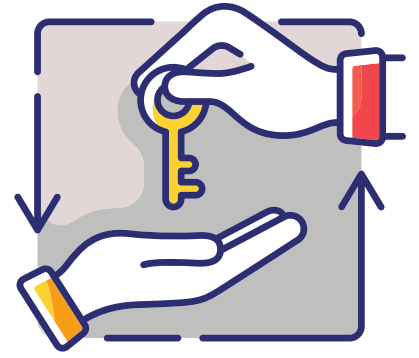




LEASING



ISBN: 978-93-26325-12-6

IMPROVEMENT OF LEASING RELATIONS BASED ON PUBLIC PRIVATE PARTNERSHIP IN AGRICULTURE



Published by

Novateur Publication

466, Sadashiv Peth, M.S.India-411030
novateurpublication.org

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Monograph

2023

UTEGENOV. K.J

**IMPROVEMENT OF LEASING RELATIONS BASED ON PUBLIC
PRIVATE PARTNERSHIP IN AGRICULTURE**

(Monograph)

Utegenov K. D.

Improving leasing relations in agriculture based on public-private partnerships
Monograph.-2023 63 pages

The monograph researches the current state of agricultural development and reveals the possibilities for the development of public-private partnerships and scientific proposals for clarifying the role of leasing relations in renewing the main production funds in agriculture and creating the necessary conditions for the development of leasing in agriculture on the basis of public-private partnerships and practical recommendations are explored.

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The monograph is recommended for publication based on the decision No. 11/5.3 dated June 10, 2023 of the Scientific Council of Karakalpak State University named after Berdak

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INTRODUCTION

In the context of increasing globalization and fierce competition in the world, agriculture is emerging as the main branch of the economy, where the needs of the population for raw materials for industrial production and natural and safe food products are increasing more and more. This requires the improvement of the processes of effective organization of agricultural production, financing of its activities and provision of modern techniques and technologies in the economy of the world countries. In Uzbekistan, attention is being paid to increasing the share of the agricultural sector in the GDP, increasing the volume and types of production of agricultural products, and supporting high-scientific, promising areas of industry production. In particular, in the development strategy of New Uzbekistan for 2022-2026, "organization of deep processing of agricultural products, intensive development of agriculture on a scientific basis, rapid development of the agricultural sector, ensuring annual growth of agriculture." were defined as priority tasks. The effective implementation of these tasks requires the improvement of the organization of agricultural equipment leasing relations, the establishment of agro-service entities based on public-private partnership in the implementation of agro-technical activities in agriculture, the state use of production tools included in the list of high-value and innovative technical equipment in the implementation of innovations in agriculture. - delivery through the leasing system based on private partnership requires the implementation of scientific research in the directions of ensuring the economic interests of the participants of the leasing process on the basis of public-private partnership.

CHAPTER I. DEVELOPMENT OF PUBLIC-PRIVATE PARTNERSHIP IN AGRICULTURE THEORETICAL BASICS

1.1-§. Based on public-private partnership in agriculture organizational bases of leasing activities

One of the effective ways to solve the problem of updating machine-tractor fleets in agriculture is to use the leasing mechanism. However, the use of such a mechanism in the agricultural sector is associated with a number of difficulties, which include low solvency demand for means of production and limited state resources allocated for the development of leasing activities in agriculture.

In our country, based on the experience of developed countries in the world, it is desirable to attract investment in the agricultural sector through public-private partnership (PPP), to increase the efficiency of the use of state-owned assets, and to modernize the existing infrastructure.

Currently, work is being done on the use of the mechanism of public-private partnership in solving the problems of socio-economic development of our country. In the regions, we have the opportunity to implement projects in the industrial and service sectors by strengthening public-private partnerships [(22 December 2017)]. However, it seems that the work in this regard is slow in agriculture. Therefore, it is appropriate to develop and implement the concept of introducing public-private partnership relations.

It is desirable to use the public-private partnership mechanism based on the specific advantages of the private sector in agriculture. In our country, it is very important to establish effective relations between business entities and state enterprises, to increase investment activity, to formulate an effective economic policy, to increase competitiveness, and to develop infrastructure.

The use of public-private partnerships in agriculture allows:

improving the quality of products and services, because competitiveness and quality of services, customer satisfaction are the guarantee of successful project implementation for business;

helps to successfully implement large investment (infrastructure) projects". Because most agricultural enterprises, based on their current financial situation,

cannot implement them for various reasons: limited sources of project financing, lack of competence of management personnel, lack of state support, etc. can have. The participation of a private investor in such a project can remove the listed restrictions and increase the effective use of available resources at the enterprise's disposal;

allows efficient use and modernization of infrastructure facilities. Currently, infrastructure facilities in cities and rural areas are aging, although this factor plays an important role for agriculture. Therefore, their effective use based on advanced technologies allows not only to maintain these objects, but also to reduce the cost of services provided due to reduction of non-production costs, reduction of losses, etc;

reduces the financial burden on the budget and allows the state to concentrate its power on regulating and controlling activities. Implementation of projects in any field is associated with large initial costs and costs for current needs. In this case, the participation of the private sector allows to reduce and even eliminate public spending for these purposes;

allows to successfully use the experience and professional skills of the private sector. Representatives of the business community have at their disposal highly qualified managers and specialists. Application of new business ideas and management know-how for business is strictly required based on objective necessity than for the state. Therefore, the continuous improvement of the private sector will encourage the public sector interacting with its partner, as well as other participants in the overall business process;

enables the development of innovative forms of project financing. Availability of financial resources for the implementation of PPP projects is an important factor for project implementation. In addition to the opportunities that private companies have from the beginning, government opportunities can be added as a co-investor, guarantor, regulator of the fiscal burden. Currently, there are various programs of state support for business in various sectors. In the

agricultural sector, it can be included in the actions defined in the Strategy of Actions.

Thus, the need to use public-private partnerships in agriculture comes from the opportunities that the private sector has as a public partner in the PPP mechanism, and which allows for significant benefits for each participant from such a partnership. Table 1.1 shows the directions for applying the public-private partnership mechanism in agriculture.

Elements of public-private partnership in agriculture began to develop in national projects and state programs. In the future, business will be more actively involved in the creation of social infrastructure in the village. For example, private organizations can invest in the construction of hospitals, kindergartens, sports facilities, and local authorities use these facilities on lease terms, with the right to purchase them later, depending on their purpose.

Field of application	Result
Removal of infrastructural restrictions	Development of transport infrastructure that provides economic and social development of rural areas
	Construction of new energy networks, communication lines, etc. and reconstruction of old ones, as well as ensuring their effective use
	Construction and operation of irrigation systems, etc.
Solving social issues related to infrastructure in the village.	Construction of housing, hospital, school, kindergarten on the basis of concession contracts
Implementation of large investment projects of high social importance at the level of the republic and regions	Construction and reconstruction of processing plants, livestock farms, etc.
Development of financial infrastructure in agriculture	Simplify debt financing, including leasing.

Figure 1.1. Directions of public-private partnership in agriculture

It should be understood that public-private partnership is not considered an "honorary duty" of socially responsible business. A business voluntarily partners with an authority and must remain a business for the duration of the partnership. This means that managers and investors voluntarily enter into a partnership agreement with the authority and are interested in receiving a return on their

management skills and investment. It should be noted that some of the risks and dangers are directly related to the decisions and actions of the public authorities, that is, to what extent they tend not to comply with their obligations. Thus, the partnership creation scheme is based on an even distribution of risks and allows a certain part of them to be transferred to a private operator. Within the implementation of a concrete contract, the state not only attracts private investments and reduces the burden on the budget, but also can significantly reduce its risks. The factors that indirectly affect the activity of private investments in agriculture and determine the development of leasing relations in the agricultural sector in the current economic conditions are revealed, the systematization of factors by the level of influence is proposed: with external factors related to economic policy in agriculture at the world and country level and development characteristics at the enterprise level. related internal factors”.

Modern agriculture in Uzbekistan at the current stage of development is characterized by low equipment of the machine-tractor park both quantitatively and qualitatively. A significant number of agricultural enterprises are not able to carry out extended reproduction at the expense of internal sources of financing. In this regard, there is an objective need to attract debt capital. At present, there is a tendency to increase the demand for the conditions of bank loans, which forces agricultural producers to diversify their sources of financing.

Thus, the partnership creation scheme is based on an even distribution of risks and allows a certain part of them to be transferred to a private operator. Within the implementation of a concrete contract, the state not only attracts private investments and reduces the burden on the budget, but also can significantly reduce its risks. The factors that indirectly affect the activity of private investments in agriculture and determine the development of leasing relations in the agricultural sector in the current economic conditions are revealed, the systematization of factors by the level of influence is proposed: with external factors related to economic policy in agriculture at the world and country

level and development characteristics at the enterprise level. related internal factors”.

Modern agriculture in Uzbekistan at the current stage of development is characterized by low equipment of the machine-tractor park both quantitatively and qualitatively. At the same time, the development of the leasing network in our country allows us to talk about the attractiveness of such a method of restoring the technical potential of agriculture due to the following advantages: a good understanding of local characteristics, a sense of promising directions, the ability to organize non-standard transactions, the ability to conduct business in conditions of underdeveloped infrastructure. Thus, the partnership creation scheme is based on an even distribution of risks and allows a certain part of them to be transferred to a private operator. Within the implementation of a concrete contract, the state not only attracts private investments and reduces the burden on the budget, but also can significantly reduce its risks. The factors that indirectly affect the activity of private investments in agriculture and determine the development of leasing relations in the agricultural sector in the current economic conditions are revealed, the systematization of factors by the level of influence is proposed: with external factors related to economic policy in agriculture at the world and country level and development characteristics at the enterprise level. related internal factors”.

The first opportunities for the development of leasing in agriculture at the world level are related to the global financial economic crisis and its consequences. First of all, this is an increase in the requirements of banks to debtors, which allows potential customers to switch to leasing companies. Others are the devaluation of the som exchange rate against the world's leading currencies, which opened the way for our country's products to enter the world market. In addition, as a result of the increase in the state purchase price of raw cotton, the agricultural goods producers have the opportunity to get additional profit.

1.2-§. Efficiency of leasing processes in agriculture method of detection

Currently, the use of leasing of agricultural and water management equipment is considered one of the convenient directions in the development of agriculture ^[(Dusmuratov)]. The reason is that agricultural enterprises, including farms and peasant farms, do not have the opportunity to purchase equipment on credit or directly from the market. Product production in agriculture is one of the seasonal sectors, which causes tension in the use of techniques, the lack of techniques leads to the loss of productivity of the cultivated products, and the decrease in the productivity of agricultural land use. Through leasing, it is possible to purchase new equipment from the leasing company within the terms specified in the contract and cover its cost in stages.

In the terms of the lease agreement, it is necessary to take into account the solvency of the lessee when planning the scope of delivery of agricultural machinery. The reason is that leasing of agricultural equipment is a type of long-term lending of equipment to agricultural and aquatic enterprises. It is necessary to assess the level of the lessee's solvency during the entire period of planning the supply of machinery for agricultural producers ^[(Dusmuratov)].

