

THE REPUBLIC OF AZERBAIJAN

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ABSTRACT

of the dissertation for the degree Doctor of Philosophy

**IMPROVEMENT OF THE SYSTEM OF REALIZATION
OF AGRO-BUSINESS PRODUCTS**

Specialty: 5304.01 – “Types of economic activity”

Field of Science: 53 – Economic Sciences

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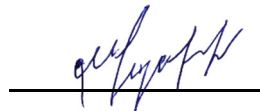
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GENERAL CHARACTERISTIC OF THE WORK

The relevance of the topic and the degree of its elaboration. In the “socio-economic development strategy of the Republic of Azerbaijan for 2022” approved by the Order of the president of the Republic of Azerbaijan dated 22 July 3578 No. 2022-2026, the development of sustainable and competitive agriculture and agribusiness is defined as one of the main activities, and it is envisaged to implement measures to develop and effectively institutionalize entrepreneurship in this direction¹. The improvement of the organization of activities for the effective implementation of agribusiness products on the basis of the application of innovations occupies one of the important places. In modern conditions, along with the development of the agrarian sector, it becomes necessary to ensure the country's economic and food security, to achieve an effective organization of the movement of products along the supply chain as one of the important conditions for the development of the main agricultural and food market. As a result of the victory of our army in the 44-day Patriotic War under the leadership of the president of the Republic of Azerbaijan, the victorious Supreme Commander-in-chief Mr. Ilham Aliyev, the solution of this problem in the conditions of reintegration of agriculture into the country's economy in the liberated territories becomes of higher importance. In competitive conditions, the realization of agricultural products without losses and in a timely manner is considered one of the important factors in improving the financial stability of producers.

In modern conditions, thanks to the implementation of consistent reforms in the agrarian sector, the creation of a diversified system of state assistance, along with the provision of dynamic growth in the production of agricultural products in our country, progress has also taken place in improving the sale of these products, improving the provision of infrastructure in this sphere. At the same time, it should be borne in mind that currently the sales system in our country is one

¹ Socio-economic development strategy of the Republic of Azerbaijan in 2022-2026. <https://static.president.az/upload/Files/2022/07/22>.

of the weak links in the chain of consumer supply with agricultural products. The current state of the sales system in the agrarian sphere leads to a significant loss of manufactured products. The level of investment in the sphere of storage and realization of manufactured products is not high enough. In accordance with the relevant world experience, there is a need to develop the sphere of realization of agricultural products at a superior speed compared to production. In the agribusiness sphere, there is a need to fully comply with the material, technical, organizational and economic conditions and institutional provision of the activities for the realization of products to modern requirements.

Issues related to increasing the marketing potential of economic entities in the field of realization of agribusiness products, general development of transport and logistics provision and sales infrastructure in the sales system, improvement of mutual relations between producers and consumers, improvement of the organization of information support on the market situation have not been resolved until the end.

Taking into account the indicated, the study of the issues of improving the system of realization of agribusiness products is scientifically and practically relevant.

The issues of efficient organization of the system of realization of products in agribusiness were discussed by the scientists of the country in the course of studying the actual economic problems of the agrarian sector in Azerbaijan, ensuring the economic and food security of the country A.Samadzade, E.A.Guliyev, E.R.Ibragimov, Sh.M.Muradov, I.H.Ibragimov, A.Q.Alirzayev, H.A.Khalilov, B.X.Atashov, M.C.Huseynov, A.E.Guliyeva, A.X.Nuriyev, R.A.Balayev, S.V.Salahov, V.T.Novruzov, M.M.Huseynov, I.Sh.Qarayev, G.A.Gənciyev, V.A.Qasimli, A.F.Abbasov, I.H.Aliev and it was considered by A.Ch.Verdiyev.

Issues related to improving activities in the field of sales of products in agribusiness were discussed by scientists from foreign countries Q.D.Bolt, I.A.Avdonina, N.V.Kireyenko, N.M.Sharnina, S.V.Balko, A.I.Bodak, I.V.Rısikova, N.Y.Kovalenko, I.A.Minakov, R.O.Djababov, T.T.Kaskin, A.V.Mikhalchuk, I.S.Vologin, N.V.Kamenchik, Y.D.Romanenko and studied in the works of J.X.

Bottayev. At the same time, the improvement of the system of realization of agribusiness products in the works of the indicated scientists was not a separate subject of research.

At the same time, the ways of solving theoretical and practical significant problems of improving the system of realization of agribusiness products have not been studied at the necessary level.

