

CURRENT ISSUES RELATED TO THE DEVELOPMENT OF WHOLESALE TRADE IN UZBEKISTAN

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Abstract. Wholesale trade is important in improving the efficiency of goods movement in the national economy, establishing interregional and intersectoral relations. In this article, the trend of development of wholesale trade in our country, current issues related to further development of wholesale trade are considered. Some problems in the development of wholesale trade and practical recommendations for their solution are put forward.

Keywords: wholesale turnover, after-sales service, cold storage warehouse, logistics services, wholesale market, wholesale infrastructure.

In terms of reforming our national economy during 2017-2021, the implementation of market mechanisms in goods and financial markets, the creation of an environment of free competition, the reduction of state participation in the economy, the liberalization of foreign trade, tax and financial policy, support for entrepreneurship and guaranteeing the inclusion of private property, large-scale measures were developed for the organization of deep processing of agricultural products and rapid development of regions. As a result, the volume of processing and production of consumer goods in the country increased sharply. With the increase in the flow of goods, trade services and the economic activity of subjects in the field of trade are developing sharply.

According to the 34th goal of the Development Strategy of New Uzbekistan for 2022-2026, 130 modern markets and shopping complexes through the development of service and service industries in the regions, trade and roadside services in the regions of the republic, also, 65 large and 5,000 small service facilities are planned for the development of road infrastructure. In

order to ensure macroeconomic stability, the task of developing trade infrastructure in individual regions of the republic has been established. It is planned to establish large wholesale trade centers in each region, including logistics, refrigerators, warehouses, and at least 3 modern trade centers in large districts and cities.

Wholesale trade has the main place in trade activity. Because wholesale trade is the main trade activity that connects regions and sectors of the economy. Wholesale trade is an important activity in ensuring the balance of demand and supply in the market of products (production tools) intended for technical and production purposes and in the consumer market. Wholesale trade affects regional production, economic relations between industrial sectors, and the system of goods movement.

In Uzbekistan, the role and importance of wholesale trade is significantly increasing as a result of deep processing of local raw materials, production of import substitute products, and diversification of the industry. In addition, it should be noted that wholesale trade affects the improvement of the quality of local goods and serves to secure a strong position of goods in both domestic and foreign markets.

Another main reason for the importance of wholesale trade in the economy is that it affects the satisfaction of both the needs of the population and the needs of production in the consumer market. Therefore, most experts divide wholesale trade into two directions: wholesale trade of finished products and wholesale trade of raw materials and semi-finished products. Wholesale trade of finished products consists of consumer goods, including wholesale trade of non-food products and wholesale trade of food products. Wholesale trade of raw materials and semi-finished products consists of wholesale trade of means of production and wholesale trade of agricultural products sold without processing.

Along with the growth of all macroeconomic indicators in Uzbekistan, the main indicators of wholesale trade are also growing rapidly. In particular, the

turnover of wholesale trade has increased almost 4 times in the last five years. The growth rate of wholesale trade turnover is also 128-135 percent (Fig. 1).

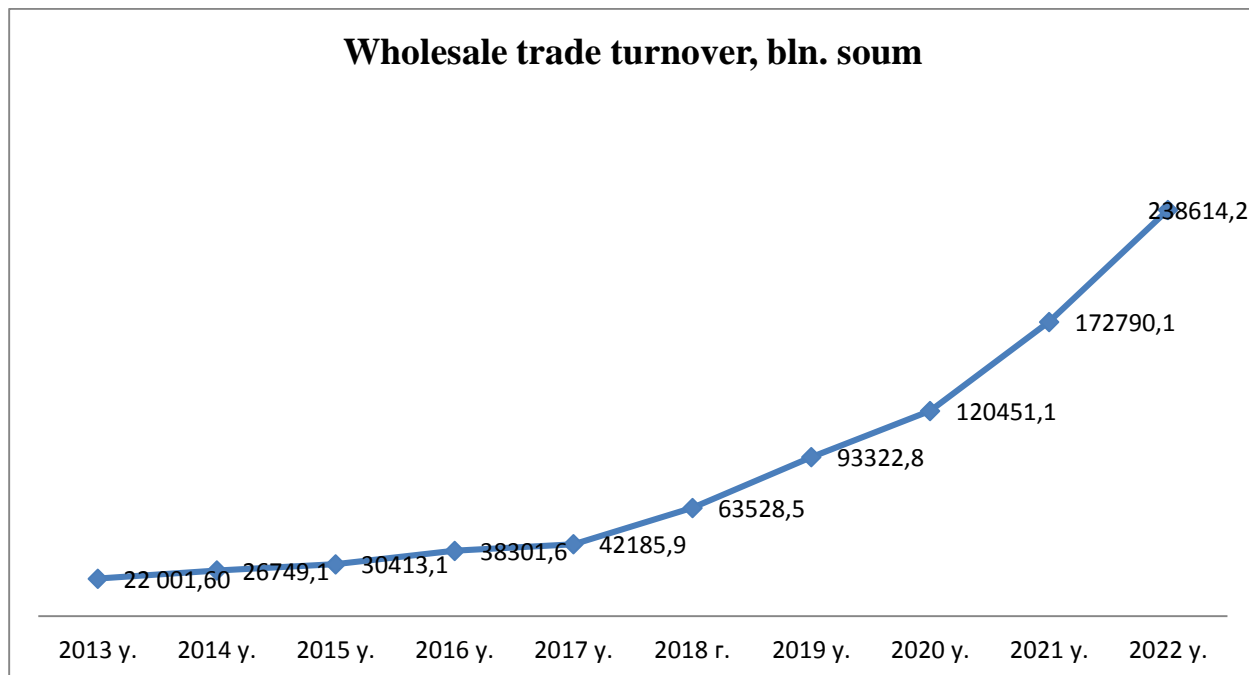


Figure 1. Wholesale trade turnover of the Republic of Uzbekistan in 2013-2022, billion soum

The share of non-food goods in the structure of wholesale trade is increasing significantly. In particular, the wholesale trade of household appliances, mini production equipment, engineering products, construction materials is increasing sharply. Also, the wholesale trade of ready-made textiles and sewing-knitting products is increasing year by year.