"Uzmeliomashlizing" and "Uzagrolizing" leasing enterprises are the leading leasing organizations in our country, for their effective operation, the assessment and forecasting of the level of risk of repayment of lease payments and the solvency of agricultural enterprises are the primary tasks ^(Dusmuratov).

According to the request of the Ministry of Agriculture and Water Resources, the joint-stock leasing company "Ozagrolizing" was set to purchase a total of 167 modern land reclamation equipment in 2020 from the funds of the fund for the improvement of the melioration of irrigated lands. Water reclamation equipment worth 35.7 billion soums was purchased, and 94 equipment worth 19.9 billion soums was delivered from the company's own funds. In general, the leasing company supplied 264 equipment to lessees with a total value of 54 billion soums. This figure is 27 billion compared to 2019. soum or 153 percent increase. If we compare their content, 15 bulldozers, 64 modern excavators, 20 truck cranes and

91 other machines were taken. In 2020, 85% of the cost of equipment purchased under state programs will be allocated by the fund to the amount of 34 billion. fully funded in the amount of soums.

In the analysis of the financial and economic activity of the company, this lease can be evaluated as a significant positive change compared to previous periods (Dusmuratov). The leasing organization's current assets for leasing operations amount to 252 billion. amounted to 54 billion soums or 128.0% more than in 2019. As of the end of 2020, the total number of leased equipment in the leasing portfolio is 1,948, the total lease value is 313 billion soums, and this indicator is 64 billion soums compared to 2019. increased by 126.0 percent. Lease payments to be paid for 2020 are 29 billion. amounted to 30 billion soums, the remaining payments of previous years were covered, and a total of 30 billion soums were made. The income from the leasing service amounted to 4.99 billion soums.

In order to create modernity and ease of use of the equipment available at the leasing company, all equipment has modern GPS devices for remote monitoring and their movement is constantly monitored. Due to the cooperation with the Ministry of Agriculture and Water Management, the Council of Ministers of the Republic of Karakalpakstan, regional administrations and irrigation system basin administrations, debt reduction is being achieved in order to extinguish the arrears on lease payments (Dusmuratov). However, repayment of lease payments is one of the most pressing problems today (Table 1.3).

The data of Table 1.3 shows that 16,270 of the 53,364 pieces of equipment delivered for leasing were not refunded. We all know that the lessee's estimate of the beginning of the default rate for the equipment and the possibility of not receiving the payments on the lease of agricultural equipment is the repayment risk.

Lessor and lessee risks are quite different. The lessor takes the financial risk, and the lessee assumes the liability and property risk. It is indicated that these

risks are regulated on the basis of the contracts defined in the Law "On Leasing" (Dusmuratov).

1.3- Table.

Analysis of the situation in 2020 regarding the equipment supplied for leasing by the regional branch of JSC "Uzagrolizing" of the Republic of Karakalpakstan and enterprises in the system (million soums)¹

№	Districts	By the regional branch of "Uzagrolizing" JSC			
		Total equipment delivered for leasing (number)	value, million amount	including	
				Number of vehicles with outstanding lease payments today	value
	Karakalpakstan by Republic				
1	Amudarya district	73	4483	73	6088
2	Beruni district	74	7749	74	11639
3	Kanlikul district	8	415	8	573
4	Kegeili district	22	3338	22	5177
5	Korauzak district	30	886	30	1081
6	Kungirot district	15	342	15	411
7	Nukus district	4	1398	4	2242
8	Takhtatosh district	19	1597	19	2399
9	Takhtakupir district	13	707	13	1002
10	Turtkul district	31	4010	31	6069
11	Khojaly district	22	3597	22	5598
12	Chimboy district	66	3534	66	4962
13	Shumanay district	42	4117	42	6132
14	Ellikkala district	25	1306	25	1840
	Total	444	37479	444	55213

It is necessary to take into account the real economic situation of the lessee and his forecast during the planned period of time when assessing the risk of repayment of lease payments. Risk assessment for each potential lessee should be carried out for the period of the individual lease agreement. Factors of the economic status of product manufacturers are divided into the following: (Dusmuratov)

availability of funds;

¹ Developed by the author based on the data of the Statistics Committee of the Republic of Karakalpakstan

availability of agricultural machinery;
changes in the cost of leasing equipment.

Based on the assessment of the risk level, the leasing company can choose the most favorable lease modernization project for the lessor and determine additional measures that can reduce the risk of repayment by changing the specified condition in the contract (Dusmuratov).

The assessment of the level of risk is in most cases clear enough, and the efficiency of the leasing project can be determined. Choosing a calculation method is one of the main tasks when assessing the level of risk. Probability theory is one of the main tools for calculation (Dusmuratov).

We can see the methods of determining the risk of capital investment in foreign experience. We believe that the use of probability theory is appropriate. With the help of this method, it is possible to determine the future cash flow forecast of the investment project. If it is positive in the first stage of capital allocation, then in subsequent periods it will be as acceptable as in the previous period (Dusmuratov).

Determining the risk level of an investment project is carried out as described below: in this case, the probability of the object in each branch of the tree of probabilities is compared with the probability of transition to a certain state, in which we have the opportunity to determine the probability of the variables characterizing the state of the object reaching a certain level. In this case, it is necessary to determine the degree of influence of the factors on the general situation of the object (Dusmuratov).

This approach to risk assessment is called risk decomposition, and it is widely used in our country and abroad to assess the risk level of a portfolio of investment projects (Dusmuratov).

We will analyze the methodology of assessing the risk of repayment of lease payments for the leasing companies "Uzmeliomashlizing" and "Uzagrolizing" of the leasing agricultural enterprises.

First of all, when assessing the level of repayment risk, the leasing company should thoroughly analyze and study the activity of the agricultural company and understand the criteria characterizing the level of solvency of the agricultural company. It is proposed to choose the amount of profit from the sale of products that accurately characterizes the level of the enterprise's solvency from the criteria for assessing the state of solvency of an agricultural enterprise ^(Dusmuratov).

In this criterion, the amount is determined for a specific situation and the period of validity of the lease agreement. In order to increase the positivity of the conclusions and to carry out further calculations, the critical level of the condition assessment criterion of the object should be determined. The level of profit from the sale of products is determined for three versions of production improvement during the term of the lease agreement ^(Dusmuratov):

1. Very comfortable conditions;
2. Average conditions;
3. Unfavorable conditions.

The indicator of the amount of profit obtained in adverse conditions describes the solvency of the agricultural enterprise for the planned period.

Through Y1, Y2 and Y3, we determine the amount of profit received from the sale of products for the favorable, average and unfavorable versions of the development of production for the accounting period ^(Dusmuratov).

For an unfavorable version of production development, it is proposed to determine the level of risk of returning lease payments as the ratio of the difference between the amount of profit and the critical amount of profit to the difference between the amount of profit in the favorable and unfavorable version of production development:

$$R_n = (Y_1 K_r) / (Y_2 Y_3) \times 100\%,$$

In this; R_n – potential insolvency situation of the lessee in the time interval t ;

$(Y_1 K_r)$ is the interval between the amount of profit and the critical amount of profit for the unfavorable version in the development of production;

(Y_2Y_3) is the interval between the amount of profit in the favorable and unfavorable version of production development.

Here, it is suggested to set zero level ($K_r=0$) as the critical amount of profit from product sales. The increase or decrease of the critical level in determining the solvency of an agricultural enterprise determines the severity of the risk assessment.

The results of the average condition calculation are used to estimate the most probable economic condition of the potential lessee.

Now let's define the situations that arise when assessing the level of risk of returning lease payments:

1) If a surplus is observed during unfavorable production conditions during the entire accounting period ($Y_1 > 0$, $t=1, \dots, T$), then we verify that there is no risk that the solvency of the agricultural enterprise will enter a low level or that there is no risk of repayment *mukin*. In such a situation, the risk level of the leasing project is equal to 0.

2) If the agricultural enterprise has a deficit during the entire period of the lease contract under the most favorable production conditions ($Y_3 < 0$, $t=1, \dots, T$), then the risk level of the investment project will be 100%. This method is used to determine the level of risk using a tree of probabilities, because the development of situations according to the favorable version shows the upper branch of the tree of probabilities, and according to the unfavorable version, the probabilities show the lower branch of the tree. The wider the interval between the profit amounts in the favorable and unfavorable versions, the higher the sensitivity of the economic object's situation to changes in the factors affecting it.

Leasing enterprises analyze the production activity of agricultural enterprises in order to assess the level of risk of repayment. After collecting the data, it examines the possible versions of the production development in three options. With the help of the obtained results, he evaluates the level of risk of equipment delivery based on leasing. When the lessor has a high level of risk, he can

rearrange the schedule of the return of the value of the leased object, make changes to the delivery plan of the equipment and forecast the level of risk.

The methodology of risk assessment established by the leasing contract provides an opportunity to choose lessees based on specific facts at the stage of implementation of leasing relations and allows to increase the level of coverage of previous and subsequent payments ^(Dusmuratov).

Possibilities of using public-private partnerships in agriculture As a result of the adoption of the Decree of the President of the Republic of Uzbekistan on August 28, 2002 "On measures to further promote the development of leasing activities", the same tax incentives were created for bank lending and leasing operations in Uzbekistan, which is a financial created an environment of equal competition in the services market.

The 38 amendments and additions to the Civil, Tax and Economic Procedural Codes and the Laws "On Leasing" and "On Customs Tariff" adopted by the Oliy Majlis of the country on December 13, 2002 at the next session were of great importance in the reform of the leasing legislation.

As a result of the introduction of these amendments, a number of opportunities for the development of leasing processes in the republic have been opened. For example, the obligation imposed on the lessor to carry out financing from his own funds in the Civil Code, and the concept of operational leasing was removed from the Law "On Leasing".

Amendments were made to the Tax Code and the Law "On Customs Tariff" provided for by the Presidential Decree "On Measures to Further Encourage the Development of Leasing Activities" adopted on August 28, 2002.

The Civil Code and the Law "On Leasing" clearly defined the rights and obligations of the lessor, lessee and seller, as well as the distribution of obligations between them and the responsibility of the leasing subjects, the structure of lease payments was described in a clearly understandable language, thus creating a favorable environment for the development of leasing processes.

Pursuant to the decision of the President of the Republic of Uzbekistan dated April 17, 2006 No. PQ-325 "On measures to accelerate the development of the service and service industry in the Republic of Uzbekistan in 2006-2010", the leasing activity is exempted from income tax for a period of 3 years. became the next legal and economic factor aimed at ensuring the further development of its activities.

Due to these changes, investments in the country's economy and establishment of new leasing companies increased. In 2006, the volume of domestic leasing operations in Uzbekistan increased by 2.6 times compared to 2002 (April 2007). During 2003-2007, such leasing companies as "Kurilish-leasing", "Capital-leasing", "Transleasing", "Pakhta-leasing", "Zomin-Invest", "Ozmeliomashlizing" were established and started their activities.