Object and subject of research. Economic entities participating in the production and implementation of agricultural products of the Republic of Azerbaijan, as well as the market of agribusiness products, constitute the objective of the study. The subject of the research work consists of factors and mechanisms for organizing and improving the activities of realization of agribusiness products.

Goals and objectives of the study. The purpose of the study is a systematic study of the state of organization of activities for the realization of agribusiness products and the development of recommendations aimed at further improving the existing mechanisms in this area. In accordance with the purpose of the study, the following tasks were set and solved:

- investigation of the essence, content and characteristics of sales activities in the supply chain of products of the agribusiness sphere;
- disclosure of the structure of the system of realization of agricultural products and factors affecting its formation;
- analysis of the main trends in the formation and development of the agricultural products market;
- investigation of structural changes in the system of realization of products in the sphere of agribusiness;
- formation of institutional mechanism of realization of agricultural products and analysis of development experience and necessary evaluations;
- determination of the main directions of improvement of the system of realization of agribusiness products in the country in modern conditions and preparation of relevant proposals.

Research methods. Systematic approach in the research process, observation, comparative analysis, generalization, structural analysis, dynamic analysis of their sequence is carried out using econometric analysis methods.

The main provisions put into defense.

- systematic disclosure of the content and relationships of the functions of the activities of the realization products, taking into account the specifics of the field in agribusiness;
- to reveal the general and specific features of the activities of realization of agricultural products in competitive conditions and to show the possibilities of their consideration;
- comparative assessment of the use of sales channels of products in agribusiness taking into account modern trends;
- determination of factors of the structure and formation of the system of realization of agricultural products;
- conducting a marketing study of the agricultural market and evaluating the possibilities of optimizing sales activities;
- concretization of the directions of improvement of the system of realization of agribusiness products;
- offering effective sales channels based on improving the organization of the system of realization of agricultural products;
- determination of directions for improvement of institutional mechanisms of the system of realization of agrarian products.

Scientific novelty of the study. The scientific novelty of the study includes:

- the characteristics of sales activities in the supply chain of agricultural products and the conditions for their effective organization are disclosed;
- functions, structure and factors of formation of the system of realization of agricultural products have been comprehensively studied and relevant generalizations have been made;
- modern trends in the development of the agrarian market and the main factors contributing to them have been identified;
- compliance of existing institutional mechanism in agribusiness sphere with effective organization of product realization activity was assessed;
- development of sales strategy and optimization of product realization channels have been announced;
- modernization of sales infrastructure in agribusiness sphere recommendations were put forward aimed at accelerating;

-directions of improvement of organizational and economic mechanism of realization of products have been determined.

Theoretical and practical significance of the study. The recommendations developed as a result of the research work allow further improvement of the system of realization of agribusiness products, acceleration of the process of modernization of sales infrastructure, development of a favorable sales strategy, selection of effective forms and methods in the activity of sales of agricultural products.

The results obtained on the basis of the research and the proposals put forward can be used in the preparation of draft strategy documents on the development of the agrarian sector of the economy, selection of effective channels for the implementation of agricultural products and improvement of its organization, as well as in the process of teaching “Agromarketing”, “Sales Management”, “Logistics”, “Fundamentals of agribusiness”.

Approbation and application. The main content of the dissertation work is reflected in 13 articles and 14 theses published by the author in prestigious domestic and foreign journals recommended by the Higher Attestation Commission, as well as in conference materials of the Republican and international levels. Among the published scientific works are “Structural changes in the system of realization of agribusiness products” – “Economy of Agriculture” (Baku-2020), “Improvement of economic conditions for realization of agricultural products” – “news of ANAS, series of Economics” (Baku-2020), “Channels for realization of agricultural products and the need to modernize the sales infrastructure”-“scientific news of ASAU” (Ganja – 2021), “Formation and development of a marketing strategy for agricultural producers in Azerbaijan”– Articles entitled "Moscow Economic Journal" (Moscow-2021) and “characteristics of the system of realization of products in the agrarian sector of the economy” – Azerbaijan University, II Republican scientific-practical conference of young researchers (Baku, March 15, 2019), “organization and effective channels of the system of sale of agrarian products” – XXIII Republican Scientific Conference of doctoral students and young researchers of AMU (Baku, December 3-4, 2019), features“. Materials of the VI International Scientific Conference of young researchers "BSU“(Baku,

April 29-30, 2022), "Effective channels for the sale of agricultural products". - International scientific and practical conferences. Collection of scientific articles BSU (Gomel, October 20-21, 2020), "Formation and development of a marketing strategy for agricultural enterprises" III international scientific and practical conference collection of scientific articles of BSU (Gomel, March 31, 2021).

