2019, the share of total exports of plant products is 3.2%, including exports of vegetables 1.3%, edible fruits and nuts, citrus. 1.9%. These indicators increased by 88.5%, 48.8% and 16%, respectively.

Table 3. The structure of exports according to the International Standard Classification of Trade

Name of goods	2016	2018	2019	
	thousand USD	thousand USD	thousand USD	%
Live animals and products of animal origin	4 214,9	12 090,0	23 231,3	0,1
Ready-made food products, alcoholic beverages, tobacco	117 633,9	90 707,7	104 616,8	0,5
Animal or vegetable fats and oils	17 113,8	16 861,9	18 451,0	0,1
Plant products	386 559,7	584 702,4	625 904,0	3,2
Vegetables	129 022,1	233 331,4	243 242,5	1,3
Edible fruits and nuts, citrus plants	243 755,4	325 524,9	362 573,3	1,9
Cereals	2 618,7	7 802,7	3 038,1	0,02

* Compiled by the author ⁵.

Separately, it is important to look at fruit and vegetable exports in the country in 2019 (Diagram 2). The analysis of the diagram shows that in 2019, fruit and vegetable exports amounted to 605.8 million USD. Of this, tomato exports amounted to 189.3 million US dollars, amounting to 174.6 thousand tons. Although the export of hazelnuts was a minority, it amounted to 125.6 million US dollars, which is 0.64% of the total exports.

Improving the mechanism of certification of exported agricultural products, transportation of export goods and formation of logistics infrastructure in order to accelerate the market access of export-oriented industries in the dissertation work.

⁵“Foreign trade of Azerbaijan”/ Statistical collection / Baku, 2020., 220p. p.82.

Fruit and vegetable exports in the Republic of Azerbaijan in 2019

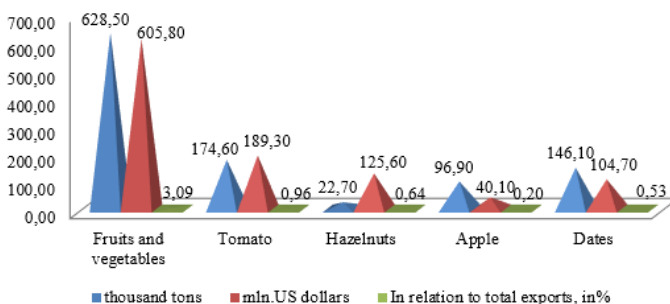


Figure 2. * Compiled by the author⁶.

The issues of improving the process of marking and packaging of exported agricultural products and the state policy of economic regulation on the import and export of agricultural products and foodstuffs were also comprehensively analyzed.

In accordance with the documents signed by the President on the expansion of exports, increasing the access of competitive products to traditional and new markets, the "Rules for payment of export incentives", "List of products subject to export promotion" and "Coefficients for export promotion" were approved. It marked the beginning of a new stage in the development and expansion of foreign economic relations.

The "List of products to be covered by export promotion" includes the following products: agricultural products such as honey, dates, pomegranates, roasted hazelnuts; dried fruits; canned fruits and vegetables; jams and jams; acids; alcoholic beverages and wine, mineral waters and juices; flour confectionery. Tobacco, apples, nuts, subtropical fruits, other fruits and berries, green tea, vegetables, natural honey, medicinal plants, oilseeds, cotton and other agricultural products produced in Azerbaijan are internationally competitive.