In 2017-2020, particularly large-scale leasing operations were carried out in the banking leasing sector in Uzbekistan. Banks with branches in almost all regions of the republic and a wide customer network quickly drew attention to the tax benefits granted on the basis of the 2002 legislation. In 2020, the volume of leasing operations in this sector (according to the value of leased equipment) was 53.2 billion. is equal to soums, which is 56.2 times more than the volume in 2016 (947.7 million soums). However, despite the fact that there are great financial opportunities for the further development of the banking leasing sector of the republic, there is a factor that limits the further development of this sector. In particular, based on the decision of the Board of the Central Bank of the Republic of Uzbekistan No. 16/4 dated July 14, 2020 (registered in the Ministry of Justice of the Republic of Uzbekistan on August 14, 2020 with the number 557-5) "The highest level of risk corresponding to one debtor or a group of mutually related debtors by making amendments and additions to the "regulation" (December 2, 1998, list number 557), it is established that the total volume of leasing services provided by commercial banks should not exceed 25 percent of the first level of the bank's capital.

The Decree of the President of the Republic of Uzbekistan No. PF-4857 of November 17, 2016 on the organization of the activities of the joint-stock company "Uzagrotexsanoatholding" and the Decision of the President of the Republic of Uzbekistan No. PQ-2658 of November 17, 2016 on the measures to organize the activities of the joint-stock company "Uzagrotexsanoatholding" It is clear that it will make a great contribution to the development of agriculture in our country. Because the main goal of the organization of this holding company is to provide agriculture with modern, cost-effective technologies, several companies are included in it for this purpose, including "Uzagrolizing" JSC, which contributes to the improvement of leasing relations in the industry.

As stated above, in order to form a single and interdependent holding company for the production, servicing, sale and provision of mechanized services of agricultural machinery, "Uzagrotexsanoatholding" Joint Stock Company of the President of the Republic of Uzbekistan No. PF-4857 dated November 17, 2016 Decree on organization of activities" was adopted. In this decree, joint stock companies such as "Ozagrotexmash" JSC, "Ozagroservis" JSC, and "Ozagrolizing" JSC were included in the "Uzagrotexsanoatholding" joint-stock company. The duties of all joint-stock companies included in the holding have been recorded within the framework of this Decree.

Taking into account the above points, the conclusions are:

1. Today, the development of our country's agriculture cannot be imagined without leasing services, and the continuous improvement of leasing services has a direct positive effect on the development of agriculture. We can use the opportunities of leasing companies to help family businesses and household entities in rural areas of our country;

2. One of the main obstacles to the further expansion of leasing development in the Republic of Uzbekistan is the acute lack of investment resources for the innovative development of enterprises based on new equipment and advanced foreign technologies. In recent years, enterprises in Uzbekistan have been using

financial support such as leasing, which allows them to renew their production funds without depriving their limited financial resources from economic turnover.

3. Decree of the President of the Republic of Uzbekistan No. PF-4857 dated November 17, 2016 on the organization of the activities of the joint-stock company "Uzagrotexsanoatholding" and PQ-2658 of November 17, 2016 on measures to organize the activities of the joint-stock company "Uzagrotexsanoatholding" Numerous Resolutions are aimed at comprehensively solving the issues of regular provision of agriculture with modern equipment and technologies. In our opinion, on the basis of this Decree and Decision, it is appropriate to carry out monitoring in order to further improve the current legal framework for leasing relations.

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1.3-§. Public-private partnership models and from them features of use

"According to foreign experiences, the private sector and the mutually effective cooperation of the society and the state are used in the implementation of socio-economic relations." In this, first of all, the contract differs according to the tasks undertaken by the parties. The more responsibility and authority one of the partners has, the greater the participation in the implementation of the partnership, the more we can see the degree of privatization in the relationship. Considering the types of private-public relations, PPPs can be divided into different types of organization, financing and cooperation according to the objectives. Currently, the use of separate types of PPP is efficient and theoretically convenient, in practice, forms combining several models are used in partnership.

In the organizational model, it does not involve entering into ownership relations, and it is carried out on the basis of general management, renouncing the cooperation of private partners, separate tasks and obligations. "Concession, the most common type of PPP at the moment, is included in the organizational mode¹."

Financing models include rental, leasing and management. In this case, "certain features of the mutual cooperation of representatives of the state and private sector create the need to impose a number of additional requirements on the relevant projects".

Funding models in common features of PPP:

- to be a separate project;
- have their own resources and be able to implement;
- risk assessment;

The cooperative model represents all possible forms and methods of uniting the power of a number of partners responding to individual stages of the general process of creating new consumer value, such as community wealth. Often, such cooperation requires the establishment of complex, including holding, structures for the construction and operation of facilities, especially in the field of production and social infrastructure. "The main principle of the PPP concept is that the state

determines what services and infrastructure it needs, and private investors put forward proposals that should meet the state's requirements at the highest level²."

The practice of implementing projects through the implementation of PPP allows to identify the main models of partnership (Table 1.7).

1.7- Table.

Public-private partnership models (Шарингер, 2004)

Model	Ownership	Management	Funding
Operator model	Private/public	Private	Private
Cooperative model	Private/public	Private/public	Private/public
Concession model	Private	Private/public	Private/public
Contract model	Private/public	Private	Private
Leasing model	Private	Private/public	Private/public

The implementation of one of the above models depends on the network of the contract. In this case, we can show that specific models have the greatest effect in certain industries in part of foreign experiences.

In most countries, the operator model is used for transport services and waste processing. Clarity of responsibility between private business and state bodies while maintaining the control function of the state is its main feature.

A cooperative model is implemented in the sectors and sectors where appropriate taxes have been set. The concession model is used in long-term projects, and the transfer of ownership from the state to private business, as in our recent history, is excluded for political or legal reasons. The contract model is initially used in the energy supply sector to reduce fixed costs. The increased funds will be spent on investments. The leasing model is suitable for use in agriculture, transport and social facilities. In the 21st century - the age of innovation, it is an important issue to create new products and services through innovative ideas and research in every field, to adapt to the developed competitive environment. In particular, in the Republic of Karakalpakstan, agricultural reform, rational use of modern techniques and methods are having positive effects. For example, the introduction of clusters in agriculture has created a new form of cooperation between the public and private sectors in the process from seeding to harvesting,

from raw materials to finished products. In previous years, only raw materials were exported, but this form of ownership allows farmers and farms to transform and consume products grown by light industrial enterprises.

Today, 27 clusters are operating in Russia. Clusters in the agrarian sector are operating effectively in the southern regions. In addition to agriculture, in China, work has been organized in many areas such as electrical engineering, household appliances, automotive industry, chemistry, pharmaceuticals, electrical engineering, household appliances, textile and light industrial products, construction, forestry, fisheries, etc. As a result of the reforms carried out in our country, the light industrial enterprises operating on the basis of a cluster are being further supported in Uzbekistan. In the Republic of Karakalpakstan, in Shomanay, Moynaq, Ellikkala and a number of other districts, high-quality clothing and knitwear products are produced in a cluster method on the basis of modern and energy-efficient technological equipment. Currently, the participants of this cluster deeply process cotton fiber in the region and produce exportable products that meet the requirements of the world market. After the implementation of these projects with a total cost of 800 million US dollars, cotton fiber will be fully processed in the region. Cotton fibers are used to make yarn and fabric, and clothes and knitted products are made from various fabrics. During the time of the former Soviet Union, cotton was sent to the light industrial zones of Russia and we bought clothes at a high price, but now the participants of this newly formed cluster are exporting their products. The textile enterprise in Shumanay district re-produces the cotton products grown in the district. This enterprise produces quality products with high production efficiency and modern technologies. As a result, they are making quality products for export. During his visit to Shumanai in January 2017, the President recognized the need to pay attention to deep processing of raw cotton in the district. Recycled cotton fibers in this district are fully processed into ready-made garments and knitwear based on a 5-stage deep processing system. 12 billion 860 million soums were saved compared to last year in the cluster where 330 local youths are working.

Summary and suggestions for the first chapter

1. Currently, more than a third of agricultural organizations in our country are profitable. A process of opposite division is taking place: the strong farms are getting stronger and the weak ones are getting poorer. The share of investments in fixed capital in agriculture is only 4 percent. The total volume of investments in the economy is much lower than the contribution of agriculture to economic development. The reduction of agricultural and farming areas continues, the level of technical equipment of the agro-industrial complex is decreasing.

2. The reasons for this situation were the state policy announced during the years of reforms, the transition to market relations, the failure to give complete independence to agricultural producers who were not ready to exist in market conditions. It is known that the effective functioning of the agrarian economy is possible only within the optimal combination of state and market mechanisms of influence on the agricultural sector.

3. The level of state support for agriculture in Uzbekistan remains low compared to foreign countries. The share of government subsidies in the net cash income of American farms is 25-35%, and the share of government payments in the net farm income for certain crops in unfavorable crops is from 60 to 100%. In the European Union, spending on supporting the agricultural sector is 1.3% of GDP and provides farmers with an average of 35% of their total income.

4. One of the methods aimed at solving socio-economic problems is the public-private partnership mechanism.

The public-private partnership method allows for the mobilization of financial capital and technology in areas that the state cannot do on its own. One of these areas can be included in the field of agro-industrial complex with high obsolescence of the main production funds, price disparity, products produced by other sectors, low investment activity, social and demographic problems, low competitiveness, etc..

5. A positive trend has been observed in the development of the leasing services market in Uzbekistan in recent years. From 2012 to 2020, the volume of

transactions increased almost 30 times and amounted to 35.7 billion dollars. The share of leasing in GDP in 2020, according to the Uzlizing Association, is 2.8%, in the volume of investments in fixed capital - 14.2%, the growth potential of the country's leasing market is clear, because in world practice, the maximum value of these indicators reaches 5% and 38%, respectively. At the same time, the share of agricultural leasing amounted to 17.3 billion soums. Or the best example of the large-scale use of agricultural leasing is the US agriculture, where more than 70% of all agricultural machinery is purchased by American farmers on a lease basis and on preferential terms.

6. The following reasons have been identified that hinder the development of leasing services in the agricultural sector:

1. Unequal exchange of goods between agricultural producers and industrial enterprises helps to remove a significant part of income from agriculture;
2. Low solvency of agricultural enterprises;
3. The imperfection of the financial and credit system in the agro-industrial complex.

CHAPTER II. CONDITIONS FOR THE DEVELOPMENT OF LEASING IN AGRICULTURE ON THE BASIS OF PUBLIC-PRIVATE PARTNERSHIP

2.1-§. Of agriculture of the Republic of Karakalpakstan analysis of the current situation

In the Republic of Karakalpakstan, the share of agriculture in the gross product structure (including forestry and fisheries) is about 28.8%, and it is even more if we take into account the food and processing industry.

The rural population is 51% (952.2 thousand people), of which 26.3% are employed in material production sectors. Agriculture is the leading sector in all 15 districts.

The total land area of the Republic of Karakalpakstan is 167.1 km², which is about 37% of the area of the Republic of Uzbekistan. 2.8 million hectares of land is attached to agriculture and is being used. The main directions of the economy of the Republic of Karakalpakstan are agriculture and animal husbandry. Cotton, rice and wheat crops are mainly grown and their cultivated area is 231.21 thousand hectares. Fodder crops, cereals, vegetables and pulses, namely maize, white sorghum, sudan grass, millet, rye, oats, alfalfa, sunflower, potato, onion, eggplant, garmdori, cucumber, watermelon, melon, beans, mash, mint and hakozos are cultivated. Alfalfa seed is grown mainly for export and is very profitable. Arable land, hayfields and pastures for livestock make up 22% of the total land fund.