The name of the organization in which the dissertation work is performed. The dissertation work was performed at Azerbaijan University of Cooperation.

The volume of the structural units of the dissertation in isolation and the total volume with a sign. The dissertation work consists of 147 pages, consisting of an introduction, three chapters, a conclusion section and a list of literature, which includes 179 sources. In the dissertation work, 11 tables, 38 pictures and graphs are given. Introduction – consists of 10632 signs, the first chapter – 39882 signs, the second chapter – 68133 signs, the third chapter – 75499 signs, conclusions and suggestions – 8720 signs, the list of used literature- 28587 signs. The general text part of the dissertation work is 202866 marks, excluding tables, graphs, pictures and a list of literature.

MAIN CONTENT OF THE STUDY

In the introductory part of the dissertation work, the relevance of its topic is substantiated, the degree of elaboration is determined, the object and subject of the study, its purpose and objectives, methods, the main provisions put forward for defense, its scientific novelty, theoretical and practical significance and approbation are given.

The first chapter of the study, entitled “theoretical and methodological foundations of the organization activities for the implementation of products in the agribusiness system”, examines the place and role of sales activity in the supply chain of agricultural products, reveals the structure of the system for the implementation of products produced in the agrarian sector, and determines the factors formation.

As a result of the increase in demand for agricultural products, the requirements for increasing the reserves in the market of these products and the organization of an effective system for their

implementation are also increasing. In this regard, the reliable establishment of sales activities in the supply chain of agricultural products is of great importance in ensuring food security.

In the dissertation work, the activity in question is considered in a broad sense as an integral part of agribusiness. Based on the analysis of the relevant approaches in this direction, it is concluded that agribusiness can be characterized as a system for ensuring the production, storage, processing, transportation and delivery of agricultural products to the final consumer.

The development of the system of realization of agricultural products in a more comprehensive field of view is connected with the solution of political (ensuring national food security, ensuring food security), economic (ensuring the growth of production and improving quality, financial sustainability), social (increasing the living standards of the population, reducing the poverty level) and environmental (production of clean products food) and energy supply.

Approaching the issue from an economic point of view, it can be said that the concept of agribusiness also reflects entrepreneurial activity in the agro-industrial sector. Effective organization of sales activities in the supply chain of agricultural products serves to protect producer-consumer interests, and also plays an important role in the development of business activities.

In modern conditions, the activity of selling products of the agrarian sector of countries has become an important element of the entire food supply chain. The main function of the occasion of sales in the supply chain of agricultural products has a dual nature. When approached by the manufacturer, the sale ensures the realization of the value of the product and its conversion into money. When approached from the buyer's side, the sales process serves to meet the specific demand with the acquisition of the product.

Improving the management of the activities of the realization of agricultural products acts as a factor ensuring the long-term and profitable activities of modern producers of agricultural products. The effectiveness of sales activities in the supply chain of agricultural products affects their quantitative and qualitative maintenance, the level of turnover costs.