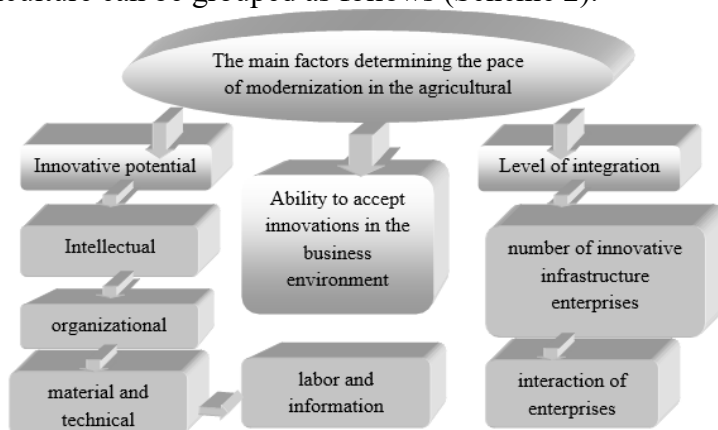
Finally, macroeconomic factors affecting the development of the infrastructure of the agricultural market, the state of fixed assets in economic sectors, the functional status of the main components of market infrastructure, identification of trends in market relations, the formation of a scheme of product development, study and identification of existing problems.

⁶“Foreign trade of Azerbaijan” / Statistical collection / Baku, 2020., 220p. p.82.

It is possible to assess the direction. At the same time, by moving to a new economic model, we must develop our economy only through

reforms, innovations, technologies and the non-oil sector, increase production of export-oriented products, achieve export diversification and further strengthen our position in foreign markets. The third chapter is entitled "Defining the directions of development of export-oriented industries in modern conditions." This chapter deals with "Modernization and innovative development of export-oriented industries", "Formation of export-oriented production in agriculture and ways to increase competitiveness", "Export-oriented directions". Directions for the formation of the market infrastructure of production areas and the improvement of the marketing system”.

Modernization not only stimulates the formation of a modern management system of export-oriented industries, but also serves to train professionals with more important specialties in this field, creating conditions for the development of economic sectors that serve agriculture. The main factors determining the pace of modernization in agriculture can be grouped as follows (Scheme 2).



Scheme 2. The main factors determining the pace of modernization in the agricultural sector. * Compiled by the author⁷.

⁷Gasimli V.A. Economic modernization. Monograph. Baku: - 2014. - 312 p., P.102.

In order to intensify modernization in agriculture, it is necessary to adopt a state program to encourage foreign investment, assess risks to attract private capital, limit the period of capitalization, as well as

the level of profitability, regional, sectoral, technological, as well as export Incentive activities should be identified and implemented.

To accelerate modernization in the agricultural sector, a state program to promote foreign investment should be adopted, risks to attract private investment should be assessed, the level of constraints and profitability should be determined during the investment period, and incentives based on regional, sectoral, technological and export factors should be identified. It must be done. From this point of view, the main purpose of the modernization policy in the agrarian sphere, the main factors determining the modernization of agricultural production and the negative and positive factors affecting it, the innovative activities of the state and regulatory directions in this direction are grouped and reflected in the research.

As a result of the research, it was determined that in order to increase the competitiveness of products in the regions, modern mechanisms for the effective use of production capacity are relevant and the application of new scientific and technical achievements, as well as modern technologies in production should be expanded.

Selection work must be restructured, the breeding of new seeds, as well as breeding animals must be organized more efficiently, and the material and technical base of scientific research subjects must be strengthened.

It should be noted that in order to improve the economic situation of agricultural production, there is a need to move to a model of sustainable innovative development of these industries. From this point of view, it is important to comprehensively stimulate the production areas invested in modernization, increase the economic efficiency of investments, create modern technical opportunities for production areas and widely apply innovative technologies, establish and improve healthy and uninterrupted relations between production and processing industries and take other measures. .

One of the goals of the dissertation is to form the production of export-oriented products and to identify mechanisms to increase the competitiveness of these products. For this purpose, the efficiency indicators of production of export-oriented products in the conditions

of market relations were evaluated and the directions of their stimulation were given.