Currently, there are 563.2 thousand hectares of agricultural land in the Republic of Karakalpakstan, of which the cultivated area is 291 thousand hectares. There are 5978 farms working on them. Out of this, farmers specializing in cotton and grain grow 259,000 hectares, those specialized in grain growing 2,333 hectares, and 2,838 hectares in horticulture.

It should be noted that there are 31,244 hectares of residential plots in the Republic of Karakalpakstan, 11,132 hectares of which are to be replanted, and 20,600 hectares of 53,000 hectares of fallow land are planned to be replanted.

In the Republic of Karakalpakstan, 236 livestock projects with a total value of 490 billion soums were formed, 94 projects with a total value of 119.6 billion

soums have been implemented, and work on the organization of family livestock cooperatives for 5,500 head of cattle has begun in Kungirot, Bozatov, Mo'inoq and Takhtakopir districts. .

Specializing Bozatov, Moynoq, Takhtakopir and Kungirot districts of the Republic of Karakalpakstan for cattle breeding, launching modern livestock complexes in these areas, improving the level of ensuring the population's needs for livestock products, especially meat and dairy products, and increasing their income, due to the effective use of pastures and hayfields.

Positive results are being achieved in the livestock sector as a result of measures to increase the number of livestock and improve the quality of veterinary services in the personal assistants, farmers and farms of the Republic of Karakalpakstan.

In particular, within the framework of 24 projects in the area of cattle breeding, 1055 head of cattle were raised and 113 new jobs were created. 1 thousand 475 breeding cattle, 6 thousand 287 sheep and goats and 100 camels were brought from abroad in order to improve the breed of livestock.

Breeding-selection works are being organized effectively in the region. 209 thousand 71 cows and heifers were artificially inseminated with the help of 313 thousand 500 doses of breeding bull seeds supplied by the state enterprise "Oznaslchilik". Existing breeding farms delivered 576 head of breeding cattle to farmers and farms under contract.

At the same time, alfalfa was planted on 4,710 hectares of land, corn on 23,713 hectares, and beetroot fodder on 2,624 hectares.

Also, new projects on other branches of animal husbandry were launched in the region.

In particular, the total cost for the development of poultry farming is 56 billion. 316 mln. 15 poultry farms worth soms were launched and 228 new jobs were created.

Within the framework of 25 new projects aimed at the development of fisheries, 191 hectares of artificial water bodies were put into operation and 202 new jobs were created.

In the development of the beekeeping network, 2,650 bee families are being cared for under 5 projects. 15 new jobs were created on the basis of this project.

A lot of attention is being paid to the camel breeding and horse breeding industries in the region. The total cost of the network is 5.5 billion. 5 projects were implemented by attracting funds close to soums. 132 heads of camels and 85 heads of horses were established and 20 jobs were created.

As a result of the works being carried out in connection with the fundamental reform of the livestock sector, the growth rate of production of livestock products is ensured in our country, including in the Republic of Karakalpakstan. At the same time, along with the development of livestock industries, it is necessary to develop proposals aimed at solving the existing problems.

The use of existing hayfields and pastures, which is considered the main factor in reducing the cost of raising livestock products, is not at the level of demand. Systematic measures are not being taken to feed livestock and obtain products from pastures. Digging wells and repairing existing wells for providing drinking water to livestock in pastures is not being paid attention to.

Out of the 327,000 Karakol sheep in the Republic of Karakalpakstan, only 16,000 are kept in the entities that are members of the "Karakol" Association of the Republic. This, in turn, has a negative impact on the maintenance of the black sheep gene pool, breeding-selection and improvement of the breed, as well as the rapid development of the industry. Organization of breeding work in livestock, including artificial insemination of cows, is not provided with enough equipment and necessary equipment.

Also, in Takhtakopir district, there are 441.9 thousand hectares of agricultural lands, 79.6 thousand hectares of forest fund lands, and 908.9 thousand hectares of reserve lands;

In Kungirotdistrict, there are 262.6 thousand hectares of agricultural land, 305.7 thousand hectares of forest fund lands and 1129.7 thousand hectares of reserve land;

In Kegeili district, there are 75.3 thousand hectares of agricultural land, 7.1 thousand hectares of forest fund lands, and 25 hectares of reserve land;

There are 88,500 hectares of agricultural lands in Moynaq district, and 98,600 hectares of meadows and pastures in forest fund lands.

In Takhtakopir, Kungirotdistrict, Kegeyli and Moynok districts of the Republic of Karakalpakstan, it is necessary to take measures to improve the level of providing the population with livestock products, especially meat products, due to the further development of livestock breeding, the organization of breeding in the field in a scientifically based manner, the organization of modern livestock complexes, and the efficient use of pastures. Table 2.1 shows the structure of the head number of cattle in the Republic of Karakalpakstan in 2015-2020.

2.1- Table.

The structure of the number of cattle by economic categories in the Republic of Karakalpakstan, thousand heads (as of January 1; thousand heads)

Types	2015y.	2016y.	2017y	2018y	2019y.	2020y.
Agricultural enterprises						
Cattle	17,3	15,3	15,3	15,4	8,5	9,0
Including cows	5,1	4,2	4,2	4,2	2,5	2,9
Sheep and goats	126,1	112,7	104,0	76,5	11,3	16,5
Camels	0,6	0,6	0,6	0,4	0,01	0,3
Horses	1,7	1,7	1,7	1,1	0,3	0,4
Private farms						
Cattle	808,9	822,9	907,9	962,3	1 003,7	1048,3
Including cows	243,4	250,8	253,1	270,8	278,2	300,0
Sheep and goats	712,0	731,8	770,4	830,8	936,4	996,6
Camels	4,6	4,4	4,4	4,2	4,0	4,3
Horses	16,6	17,0	17,5	17,9	18,6	19,2
Farms						
Cattle	35,1	33,5	31,8	31,6	45,8	52,3
Including cows	12,6	12,0	11,3	11,2	14,6	18,1
Sheep and goats	35,2	32,4	27,1	32,4	84,1	122
Camels	0,3	0,2	0,2	0,2	0,4	0,6
Horses	1,8	1,6	1,4	1,5	3,2	4,9

According to the data of the Statistics Committee of the Republic of Karakalpakstan, during the analyzed period, a steady decrease in the number of head of cattle is observed in agricultural enterprises. So, as of January 1, 2020, compared to 2015, the number of cattle in agricultural enterprises decreased by 8.3 thousand or 52%, sheep and goats - by 2.2 thousand or 56%, horses - by 23%. On the contrary, the number of sheep, goats and horses increased in households and farms, but the number of camels has a tendency to decrease significantly. For the Republic of Karakalpakstan, these figures reflect a significant deterioration of the state of affairs in such a socially important sector as agriculture. We will show that the specialization of the region is meat and milk.

The main determining reasons for the decrease in the number of cattle are the following: the deterioration of the livestock feed base, the poor financial condition of agricultural producers, and the deterioration of the agricultural material and technical base. Also, the high price disparity between agricultural products and industrial production products has a negative impact on the development of agrarian economy. This situation is characteristic not only for the Republic of Karakalpakstan, but also for all regions of our country.

In the strategy of agricultural development for 2020-2030, the goal is to increase the production of meat and milk based on the development of animal husbandry. The analysis of the livestock situation shows that a significant increase in the efficiency of the network is possible only if there is a reliable feed base, i.e., a balanced amount of quality feed in terms of its main elements and, above all, in terms of protein. Solving the problem of the feed base consists not only in increasing the area of traditional fodder crops such as alfalfa, corn, and oats, but also in increasing valuable protein ingredients such as soybeans and leguminous hay in the cattle diet. Studies show that regular feeding of cattle with soy meal up to 10% reduces consumption of grains for feed by 1/3, and increases live weight gain of animals several times. Of course, plant growing is an important branch of agriculture. The land fund in the Republic of Karakalpakstan exceeds 16.1 million hectares, and it is 35.9% of the land area of the Republic of Uzbekistan (Table 2.2).

Agricultural lands in the Republic of Karakalpakstan, thousand ha

Years	2014y	2015y	2016y	2017y	2018y	2019y	2020y
Total cultivated area	233,4	229,8	251,6	256,3	264,4	232,1	219,7
Cereals and legumes	85,5	83,0	104,2	107,8	110,7	85,8	102,2
Winter grain	68,5	64,5	64,3	64,4	64,4	63,1	60,1
	68,5	64,5	64,3	64,4	64,3	63,0	60,1
From this:	1,1	0,9	0,9	2,7	3,1	2,3	3,2
wheat	100,5	100,1	102,6	100,5	102,0	96,7	87,0
legumes	14,7	14,8	14,7	15,2	16,2	19,2	22,0
Technical crops	4,9	4,3	4,2	4,3	4,8	5,1	6,0
Potato and vegetable crops	9,8	10,5	10,5	10,9	11,4	14,1	16,0
Including:	23,2	22,6	20,8	22,3	23,3	20,3	21,4

Currently, the area of agricultural crops is decreasing year by year. So, in 2020 it was 219.7 thousand hectares, which is 13.7 thousand hectares or 5.9% less than in 2014. The areas of potato and vegetable crops and fodder crops have increased. Vegetable crops in 2020 increased by 6.2 thousand hectares compared to 2014. Productivity also increased year by year. This growth was caused by high productivity, good weather conditions, and the use of modern resource-efficient technologies. Despite the high harvest in 2020, the production structure of agricultural products does not satisfy the modern requirements of high-efficiency, low-cost agricultural production. Due to the obsolescence of the main production funds, the share of costs for spare parts and repairs in the total share of product production costs is growing year by year. The energy availability of agriculture is decreasing. Some agricultural crop fields are not cultivated at all due to lack of tillage machines. In addition, some farms do not comply with the deadlines for carrying out agrotechnical activities, crop losses are increasing, and the condition of agricultural fields has deteriorated in general. According to experts, the loss of grain due to the lack of agricultural equipment and significant wear and tear can reach 25% of the total harvest. Serious financial difficulties of farms do not allow them to buy equipment in time and in full. In order to complete the seasonal work

in time, it is necessary to repair the existing machinery, which often has used up its resources. Information on the number of agricultural machinery in the Republic of Karakalpakstan in 2014-2020 is presented in Table 2.3.

As can be seen from the given data, reduction of the car park in the republic's farms has been a stable trend since the 90s of the last century. In 2020, compared to 2014, the number of tractors decreased by 28%, combines by 18%, cultivators by 34.2% (by type). The annual write-off of agricultural machinery exceeded the purchase by 4-7 times.