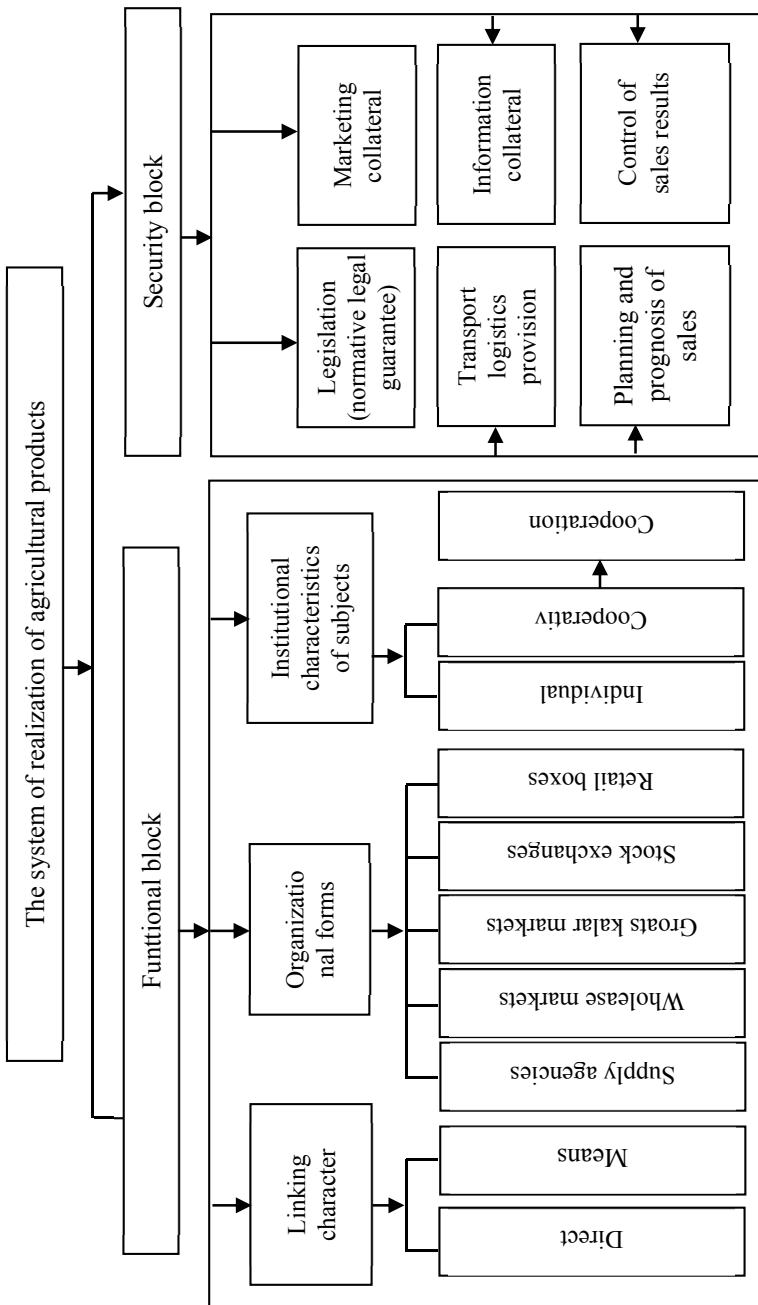


Figure 1. The realization of agrarianproducts system

Source: Compiled by the author.

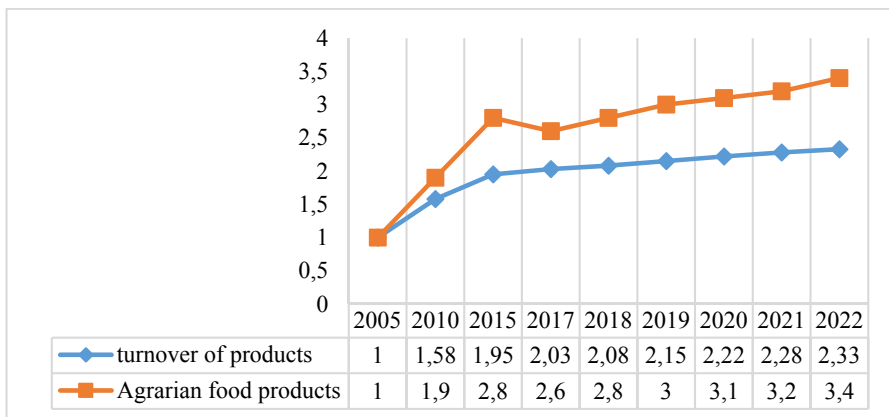
- the level of development of the infrastructure of transport and logistics and sales facilities;
- level of market competition;
- opportunities to adapt to changes in market conjuncture;
- mechanisms for regulating sales activities.

More efficient organization of the system realization of agribusiness products in the conditions of entrepreneurship, in which the competitive struggle intensifies, has a positive effect on improving the economic situation of agricultural producers. The volume of marketable product realized, the average level of price, the volume of revenue and profit from sales, etc. such financial and economic indicators directly depend on the effective organization of the system realization of agribusiness products.

In the second chapter of the dissertation entitled “**analysis of the modern state of the system of realization of products in the field of Agribusiness**”, the main trends in the formation and development of the agricultural products market in our country were investigated, structural changes in the system of realization of these products and the directions of formation of the institutional mechanisms are analyzed.

The main factors affecting the volume and dynamics of the market of agricultural products are investigated in the work. It is shown that both demand and supply in this direction had favorable dynamics. The rapid growth of population incomes within the framework of the rapid development strategy implemented in our country has also had a positive impact on the expansion of the market. At the same time, the creation of favorable conditions for the development of Agriculture, the formation of a system of state assistance to the field and the promotion of product exports stimulated the offer in the market by raising the possibilities for increasing the production of products for realization in the domestic and foreign markets.