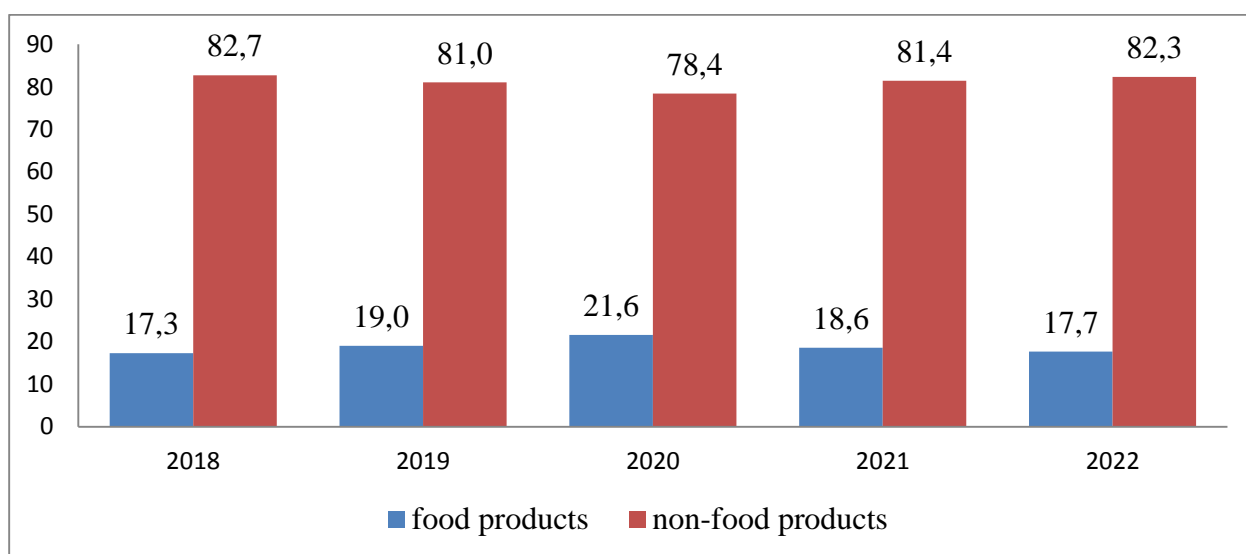


Figure 2. Composition of wholesale trade turnover, %

In today's competitive market, both in the consumer market and in the market of products intended for production and technical purposes, the development of wholesale trade serves to satisfy consumer needs and saturate the market. Therefore, some problems related to the further development of this industry in our country and their solutions are as follows:

1) Full development of wholesale trade infrastructure that meets modern requirements for product manufacturers. Today, wholesale trade infrastructure is not fully developed in all regions of the country. While wholesale trade itself is an important structural element of the market infrastructure, it also has its own intrusions associated with this activity. Wholesale trade infrastructure is an integral part of the goods market infrastructure and consists of unique structures. In particular, there should be a wholesale trade infrastructure in all large production areas and densely populated consumption areas. Wholesale trade infrastructure includes business entities related to the process of buying, storing, packing, loading, transporting and selling wholesale goods. The main wholesale trade infrastructure includes commodity exchanges, organizations that organize commercial auctions, wholesale market participants: enterprises, associations, storage warehouses, suppliers of packaging and packaging materials, after-sales service providers, service centers, wholesale fairs, etc.

2) Establishment of cooperation of central warehouses, logistics corridors, production enterprises with wholesale trade. Today, logistics companies are cooperating and integrating with many wholesale enterprises in the world. Logistics services play a particularly important role in the development of transit wholesale trade. The main part of operations performed in wholesale trade is inextricably linked with logistics. Therefore, wholesale trade enterprises that do not have their own warehouses and transport are carrying out wholesale trade operations together with logistics companies.

3) Development of activities of large wholesale markets, their components, wholesale bases, wholesale warehouses, service centers. Depending on the level of consumption of the regions, the scale of production of industrial and consumer goods, it is necessary to develop large shopping centers, cold storage warehouses, transportation corridors, and transportation means.

4) Ensuring the effective operation of the quality control system in the sale of products. One of the important issues in wholesale trade is the product quality control system. Organization of quality control related to packaging, storage, and transportation processes of products. In this regard, it is appropriate to develop a national and international standardization system.

5) Reducing the level of indestructibility of products. In our country, there is a high level of product corruption, especially in the trade of agricultural products. The development of wholesale trade helps to release the cultivated products to the domestic and foreign markets and to prevent their perishability.

6) To provide the legal basis for farmers, small and medium-sized business entities to engage in direct wholesale trade. Farmers and small businesses face a number of challenges in reaching the sales market. Farmers and small business entities should also expand their opportunities to engage in wholesale trade of their products. First, the added value chain of farmers and small business entities will be created at the expense of their products. Secondly, it creates the basis for the development of a competitive environment in the market.

7) 60-80 percent of the value of finished products corresponds to the wholesale segment. This is 1.5-2 times more than European and Asian countries with developed production and trade of industrial products. It is desirable to switch to full market mechanisms of price regulation in the wholesale trade, to ensure the operation of a free competitive system, and to further liberalize wholesale trade.

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