Table 2.3

**In the Republic of Karakalpakstan by "Uzagrolizing" JSC
Equipment units delivered in 2020**

т/п	Techniques name	piece	In million sums
1	Tractors	42	14.366697,3
2	Seesaw	34	10.83425,8
3	Cultivator	1	37050,0
4	Sprayer	335	50.05491,6
5	Do not trailer	6	23.6237,7
6	Others	229	30.641701,6
	Everything	647	55.4370604,0

In order to ensure food safety in the republic, equipping the agricultural sector with modern advanced techniques is one of the priority tasks facing the joint-stock company "Uzagrotexsanoatholding". It is important to bring the existing production potential of the country to a new level by attracting foreign brands that have gained confidence in the world market for the efficiency of agricultural machinery. According to the analysis, 44 thousand 134 pieces of agricultural machinery in our republic are unusable, of which 12 thousand 900 tractors, 5 thousand 837 tractor trailers, 462 combines and 24 thousand 935 other types of machinery are recommended to be written off. Also, about 65 percent of the self-propelled agricultural machinery used today are machines that are about to expire in the next few years. These numbers show that in the future, significant funds will be required from the state budget to reduce the environmental damage of unusable techniques. At this point, it is appropriate to introduce disposal fees for agricultural machinery to cover these funds.

**2.2-§. *Public-private partnership for agrotechnical service
issues of organization based on the model***

The importance of high-performance modern machines, technical means, equipment and other means of production in the continuous implementation of reproduction processes in agriculture and intensive development of the network is incomparable. In order to develop the network at a steady pace, serious attention should be paid to upgrading its technical base.

Currently, farms can meet their needs for the purchase of equipment in the following ways:

1. Purchase through bilateral contracts concluded directly from manufacturing plants.
2. Purchase through intermediary supply-trade enterprises.
3. Leasing.
4. Purchase of obsolete equipment of enterprises and organizations at stock exchanges.

Many farmers and farms want to own their own machinery. The advantages of this are that they will be able to process agricultural crops in the specified agrotechnical terms and with the desired quality, transport material resources and finished products to the desired place without spending much.

If we take into account the increase in the land area of farms specializing in horticulture, viticulture and vegetable growing operating in our republic, we are convinced that large-scale measures should be taken to provide them with material and technical means in order to create conditions for their sustainable development from now on. The distribution of the land area of farms specializing in horticulture, viticulture and vegetable growing in the Republic of Karakalpakstan and regions in our republic requires the supply of equipment depending on their area.

In particular, in recent years, the work on the supply of machinery to farms specializing in horticulture and vegetable growing in our republic on a lease basis is accelerating.

During the past nineteen years after our independence, small business and private entrepreneurship (KBXT) has become the most important pillar of the country's economic development, the priority direction of the socio-economic development of our republic, and a means of increasing the population's well-being and income. Today, almost half of the GDP of our country is created in this sector, and two-thirds of jobs are employed in this sector.

The role of leasing services and service (LXS) in the further development of competition in the market of leasing services, ensuring an increase in the volume of capital investments, and the development of KBXT is incomparable, and this is evidenced by the fact that many entrepreneurs are using this type of service in recent years. With the help of LXS, KBXT enterprises will have the opportunity to attract modern equipment even in conditions of limited funds. These opportunities are explained by the gradual implementation of the lease for a certain period on the basis of the contract. In this case, it is possible to pay the lease payments with the income obtained from the use of the equipment obtained under the terms of the lease during the agreed period. Also, the lessor will be able to lease the property for equity and borrowed funds. This does not allow sales of real estate, goods, equipment, etc. to stop. Compared to a bank loan, the practice of leasing has several advantages for entrepreneurs in terms of the method of financing fixed assets. In particular, when receiving a bank loan, the company will have to meet several additional requirements, such as covering significant financial costs before receiving a loan, providing a guarantee of not less than 120 percent of the loan amount, and paying commission fees for collateral preparation and insurance.

The development of leasing companies occupies a special place in the development of market infrastructure institutions aimed at creating conditions for the stable operation of the economy. This is stated by the President of the Republic of Uzbekistan as follows: "We attach special importance to the development of the leasing system, which allows entrepreneurs starting a new business to purchase the necessary equipment and technologies for their activities."

In fact, the economic reforms aimed at the development of the real sector of the economy and the support of KBXT in Uzbekistan create ample opportunities for the further development of leasing practices. Today, more than 80 entities in the republic, including 50 specialized leasing companies, 21 commercial banks and more than 10 non-bank institutions, provide leasing services.

Due to the effectiveness of the conditions created for leasing services in Uzbekistan, a sharp turn in the activities of "Uzbek Leasing International" JSC, "Baraka" Universal Leasing Company, "Uzkeysagrolizing", "Uzqishlokhhojalikmashlizing" and "Uzavializing" companies, established in our country, began to take place. At the moment, leasing in a number of leading commercial banks of our country together with these companies.

It should be emphasized that the leased loans are primarily given to entrepreneurs who do not have enough funds for credit provision and to farmers who have 40-50 hectares of land for growing agricultural products at preferential interest rates for a long period of time. is characterized by the creation of new jobs and, ultimately, a significant impact on the development of our economy.

Special attention is being paid to expanding the provision of services by the banking system for the acquisition of agricultural machinery and mini-technologies by the KBXT entities, and increasing the quality and volume of services provided to entrepreneurs by consulting and engineering service centers.

In general, the development of LXS has a positive effect on economic development in a number of directions:

- LXS, for certain reasons, makes it possible to restore and modernize the production of KBXT enterprises, which are not suitable for other sources of financing;
- LXS is an important resource for enterprises in the field of small business, which simultaneously solves the issues of equipment purchase and credit;
- LXS creates additional competition in the financial services market and improves the leasing environment;

- LXS allows business entities to use additional service services in the process of acquiring equipment and using it.

Statistics show that leasing is widely used in foreign countries. For example, 1 in 3 computers in the US is the object of a leasing relationship, or 10 percent to 30 percent of medical equipment is used by lessees rather than by their owners. The South Korean government pays special attention to supporting the small and medium-sized business (SME) sector through LXS, and special leasing companies in this country are required to direct at least 35 percent of the total leasing services to the SME sector.

A significant part of investment projects in Uzbekistan is implemented by KBXT entities. First of all, the use of leasing services is useful for KBXT, for newly established companies that have working capital but do not have equipment.

Economic reforms aimed at the development of the real sector in the economy of Uzbekistan and the support of KBXT open wide opportunities for the further development of LXS in the country.

First of all, mass production of small and medium-sized universal and special tractors and machines, relying on the internal capabilities of the republic and foreign investments, is becoming an urgent issue. Therefore, it is necessary to introduce highly efficient, modern and resource-saving techniques to agriculture, and in this regard, first of all, it is necessary to strengthen cooperation with advanced foreign companies.

Due to the increasing prices of agricultural machinery in recent years, most of the farmers and peasant households do not have the opportunity to buy them. According to the information of the Ministry of Agriculture and Water Management of the Republic of Uzbekistan in 2017-2020, the share of the use of own funds in agricultural machinery purchased by farms in relation to the total number of purchased machinery decreased from 3.8% to 1.8%.

Today, the main goal of the development of agricultural service enterprises is to increase the competitiveness of agricultural enterprises using their services not only in the domestic market, but also in foreign markets.

Today, service enterprises mainly provide services to farmers and peasant farms in different regions. As a result, healthy competition is developing among service providers.

In developed foreign countries, great importance is attached to the "price parity", which ensures the balance between the growth of the prices of agricultural products and the dynamics of the growth of the prices of material and technical resources used in agricultural production, that is, the equivalent exchange of goods between agriculture and other sectors of the economy. It's time to improve our legislation in this regard.

Directing state and private funds to the organization of material and technical support of agricultural production is one of the effective methods of agricultural development. However, the possibilities of financing agriculture from the state treasury are decreasing. The reason is that the social needs of the population are increasing year by year. Therefore, factors of public-private partnership have a positive effect on increasing the investment attractiveness of agriculture and allow to activate the attraction of private investments in the process of improving the sector (Shafkarov, 2019). Organization of material and technical support of agriculture based on public-private partnership is one of the important issues. In conclusion, the organization of agrotechnical service services on the basis of public-private partnership is a method of effective use of the funds of the state treasury allocated to support the development of agriculture, as well as it creates an opportunity to attract private investments to the sector. In the modern economy, the level of effective production or service provision of enterprises depends on the mutual cooperation of state and business entities (Utegenov, 2019, May 1-2). In the economy of our country, the task of evaluating and actively implementing the possibilities of using the opportunities of public-private partnership is urgent. In the conditions of globalization and digitization, leasing is one of the most acceptable and most important forms of PPP for implementation in the country's economy. Leasing as one of the types of investment activities has financial and practical advantages as a service organization-user. The use of

leasing models in the economic sectors of our country increases the share of the private sector, the state does not try to apply innovative management technologies through partnership relations, and makes effective capital investment and maximum profit (Utegenov, 2019, May 1-2).

For this reason, leasing is the most effective form of direct financing of entrepreneurship and innovative activities. The lack of liquid assets to modernize production and increase its size, as well as a number of problems in the realization of products, are the characteristics of the activities of most enterprises. At the same time, the effective introduction and implementation of innovation requires the use of non-traditional technologies of financing in the production sector (Utegenov, 2019, May 1-2). Among these, leasing operations are a good option. All enterprises, however, small and medium-sized enterprises usually turn to leasing only when purchasing fixed assets. For this reason, 81% of small businesses in the US always purchase necessary equipment and machinery on a lease basis; in which the leasing share is 31% of the total volume of capital investments in machinery and equipment. "Uzagrolizing" JSC, which has been operating since the beginning of independence, has a large share of the effective results achieved in the agricultural sector in our country. this society, which has been serving for almost 30 years, is now one of the most reliable partners of farms (Utegenov, 2019, May 1-2) .

According to the reports of the Association of Lessors in the Republic of Uzbekistan, "Uzagrolizing" is the leader in the republican market in terms of the volume of leasing services provided by JSC (Utegenov, 2019, May 1-2). During 2004-2020, this society delivered 72,449 pieces of agricultural machinery worth 3,067.8 billion soums to the country's agricultural organizations. Among them, 1,543 combine harvesters, 4,664 tillage tractors, 23,695 transport and chopper tractors, as well as 42,898 different types of agricultural machinery can be included (Utegenov, 2019, May 1-2).

2.3-§. Best practices and organizational and legal frameworks for the development of public-private partnership relations in foreign countries

In many European countries, a number of measures are being taken to support such partnership mechanisms, despite the tightening of public administration and the existence of critical approaches to PPP models. Similar trends are observed in other developed and developing countries of the world. The main reason for this is, on the one hand, the gap between the annual growth of the population, the number of enterprises and organizations, the growing demands of communal services and infrastructure, and on the other hand, the existence of restrictions imposed by the state finances and budget. In addition, the effective use of investments of the population, individuals and legal entities, directing them to narrow areas where the opportunities of the public sector are limited, will have a high socio-economic effect (Zavyalova, 2013).

In Great Britain, since the beginning of the 80s of the last century, the sale of state share packages of enterprises of classic "market" sectors such as steel and automobile industry, privatization of utilities in the field of telecommunications, energy, railways and other sectors began. In the early 1990s, Great Britain passed the Private Finance Initiative (PFI) Act, which was supposed to make it easier for private entities to "enter" the social services sector by clearly defining the necessary conditions.²

On the basis of this law, more than 450 projects with a total value of 32 billion euros were implemented in the fields of road construction, transport, health care, law enforcement and defense. However, it is possible to talk about large projects only in a few cases, that is, projects with a value exceeding 150 million euros make up about 7 percent of their total number, and the value of most projects is from 1.5 to 30 million euros.³

In general, the following trends are observed in the development of such projects in the EU:⁴

² World Bank Institute / PPIAF, Public-Private Partnerships Reference Guide, Washington DC, 2012.