The favorable dynamics of supply and demand relations has conditioned the consistent growth in the volume of the market for agribusiness products. Such a situation was typical both for the domestic market of products and for export volumes (Figure 2).



Picture 2. Growth of food turnover and export of agro-food products in the Republic of Azerbaijan in 2005-2022 (times, compared to 2005)

Source: trade in Azerbaijan – 2023, p. 22, foreign trade of Azerbaijan – 2023, Compiled by the author on the basis of 85-87 pages.

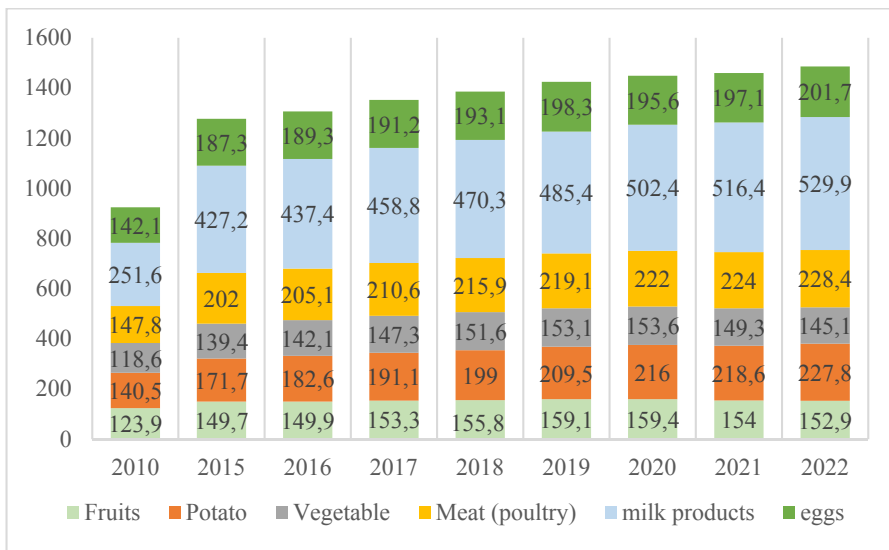


Figure 3. Sales volume index of the main types of agro-food products in 2005-2022 (in % compared to 2005)

Source: trade in Azerbaijan – 2023, p. 62. stat.gov.az/trade_2023.zip compiled by the author based on his data

In the dissertation, changes in the volume indicator of the market of agribusiness products are analyzed by the main types of products. Although the indicated changes correspond to the general trend, significant differences in growth parameters are observed (figure 3).

During the period under study, the physical volume of sales of milk and dairy products, meat, eggs, as well as potatoes increased at a relatively higher rate. Such a situation corresponded to the change in the structure of demand at that time.

The dissertation shows that the increase in the volume of sales of agribusiness products for most products played a dominant role in meeting market demand, and as a result, the level of self-sufficiency in agriculture and food products increased. In our country, fertile economic conditions for the production of agricultural products and at the same time favorable dynamics of producer price have been formed. The level of profitability in the sale of crop and livestock products was generally high.

In the work, the main factors affecting the profitability of sales of agricultural products were analyzed. The profitability of the sale of agricultural products is formed by the costs of production and sale and the influence of selling prices for the product. The combined effect of these two factors is expressed by the level of costs for a common product, and to be precise, by the relative indicator of costs for a commodity product.

The influence of the factor in question on the profitability of sales is investigated in the dissertation on the basis of the corresponding regression analysis. In this case, taking into account the possibility of influencing the level of profitability, it was considered appropriate to include an indicator of the size of the farm in the model. As such an indicator, the size of the area of wounded land per farm per farm has been adopted (table).

Based on the relevant data of agricultural enterprises operating in the country for 2004-2021, the model received the following form:

$$SR = 104.9084 - 1.05606 XS + 0.005753 KTTS + e \quad (1)$$

Here, SR – profitability of sale of agricultural products;

Table

Indicators on the parameters of the model for evaluating the impact of costs and prices on the profitability of sales for the production and sale of agricultural products

Dependent variables:	
Spend on a commodity product level	-1.05606* (0.0657)**
Agricultural land per enterprise	0.005753 (0.00370)
Free coefficient	104.9084 (5.926564)
Cumulative R	0.980856
R-squared	0.962079
Normalized R-square	0.957023
F statistics	190.278
DW statistics	2.518587
T-statistics:	
Free coefficient	17.70138
1-variable	-16.074
2nd variable	1.554035

(...) the standard errors of the coefficient are indicated

* the values of the indicators are accepted in the 99% confidence interval

** the values of the indicators are accepted in the 85% confidence interval

Source: Calculated by the author based on the data of the DSK.