Research shows that the geographical proximity of related economic activities provides increased productivity and innovative development. Clusters - end producers, suppliers, service providers, research laboratories, educational institutions and other institutions in a particular sector of the economy are the main driving force of regional economic development. Of course, taking into account the production in each region of Azerbaijan, it is possible to place appropriate export clusters for agriculture: Lankaran - subtropical crop cluster, Guba - apple cluster, Khachmaz - vegetable cluster, Goychay - pomegranate cluster, Zagatala - hazelnut cluster, Ganjabasar - palm cluster, in Jalilabad - grape cluster, in Imishli - sugar cluster, etc. Along with the developed countries of the world, Russia and Kazakhstan have already taken real steps towards cluster development in the CIS. Large-scale warehouses, logistics companies, logistics centers built and put into operation with the support of the Entrepreneurship Development Fund are constantly developing in the center and regions. The International Logistics Center with a total area of 12,800 square meters and a total cargo turnover of 1,200 tons has been operating in our country since 2013. This International Logistics Center in the South Caucasus, which is located only in Azerbaijan, can store and process perishable goods that require all kinds of special temperature regimes from minus 18 degrees to plus 20 degrees. Of course, this and the Logistics Center created by our republic in Kazakhstan mainly serve to facilitate access to international markets.

Within the framework of export promotion measures, AZPROMO held more than 50 events in the first quarter of 2017, provided individual export services to more than 30 companies, launched export portals, organized 5 programs under the GO EXPORT project and conducted trainings in the regions. was held. Also, with the support of the Ministry of Economy, the "Exporters Club", as well as the Association of Beekeepers, Wine, Pomegranate, Hazelnut, Fruit and Vegetable Producers and Exporters were established. In addition, state support measures to stimulate the intensive and efficient development of the agricultural sector should be continued in

accordance with international practice. In order to stimulate the production of competitive products by increasing innovation activity, to establish the necessary mechanisms for the implementation of innovation activities, to ensure the effective use and development of innovation potential, state support measures should be implemented, private banks and credit Allocation of funds (credit) by organizations to this sector should be further expanded, and the mechanism of agricultural insurance should be improved.

The implementation of the above measures is one of the main activities in creating access to additional export markets, developing market infrastructure for agricultural products, improving the system of regulation of agricultural markets, as well as promoting and supporting exports of agricultural and processing products. can be accepted.

CONCLUSION

Thus, in the modern context of globalization of the economy, the purpose of the research has been defined, and the issues that need to be addressed in order to achieve this goal have been analyzed economically and comparatively and summarized as follows:

- * It is expedient to compile an action plan for the development of export-oriented industries, which is the object of research. It was proposed to take into account the formation of the system, the application of foreign and advanced technologies in production, the stimulation of the arrival of foreign companies and companies in the country and other factors.

- * Assessment of important indicators reflecting the economic efficiency of production in agriculture, stimulation of labor and production, improvement of management in agriculture, provision with the application of new means of information technology.

- * Establishment of large storage complexes in the regions based on new technologies, development of innovative entrepreneurship, innovative technology park in terms of financial provision of agriculture in modern conditions, regulation of seasonal prices, minimization of production waste, as well as increasing export capacity creation of etc. It is proposed to modernize export-oriented industries and develop important innovative areas.

* Analysis of the dynamics of profits from the activities of production enterprises, gross and net income, level of profitability and other economic factors during the relevant period, the calculation of the level of intensity of agricultural production, taking into account fixed assets, current production costs, depreciation allowances.

* Factors affecting efficiency based on the production efficiency model in agrarian enterprises; The interaction of production-technological, production-economic and social spheres was proposed.

* As a result of the study of the international market and marketing complex, the requirements for the development of a clear marketing policy and marketing plan, the extensive use of the experience of developed countries in the implementation of the concept of information-marketing system are substantiated.

* Improving the certification mechanism of exported agricultural products in order to expand the market access of export-oriented industries, issues of transportation of goods and formation of logistics infrastructure, improvement of the process of marking and packaging of exported agricultural products and economic import and export of state agricultural products and food Directions for improving regulatory policy have been identified.

* The main factors determining the pace of modernization in the agricultural sector are grouped, it is proposed to adopt a state program to promote foreign investment, assess risks to attract private capital, limit the period of investment, as well as the level of profitability, regional, sectoral, Incentives based on elements of innovation and export should be identified and implemented, investment activity of economic regions should be increased in order to decentralize economic activity, and science and education should be integrated into the process on a single platform.