³ World Bank Institute / PPIAF, Public-Private Partnerships Reference Guide, Washington DC, 2012.

⁴ World Bank Institute / PPIAF, Public-Private Partnerships Reference Guide, Washington DC, 2012.

In a number of European countries - Ireland, Portugal, Spain and Italy - laws have been adopted that provide for PPP in the implementation of projects;

Pilot projects in the Netherlands, Germany and Austria are still in the early stages of development. With the expansion of the PPP in Germany, there are great prospects for the development of transport and road infrastructure;

The new EU member states - Hungary, the Czech Republic, Slovakia, Croatia and Poland - lag behind the EU members in infrastructure development and need to develop and implement joint projects;

In Canada and Australia, the concept of PPP is included in government programs;

in many developed countries (Malaysia, Argentina, etc.), the first projects are being developed with the participation of the PPP.

Although PPP programs and projects can be implemented in more sectors, they are usually observed only in public transportation, waste transportation and recycling, and health care.⁵

The concept of PPP includes the development of any contractual relationship that regulates cooperation in the provision of public services, creation or modernization of public infrastructure. PPP models and projects, in terms of practical methods of their development and implementation, can be considered as development of classical methods and procedures of project financing.

Canadian law defines PPP as a form of mutual cooperation based on the expertise of each of the public and private sectors. In Canada, there are two organizations at the Federal level whose activities are directly focused on the development of PPPs. Including:

The first is the Center for the Development of Federal PPP Projects (PPP Canada), which was established in 2009 and manages the PPP Canada Fund, which finances PPP investment projects at the federal level.⁶ In addition, PPP Canada advises the government on the implementation of investment projects, actively

⁵ World Bank Institute / PPIAF, Public-Private Partnerships Reference Guide, Washington DC, 2012.

⁶ Official website of the Portuguese Center for the Development of PPPs. <URL:<http://www.parpublica.pt>>

supports the implementation of federal investment programs for infrastructure development.

The second organization is Canadian PPP Development Committee (Canadian Council for Public-Private Partnerships, CCPPP) established in 1993.⁷

Special attention should be paid to the fact that all projects in Canada with a project value of more than 50 million Canadian dollars should be implemented only on the basis of the principles of public procurement. Projects less than that are implemented on the basis of PPP.

Our analysis of the organization and operation of PPPs in developed countries made it possible to distinguish PPPs belonging to 3 main groups depending on the tasks they perform:

1. Centers whose duties are limited to the evaluation of projects developed by state executive bodies and the development of methodological recommendations for PPP implementation.

2. Centers that carry out the maximum tasks for the development of PPP, including providing advice to executive authorities, helping to develop the business and political environment for PPP development, and disseminating positive practices and experiences.

3. Centers dedicated only to dissemination of best practices.

Our analysis of the study of international experiences shows that the centers belonging to the third group over time expand their activities and move to the first or second group.

Also, the massive implementation of BOT (Build-Operate-Transfer) projects in the PRC led to the activation of foreign investment attraction, improvement of infrastructure development and easing of the government's financial burden. At the beginning of the 90s of the last century, the improvement of the legal basis of PPP and BOT projects began..

In India, with the help of PPP, in 2012, the government tried a mechanism to solve the acute problem of storage capacity of large grain products through a

⁷ Official website of the Canadian Committee for the Development of PPPs <URL:<http://www.pppcouncil.ca>>

concession agreement. India is also distinguished by the highly profitable medical tourism market in the world, and therefore the Ministry of Tourism of India seeks to use the potential of PPPs for health systems traditional to the country (for example, Ayurveda, Siddha, yoga). Therefore, the Government of India has adopted a new model of providing high-quality medical services based on the improvement of health infrastructure through the support of the public sector of medicine by the private sector.⁸

In short, all the rules and conditions of PPP implementation in all countries, except the USA, are legally and normatively established in the legislation. Also, with the increase in the number of PPP projects and the complexity of the process, special PPP centers and project monitoring structures have started to be established in all the above countries. It should be noted that the increase in quantity and quality of PPP accelerated only after the emergence of special institutions strengthened by legislation. Therefore, it is appropriate to establish special centers or structures for the effective development of the PPP mechanism in our republic, if a legal document regulating PPP is developed and adopted in this field.

The world experience shows that in the conditions of market relations, especially in the transition stage, a number of countries have achieved certain success in the development of the market of agricultural material and technical resources of the world countries and the supply of the network with their products (services) and the development of enterprises providing agroservices.

Usually, the indicator of equipment availability is determined by the number of tractors per 100 hectares of land and 1000 economically active population employed in agriculture. The USA, Canada, and Western European countries have the highest indicators of the supply of tractors to the labor force employed in agriculture. Although the development of developed countries is characterized by the highest indicators of the size of the area and the number of tractors per person employed, the growth of the tractor fleet in them in 2019 (30 percent) was the

⁸ Indiya ispytyvaet boom v otnoshenii meditsinskogo turizma// novosti Informatsion-nogo russa "Gosudarstvenno-chastnoe partnernatorie v Rossii" July 8, 2011. URL: <http://www.pppinrussia.ru/main/novosti/news/closeup/1667>

average growth rate of the world (34 percent). If we look at world experiences, it is almost 180 years since the founding of the farming system in America. In US agriculture, the use of machinery is one of the main factors of production. There were 4,675,000 tractors in the US in 2014, and 5,875 in 2019.

The supply of mechanization to US farmers is not high. In 2020, 40 percent of all farmers in the country did not have their own tractors, about 25 percent had 1 tractor. As a result of the complete provision of techniques, the high use of equipment in the performance of mechanization, the state of California alone stands out in the world for the production of the highest cotton yield and the highest labor productivity. Here, on average, 45-46 centners of cotton per hectare is obtained from 300,000 hectares of land. In this state, there is a farm called Lombard, in total three people work on the farm, the farmer and his two sons. Cotton is planted on 48 hectares of the farm's 128 hectares, alfalfa on 45 hectares. Garden and other crops are cultivated on the rest of the land. Also in this state there is a farm of K.F. Malofeev, who belongs to the Russian nationality. The farm has 560 hectares of land, of which: 180 hectares are cultivated with cotton, 250 hectares with alfalfa. In addition, 1100 head of cattle are fed for meat in the farm. Since all the work is based on mechanization, only one worker is attached. From the above, only one conclusion can be drawn, as a result of the effective use of material and technical resources and technical means by US farmers to mechanize production and reduce the cost of products, the agricultural sector is the most developed country in the world.

France is the country with the most developed agriculture in the EU. This country is a producer of agricultural products and their products are distinguished by their competitiveness. In 2015, France had 1,600,000 tractors, and in 2019, their number reached 1,526,000. Great Britain stands out among the countries of the world due to its highly developed agriculture. In 2015, the number of available tractors was 526,000, and in 2019, it was 542,000. Mainly, "Feryuzan" type wheeled tractors and suitable agricultural vehicles and loaders are used. In 2019, 320,000 milking machines were used in this country.

Conclusion and suggestions for the second chapter

1. The agriculture of the Republic of Karakalpakstan is still characterized by low rates of development. With some positive aspects, such as an increase in production volume, an increase in wages, a decrease in the share, but harmful enterprises, an increase in the rate of equipment renewal, etc., it lags behind other regions in many ways. Low profitability of agricultural production, low livestock productivity and low grain yield, high wear and tear of machines and equipment (more than 90 percent), non-observance of technological discipline in the production of agricultural products (insufficient use of herbicides, seeds, mineral fertilizers), etc. negatively affects the results of the activity (Skorokhod, 2003).

2. One of the reasons that hinders the development of the agro-industry network of our country is the low level of technical equipment of producers of agricultural products. Due to the aging of machinery and equipment, the cost of maintenance, fuel, downtime, and increased grain losses during harvesting and transportation are becoming excessive. Serious financial difficulties of producers of agricultural goods do not allow them to purchase equipment on time and in full. In order to complete seasonal work on time, it is often necessary to make full use of one's own resource, to repair the existing one.

3. Identified shortcomings in the organization of leasing at the country and regional level,

Disadvantages of the country's leasing system include:

1. Selection of equipment limited to the register of agricultural machinery and equipment;
2. The monopoly position of JSC "Uzagrolizing" in the agricultural sector;
3. Conservatism in organizing business processes;
4. Uniformity of the approach to the organization of leasing, territorial aspects of the specific characteristics of the activity of agricultural producers;
5. Strict conditions for the collateral base.

Disadvantages of the local system of leasing activities include:

1. Lack of financing of the leasing activities of the republican budget;

2. Lack of collateral or guarantee funds;
3. Lack of flexibility in attracting debt financing.

4. In recent years, the President of the Republic of Uzbekistan has implemented a number of activities on the development of PPP. Mechanisms of state participation in PPP projects - special economic zones, and the priority areas of cooperation are infrastructure development and innovation. However, there is a lack of personnel capacity in the implementation of the PPP legislation, therefore, the parties concluding the partnership agreement should consider the difficulties that may arise in the conclusion of the agreements and attract experts to correct them.

5. It is required to develop the concept of using public-private partnership mechanisms in Uzbekistan. In addition to projects at the national level, it is appropriate to develop a local and network development strategy of the PPP.

6. One of the most urgent problems is the need to coordinate actions on PPP projects between local government bodies and businesses at the local level.

***CHAPTER III. ORGANIZATIONAL AND ECONOMIC MECHANISM OF
LEASING DEVELOPMENT BASED ON PUBLIC-PRIVATE PARTNERSHIP
IN AGRICULTURE³.***

1-§. Leasing model of public-private partnership in agriculture

It should be noted that the consistent reforms implemented in our country are, first of all, socially oriented. In this process, the issue of growing, producing and providing the population with safe food products is especially important. Therefore, since the first years of our independence, in order to strengthen the health of our people, large-scale measures have been taken to increase the quantity and type of quality food products. In addition, in the period of strengthening the export of agricultural products in our country, not only the issue of increasing the volume of production, but also the issue of providing the country's domestic demand with quality products is gaining urgent importance.

Of course, our local enterprises are interested in the flow of large investment resources from the state on a regular, continuous basis and for a long time. But continuity or specificity of support from the point of view of the authorities cannot be defined in the same way. Continuity of support increases predictability and stability of the business environment, simplifies the local budget planning process. But its shortcomings are also clearly visible. First of all, continuous, planned, practically guaranteed state support reduces business activity in search of internal reserves of development⁹.

At the same time, with the rate of economic growth and population growth in our country, the scale of demand and need for food products is also expanding. In this case, it is necessary to pay more attention to this issue and to improve the legislative framework in this field. Work in this direction is being continued step by step. In addition, the problem of providing the country with quality products and achieving food security is of particular importance. This problem is considered a priority in ensuring the country's security.

⁹ Information from Khorezm Regional Representative Office of "Uzbeklizing International JSC".

