UZBEKISTAN

Agriculture receives high policy priority in Uzbekistan. The main objectives of Uzbekistan's agricultural policy in recent years are to (1) maximize and stabilize export revenues from agricultural outputs, (2) redistribute revenue from agriculture to other sectors, and (3) improve rural standards of living.

On October 21, 2008, the government adopted a decree called "On Measures of Optimizing Sown Area and Increasing Production of Food Crops." The goal is to increase production and variety of food crops in order to meet domestic demand. According to this decree, in MY2009/10 cotton planted area will be decreased by 75,000 hectares to 1.315 million hectares, and accordingly, the official seed cotton production target will be lowered to 3.4 MMT. The freed land will be reallocated to grains and vegetables.

COTTON

- The government maintains control over all aspects of production, including planted area, production targets, prices, inputs, procurement, and marketing.
- The state fixes the area that farmers have to cultivate to produce cotton.
- Before 2004, cotton farms were state owned. In 2003 the government decreed that all state farms reorganize into private farms by 2006. By the beginning of 2006 more than half of the existing state farms were reorganized into private farms.
- The current average procurement price for seed cotton (based on grade 2 class 5) equals Sum 430,000 per ton ($318/MT).
- The state provides subsidies for irrigation, fertilizer, seed, and financing.
- Debts are written off based on special resolutions issued by the government. Most of the debt write-offs are associated with collective farms being restructured.

SOYBEANS

- Farmers interested in growing soybeans have been unable to obtain necessary land area. State orders dictate that all good land areas be strictly devoted to wheat and cotton production.
- The import tariff on oilseeds is 5%.

SUGAR

- Zero tariff on imported raw and refined sugar.

WHEAT

- The government of Uzbekistan controls planted area, production, and marketing of wheat, both in the domestic and international markets.