* Systematization of factors influencing the formation of export potential in the field of effective development of foreign economic relations and stimulation of agricultural exports by strengthening economic integration between countries, taking into account the conditions of foreign trade, real exchange rate, optimal geographical and currency structure of foreign trade. identification of factors determining trade relations and their priority directions of

development, preparation of scientifically substantiated proposals on increasing the volume of production of competitive products, improvement of the marketing system and achievement of formation of a favorable foreign trade regime.

* The directions of increasing the volume and improving the structure of food exports to the domestic and world markets, including the competitiveness of exported agricultural products, the mechanism of their certification, the process of marking and packaging compliance with international standards and increasing competition in domestic and world markets were assessed.

* Formation of agricultural system taking into account relief and geophysical data in accordance with the zones of the climatic map of the republic for the development of liberated territories, creation of new forms of economic ownership in agriculture, utilization of lands that have been unused for many years to increase productivity, and then land categories accounting is prepared and substantiated.

All these measures can stimulate the development of the agricultural sector, which is the most important sector of our economy, and improve the living standards of the population by increasing the efficiency of the organization of export-oriented production.

The main content of the research work is reflected in the thesis and scientific articles published below.

1. The impact of export policy on the stimulation of economic activity in Azerbaijan // - Baku: Scientific works of the Scientific Research Institute of Agricultural Economics, -2017. №4, - p.54-59.

2. Factors shaping the export potential of agro-industrial enterprises // - Baku: Scientific works of the Scientific Research Institute of Agricultural Economics, - 2018. № 2, - p. 88-93.

3. The main features of Azerbaijan's export-oriented economic activity // - Baku: Scientific and pedagogical news of Odlar Yurdu University, - 2018. № 49, - p. 69-76.

4. Modernization of export-oriented production // - Baku: Azerbaijan Agrarian Scientific Theoretical Journal, - 2018. № 3, - p.151-154.

5. Theoretical and methodological aspects of the impact of export potential on economic development // Baku: - Azerbaijan University of Architecture and Construction, Construction Economics and Management. Scientific-practical journal, - 2018. №5, - p. 20-28.

6. Assessment of factors of export potential in the Republic of Azerbaijan // Moscow: - Economics and Entrepreneurship, -2018. №4, - c. 1278-1281.

7. Issues of formation of agrarian export potential // “End of the transition period in the economy of Azerbaijan: Analysis and results. Republican scientific-practical conference on "Problems of formation of the National Development model", - Baku: -2010, - p. 585-587.

8. Formation of export-oriented production and increase of competitiveness // Materials of the Republican Scientific Conference on "Heydar Aliyev and the National Economic Development Model of Azerbaijan" dedicated to the 97th anniversary of National Leader Heydar Aliyev, Azerbaijan University of Architecture and Construction. Scientific-practical journal of construction economics and management № 2 (11), - Baku: - 2020, - p. 360-364.

9. Modernization of export-oriented productions and directions of their innovative development // Modern economy: Current issues, achievements and innovations. Proceedings of the XXXIV International Scientific-Practical Conference, International Center for Scientific Cooperation "Science and Enlightenment", - Penza: February 5, 2020, - p.139-143.

The defense of the dissertation will be held at the meeting of the Joint Dissertation Council ED 2.42 of Azerbaijan State Agricultural University and Azerbaijan Cooperation University operating under Azerbaijan State Agricultural University on “20” October 2021 at 16:00 o'clock

Address: 450 Ataturk Avenue, AZ 2000, Ganja city, Azerbaijan

Dissertation is accessible at the Library of the Azerbaijan State Agricultural University

Electronic versions of dissertation and abstract posted on the official website (www.adau.edu.az) of Azerbaijan State Agricultural University

The abstract was sent to the required addresses on 20 September 2021

Signed for print: 17.09.2021
Paper format: (210x297) ¼
Volume: 41836 signs
Number of copies print: 30