It is known that one of the main issues in the focus of the economic policy of any country is the sustainable and balanced development of all regions. Similarly, this issue is relevant for socio-economic processes, markets, economic sectors. Therefore, in this section of our dissertation research, we consider the organizational and economic factors of the development of leasing services and services in the Khorezm region, the ways of their evaluation and analysis, the role and prospects of LXS in the modernization of the regional economy.

Today, there are only two directly engaged in leasing in the LXS market of the Khorezm region - the international leasing company "Uzbek Leasing International JSC" (XLK) and the joint-stock leasing company "Uzqishlokhhojalikmashlizing" (ALK).

"Uzbek Leasing International JSC" LLC is mainly engaged in heavy industry, light industry (textile), construction, tourism-hotel business, processing of agricultural products (food industry), chemical industry, oil and gas industry, wood processing, medicine. and serves the pharmaceutical, transportation, and public service industries.

The most important projects of the company are projects aimed at increasing the export potential of Uzbekistan and developing the production of products that compensate for imports.

The amount of financing of the company is from 50,000 to 1,200,000 US dollars (financing in foreign currency) and from 10,000 to 500,000 US dollars (financing in soums). Funding forms are carried out in the following order:

- 100 percent financing by "Uzbek Leasing International JSC" company;
- 70 percent of the equipment price is paid by "Uzbek Leasing International JSC";
- 30 percent of the equipment price is paid by the lessee.

Today, the situation in agriculture is such that agrarian producers cannot carry out any kind of economic activity without state support, and in this they cannot even get a minimum rate of profit, in other words, they go bankrupt. Based on this, it is necessary to recognize that the main direction in the improvement of leasing relations is the development of such a mechanism of mutual relations between partners that allows effective use of budget funds allocated for the support and development of the agro-industrial complex as a type of state support. Many researchers complain that the amount allocated from the budget for the development of leasing operations is much less. But even in the case of such allocations, it is necessary to develop schemes that allow to increase the efficiency of the use of allocated resources. Therefore, the task of the state, in our opinion, is to establish such mutual relations between the subjects of leasing activity that each of them should be maximally interested in the final result.

Currently, leasing operations in ASM of most regions are carried out by companies that were created during the previous supply system and are considered to be state authorities. Financing of their activities is carried out at the expense of republic funds. The management personnel of such companies can be equated to civil servants who dispose of state property, not their own. Accordingly, being interested in the final result, for example, expanding the market of one's services, increasing profits, does not allow to fully satisfy customer requirements, to use innovative schemes of financing, to provide flexibility and flexibility in the development of transactions, leasing contracts and the selection of methods of calculating lease payments. To some extent, this effect can be transferred to the agricultural producers themselves, who can form in their minds a clinging to the oldness in making business decisions. In this case, the state tries to transfer the producers of agricultural goods to the market principles of economic management, which is intended to form an effective owner-manager first of all.

But the value of the services provided by the private company, in all the advantages listed above, even within the limited budget, is seen to be higher than the preferential value, even in the state financing used by the leasing companies. Therefore, it is not possible here without state support in the form of compensation of a part of the value of the lease payment or using other types of regulation of assessment. Undoubtedly, control over the activities of the private sector should be left to the state. When a private entrepreneur receives budget funds or preferences, he can use them for his selfish interests and reduce the efficiency of public spending. However, such a control system should in no way hinder the freedom of management decisions in conducting business and should not allow excessive regulation of activities, it should only create conditions for targeted spending of budget funds. The number of agricultural machinery in the Republic of Karakalpakstan is decreasing year by year (Table 3.1). For example, the number of tractors decreased by 1,461 units, combines by 51 units. Solving this problem, in particular attracting private investments, can be fully implemented on the basis of the PPP mechanism.

Table 3.1.

**Availability of agricultural machinery in the Republic of
Karakalpakstan, pcs**

Types of techniques	years							2020 compared to 2014. +,-
	2014	2015	2016	2017	2018	2019	2020	
All tractors	5311	5340	5253	5109	4485	3749	3850	-1461
Plugs	785	779	778	782	688	584	590	-195
Storms	2815	2698	2720	2520	2416	1836	1850	-965
Cultivators	1586	1493	1489	1536	1362	1034	1044	-542
Sowers are all	1229	1205	1231	984	1054	802	806	-423
Combines:	330	332	322	317	298	272	279	-51
Sh.j. Harvesting wheat	310	312	297	293	272	250	255	-55
Harvest food	20	20	25	24	26	22	24	4
Sprayers	16	33	23	44	56	97	52	36

But the Republic of Karakalpakstan has wide opportunities for the growth of agricultural industries. In this case, it is necessary for a private investor to describe prospective infrastructural projects in accordance with the relevant requirements.

In order to increase the effectiveness of spending budget funds in the agriculture of the Republic of Karakalpakstan and attract private investments, we propose to develop the classic model of leasing in the PPP.

We offer a PPP leasing model for the development of farms and ranches. The main content of the relationship between the lessor and the lessee is presented in Figure 3.1.

Farmers are increasingly turning to the services of MTPs in the production process, because the cultivation of cotton, grain and other types of products is carried out with the help of agrotechnical activities (planting, harvesting, transportation, etc.). To perform these works, farmers sign a contract with MTP, the contract specifies the duration, price and quality of the work. On top of that, the existence of a situation where the work schedule is determined on the spot during plowing, sowing and harvesting (grain harvest) is the reason for the orderly implementation of the provided services.

Today, the activities of mineral fertilizer, fuel, lubricant supply stations in the republic's agriculture are developing well. Distribution of resource supply as a result of regular monitoring by the state, and this distribution leads to the fact that farmers fully take into account soil conditions when supplying mineral fertilizers, and the efficiency of resources is high.

3.2-§. Improvement of relations between state and private leasing companies within the framework of PPP Improvement of relations between state and private leasing companies within the framework of PPP

In the economy of several foreign countries, the public-private partnership model is widely used as an alternative to property privatization. State and business interaction is a characteristic feature of a mixed economy. This partnership takes many forms and takes many forms. The task is to choose the most reasonable and effective form of PPP. Leasing has financial, investment, organizational-operational, service, practical and other advantages and represents one of the most optimal forms of PPP for implementation in the current conditions of the country's economy (Zavyalova, 2013).

Currently, it is necessary to tell about the measures that are being used in practice to regulate the PPP mechanism in order to support agriculture and ensure high food security of the country.

Now, if we come to the problem of sale of existing agricultural products, which is an obstacle to the development of agriculture, it can be solved by establishing cooperatives for the sale of agricultural products. The establishment of such a structure will not only provide the population with fresh, high-quality products at fair prices, but also create competitiveness among the country's agricultural producers, in addition, it can offer a number of services such as storage, quality control, realization and transportation of products.

For this, the ASM of our country should be fully supported in terms of technical, financial and legal aspects. Only then will the newly formed National Security Council be able to function effectively and achieve its goals. One of its tasks is to increase the level of marketability of agricultural products due to the creation of conditions for storage and processing of agricultural products. First of all, it is planned to select regions (provinces) in the field of agriculture for the implementation of projects, as well as farms operating there.

Today, the correct organization of the information service and its improvement is the key to the success of any company. If the leasing company improves its electronic web page according to the aspects suggested in Figure

3.1.2, customers can use the Internet to get the necessary information about the company and its products in a short period of time, to ask questions "online" about the issues they are interested in, and to use techniques through "video training". and will have the opportunity to study the rules remotely.

Companies in foreign countries pay special attention to the training of managers who are involved in increasing the number of customers and "taking care" of them. In our opinion, the implementation of activities such as actively attracting customers through phone conversations, paying special attention to the requirements of "difficult" customers, visiting the customer's office when necessary, will allow to increase the number of the company's customers even in the conditions of intense competition in the LXS market.

The stable income of the leasing company depends primarily on the profit that the lessee receives from the use of the leased equipment. Therefore, choosing the most economically efficient equipment from the market of modern equipment and techniques to the client, giving him practical recommendations on the use of equipment and increasing his income, helping to advertise and sell his products will ultimately lead to an increase in the income of the lessee, and thus timely and full lease payments to the leasing company. is achieved.

The analysis carried out above showed that insurance, transportation, repair, provision of spare parts of the leased equipment is the responsibility of the lessee. But foreign leasing companies are able to attract customers precisely by offering after-sales service. Therefore, the provision of these services by the leasing company leads, firstly, to an increase in the company's income, secondly, to an increase in the number of customers, and thirdly, to an increase in the efficiency of the use of equipment.

At the same time, the positive dynamics of the leasing market in our country, unfortunately, is not stable. "To evaluate it, it is permissible to use an indicator such as the volume of newly concluded transactions during the calendar period. It is considered the most appropriate, as it allows to evaluate the productivity of the leasing company and the rate of growth of their portfolio" (Zavyalova, 2013). Table 3.2

shows that in 2016, it reached a high of 483 units, after a decrease in 2017, this purchase volume increased sharply in 2020. To maintain positive trends and ideally give it a dynamic character, it is necessary to develop the classic scheme of the operation of this mechanism presented in Figure 3.2 and use non-standard approaches in the implementation of leasing operations..

Table 3.2

Purchase of agricultural machinery on the basis of leasing in the Republic of Karakalpakstan in 2016-2020

Delivery size	2016y.	2017y.	2018y.	2019y.	2020y.
Equipment delivered on the basis of a lease agreement, pcs	483	192	270	280	647
The value of equipment and aggregates received under the lease agreement (in million soums)	40437	15972	15805	28934	55437

In our republic, in particular, in the Republic of Karakalpakstan, we believe that it is promising to develop LXS in the following directions in support of the KBXT sector:

□ On the initiative of the President of the Republic, the reorganization of specialized and goods markets in all regions into shopping complexes consisting of fixed points of sale equipped with cash registers and payment terminals has begun. Therefore, in our opinion, it is promising to direct part of the LXS sector to the field of commercial objects and equipment;

□ In a situation where leasing of agricultural machinery is saturated in the LXS market, the government should focus on leasing of equipment for processing agricultural products. 8 million per year in our country. more than 1 million tons of fruit and vegetable crops are grown and delivered to consumers. if we take into account that the development of this sector will have a positive effect on the creation of new jobs in our republic, the provision of quality, packaged products to the population throughout the year, the increase in product exports, and the increase in foreign exchange earnings;

□ We believe that it is appropriate to develop private entrepreneurship in the sector in a situation where our government is paying great attention to the development of the medical field in the regions. Supply of medical equipment on the basis of leasing at preferential rates in ecologically difficult regions, in particular in the Republic of Karakalpakstan and Khorezm region, has a positive effect on improving the health of the population in the region;

□ Taking into account the shortage of clean drinking water in the Republic of Karakalpakstan and Khorezm region, the introduction of leasing of drinking water purification equipment in the region on preferential terms is one of the important directions of development of LXS. Today, an average family of 6 people needs to consume at least 18 liters of clean drinking water per day for the most basic needs, and each family spends 1.4 million per year. soums will have to spend only for drinking clean drinking water (lowest market price: 1 liter = 220 soums). This leads to a decrease in the purchasing power and standard of living of the population of the region;

□ One of the next priorities for the development of LXS is the expansion of leasing of light industry, in particular textile and sewing equipment. It is known that in our country 3.5 mln. tons of cotton fiber, 25,000 tons of wool, 900,000 tons of black sheep hides, 24,000 tons of cocoons are grown, most of them are exported in the form of raw materials. Taking into account the above, the development of LXS in light industry allows for the efficient use of local raw materials and the creation of added value, along with the creation of new jobs;

□ effective use of LXS in the development of tourism-hotel business is one of the important priorities of socio-economic development of the region. According to information, 29 hotels are operating today, and all of them are located in the cities of Khojaly and Nukus. Currently, experts and scientists are developing new tourist routes that include ecological and historical monuments in the regions of Khorezm and Karakalpakstan in order to actively attract tourists. The launch of these tourist routes is connected with the development of tourism-hotel infrastructure in the places.

§ 3.3. Implementation of legal norms of public-private partnership in the field of agriculture

Currently, it is necessary to tell about the measures that are being used in practice to regulate the PPP mechanism in order to support agriculture and ensure high food security of the country.

Now, if we come to the problem of sale of existing agricultural products, which is an obstacle to the development of agriculture, it can be solved by establishing cooperatives for the sale of agricultural products. The establishment of such a structure will not only provide the population with fresh, high-quality products at fair prices, but also create competitiveness among the country's agricultural producers, in addition, it can offer a number of services such as storage, quality control, realization and transportation of products.

For this, the ASM of our country should be fully supported in terms of technical, financial and legal aspects. Only then will the newly formed National Security Council be able to function effectively and achieve its goals. One of its tasks is to increase the level of marketability of agricultural products due to the creation of conditions for storage and processing of agricultural products. First of all, it is planned to select regions (provinces) in the field of agriculture for the implementation of projects, as well as farms operating there.

In our opinion, it is desirable to organize the system of sale of agricultural products on the basis of private capital rather than state capital.

The state is targeted for the private sector.

The interaction (cooperation) of these two management subjects can occur only on the basis of legal norms and in their implementation, that is, the entrepreneur is forced to take into account the norms that describe the "behavior" of the executive authority body in most cases when carrying out established instructions (Utegenov, 2020, 21 may).

"It is no coincidence that such restrictions are set for the authorities. As it is rightly stated in the literature, the state should not be distracted by economic activity, because it involves the principle of profitability, which is alien to the legal

nature of public power, as a general rule, in its public-legal sphere. Therefore, some public authorities have been given the right to participate indirectly in the partnership through affiliated institutions, enterprises, and organizations. In such cases, on the one hand, they implement the main state policy in the field assigned to them, on the other hand, without assuming the obligation to participate in the partner's economic activity and without violating the legal nature of public authority, develop or introduce new technologies, build new production facilities or reconstruct existing ones, and can get the desired results for the field (network) according to the requirements" (Utegenov, 2020, May 21).

"Reasonable matching of the forms of implementation of legislation (execution, application, compliance, use) in the implementation of public-private partnership has the opportunity to completely minimize the risks that always arise in the process of performing various types of work aimed at achieving the goals of the partnership. However, it should not be forgotten that the situation (social, economic, political, man-made, etc.) can change dramatically, therefore, the options for the ratio of the use of one or another form of legislation implementation must also change. It is necessary to take this into account when choosing the form of implementation of legislation and quickly change them depending on the changing situation" (Utegenov, 2020, May 21).

Based on the results of the research, it is possible to make the following conclusions and suggestions related to theoretical methodological, legislative and law enforcement practices (Utegenov, 2020, May 21):

"Production in the countryside requires a comprehensive approach to ensuring not only public-private partnership, but also social partnership (partnership of state and non-governmental organizations). It is necessary to increase the role and effectiveness of legal services in non-governmental non-commercial organizations along with state authorities in raising legal culture, which is an indicator of the maturity of the democratic management system for the harmonization of state and private interests in civil transactions. The state and level of legal regulation of agriculture lags behind modernization processes. Legal

provision of structural, contractual, public-private business partnerships, agro-innovative activities without achieving a comprehensive legal regulation of entrepreneurial activity in agriculture, as well as realizing the stability of civil behavior with their participation in practice is a complex issue (Utegenov, 2020, May 21).

It has been emphasized several times in the legal literature that the norms and legal order, which are the basis for the implementation of the partnership, are in different branches of law. During their application (in the process of partnership implementation) they "intersect" each other. At different stages of the partnership, the norms of one branch of law can be used, and at the stage of completion, from others, and so on. Which norm should be used as a basis for the implementation of partnership is decided during the period of determining the area in which one or another type of partnership is planned to be implemented (Utegenov, 2020, May 21).

Conditionally defined, but the main directions of the implementation of legislation determined by most scientists are known: implementation, application, compliance, use. In the implementation of public-private partnership, most of all, the application and observance of legislation is used, and in rare cases - implementation and use (Utegenov, 2020, May 21)"

Application is used in the publication of individual legal documents based on the requirements of material and procedural norms as a form of implementation of norms on public-private partnership (Utegenov, 2020, May 21).

Such documents are used in the appointment of the head of the management body of the partnership, in the selection of persons authorized to resolve out-of-court disputes between the partners of the partnership, in determining the policy (strategy, tactics) of "partnership behavior", in the specific dispute (disagreement, misunderstanding, etc.) that arises between the partnership participants.) can be issued in decision-making and in court proceedings (Utegenov, 2020, May 21).

"Reasonable matching of the forms of implementation of legislation (execution, application, compliance, use) in the implementation of public-private partnership has the opportunity to completely minimize the risks that always arise in the process of performing various types of work aimed at achieving the goals of

the partnership. However, it should not be forgotten that the situation (social, economic, political, man-made, etc.) can change dramatically, therefore, the options for the ratio of the use of one or another form of legislation implementation must also change. It is necessary to take this into account when choosing the form of implementation of legislation and quickly change them depending on the changing situation" (Utegenov, 2020, May 21).

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In other words, in the provision of legal services in the village, in addition to the regulatory function of law, it is a business that warns, prevents violations, ensures security, encourages, prevents disregard for rights (legal nihilism), maintains peace and stability, decides legality and social justice, and participates in civil transactions. The most important thing that protects the rights and interests of its subjects is that it is a constructive force and we must not forget that the state is a strong protector of society and individual life (Utegenov, 2020, May 21).

Conclusion and suggestions for the third chapter

1. The existing mechanisms of the delivery of machines and equipment for the increase of the car-tractor park of the Republic of Karakalpakstan were reviewed, on the basis of this, the renewal of the equipment is currently carried out only at the expense of leased and borrowed equipment. Ozagrobank does not use the leasing mechanism in practice, as local budget funds are not allocated.

2. The proposed scheme of public-private partnership is classified as a partnership agreement. In this case, the organizational details of cooperation will be determined in accordance with the agreement. In other words, partners are independent of each other. In this case, the local authorities create certain conditions for the involvement of the private sector to solve any problems in the areas defined by the socio-economic policy, and can determine the basis and parameters of the activity.

3. During the research, it was determined that the general need to fill the car-tractor park of the Republic of Karakalpakstan with the main types of equipment is as follows: transport tractors - 339, mini tractors - 96, sprayers - 99, plows (2-3 bodies) - 84, tractor trailers - 247, harrows - 208, cultivators - 546 units. The amount of financial resources required for these purposes is 237 billion soums. Therefore, it is clear that neither the producers of agricultural products nor the state have such funds.

4. The proposed organizational-economic mechanism of leasing relations in the agro-industrial complex of the region allows to realize a number of advantages and obtain great benefits for all participants. The chapter shows that such a mechanism allows the government to reduce the costs of organizing leasing activities by 2.6 times compared to the existing scheme, which indicates the undoubted attractiveness of the proposed solution. Taking into account the fact that leasing activities are not currently being financed from the republican budget and the restoration of the car-tractor fleet is being carried out only at the expense of own funds, the proposed mechanism based on the Ozagrobank lending program is undoubtedly of practical importance.

CONCLUSION

Part of the general process of reproduction in the agricultural sector is the reproduction of fixed assets. The entire agricultural efficiency depends on the efficiency of reproduction of the agricultural material and technical base, because it is impossible to ensure profitable, competitive agro-production without the use of modern, resource-saving technologies.

Effective functioning of the agrarian economy is possible only within the framework of optimal matching of the influence of state and market mechanisms on the agricultural sector.

Despite the fact that the mechanism of leasing relations between ASM subjects has been formed in the Republic of Uzbekistan, not all of its elements are functioning effectively and require further improvement.

The system of leasing relations is characterized by insufficient efficiency in the Republic of Uzbekistan, unlike the developed countries of the developed market economy, and does not allow full implementation of the advantages of leasing relations, especially in the agro-industrial complex. In the work, shortcomings in the organization of leasing activities at the republican and regional levels were revealed, and the opportunities for the development of leasing, including factors conditioned by both micro and macro economic processes, were identified at the current stage of economic management.

In recent years, the development trend of the leasing services market in Uzbekistan is visible. From 2013 to 2020, the volume of transactions increased almost 30 times and amounted to 35.7 billion. The share of leasing in GDP in 2020 was 2.8% according to "Ozlize" assessment, and 14.2% in the volume of investment in fixed capital. 17.3 billion soums accounted for the share of agricultural leasing, or 3.5% of the volume of all leasing transactions in Uzbekistan, which speaks of its high potential. The best example of the large-scale use of agricultural leasing is the US agriculture, where more than 70% of all agricultural machinery is purchased by American farmers on lease, again on preferential terms. The growth potential of the leasing market of our country is

clearly visible, because in world practice the maximum value of these indicators reaches 5% and 38%, respectively.

In the conditions of limited state spending within the budget, as a promising form of state and business cooperation, there is a need to attract private investments based on the public-private partnership mechanism, in which the public sector plays the role of an implementation mechanism, a basis for making investments in priority areas determined by socio-economic policy and creates conditions.

The development of effective institutions of state and business interaction is one of the important conditions for forming an effective economic policy, increasing investment activity, and developing economic infrastructure. Such interaction allows to increase the efficiency of the budget sector of the economy, science and education, to reduce the costs of all levels of budgets in the implementation of PPP projects.

At the same time, the absence of a single system of PPP management at the regional level is a significant obstacle in the issues of public and private sector interaction. Because the need to coordinate the actions of business with the local state authorities at the regional level often determines the successful conclusion of such cooperation - the implementation of promising business projects. Housing, communal, social, production infrastructure facilities are at the disposal of local structures, they are potentially attractive objects of private investment, and if the republican authorities determine the general directions and conditions for the development of PPPs, then the implementation of real commercial plans and initiatives by local governing bodies and will be responsible for carrying it along. The development of PPPs in Uzbekistan has just begun and requires new knowledge, skills and abilities from the state and local officials involved in their creation and control over their activities, which are acquired in the process of sharing experience, training and implementation of concrete projects.

The proposed PPP regulation mechanism at the local level allows to create a unified system of public-private partnership management, to regulate the plans and

initiatives of public administration bodies in the region, to simplify the negotiation process, and to create a market and infrastructure for PPP projects.

The method of public-private partnership allows the mobilization of financial capital and technology in areas where the state cannot do it independently. One of these sectors can include the ASM sector, in this sector, the main production funds are highly obsolete, there is a price disparity for the products produced by other sectors, the level of investment activity and competitiveness is low, social

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