XS- the level of expenses for one manat commodity product, in %;

KTTS - agricultural land area per household, ha;

e – error of the model.

According to the results given in the table, the parameters of the model are reliable according to the relevant test indicators.

The quantity of the regression coefficient on the costs of the commodity (sold) product from the free variables of the model can be considered highly reliable according to the relevant test indicators. According to the price of that indicator, a 1% increase in the level of expenses leads to a decrease in the profitability of sales by 1.06%.

Unlike the regression coefficient of the expenditure level indicator, the regression coefficient on the land area of the agricultural enterprise has a positive sign. This means that the growth of the size of the enterprise has a positive effect on the level of profitability. We must take into account that the level of reliability of the price of that coefficient reflected in the model (at the limit of 85%) is a little lower. However, it is clear from the model that the increase in farm size has a positive effect on sales profitability. From this point of view, it is possible to confirm that the implementation of consolidation in agricultural farms in the current conditions has the potential to increase the profitability of sales.

The level of loss of produced agricultural products has a significant impact on the economic results of sales in the agribusiness sphere. The analyzes carried out in this direction in the dissertation show that the level of loss for the main types of products has different dynamics (Figure 4). During the researched period, the level of losses in cereals, milk and dairy products has almost drastically decreased. The level of losses on potatoes, as well as fruit and berry products, has been significantly reduced. However, losses on vegetables, melons and grapes are still high and there has been no progress towards improving these indicators in recent times.

In the dissertation, the directions of the organization of institutional mechanisms in the system of realization of agricultural products under modern conditions are investigated. It is shown that in the course of the formation of the market economy system in our country, the activity of the realization of products in the agribusiness sphere was first of all reconstructed on the basis of the principles of free entrepreneurial activity, and the necessary economic and organizational environment for farming with different forms of ownership was formed. At the same time, appropriate state regulation mechanisms for the realization of products have been created. Rationalization of budget financing, concessional lending during the institutionalization of the product realization system mechanism, price policy, state procurement, anti-monopoly and customs tariff measures, the rules and norms of effective delivery of products from the producer to the consumer, realization and provision of foreign market movement

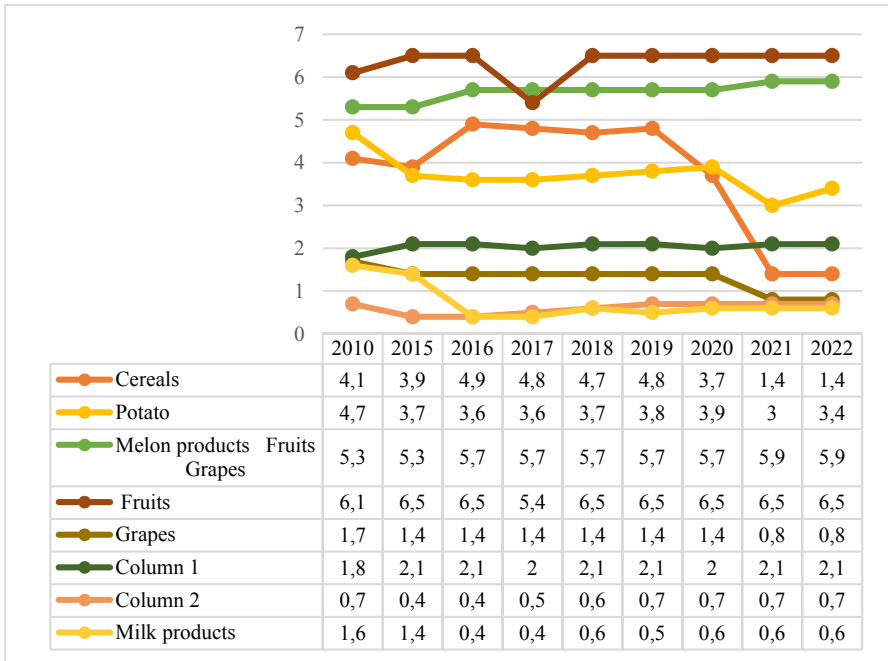


Figure 4. Changes in the level of losses (percentage relative to the volume of reserves) by the main types of products in the sphere of agriculture in 2010-2022

Source: *Food balances of Azerbaijan - 2023*, p. 19-44. compiled by the author based on his data. https://food-balances_2023.pdf

have been determined. Regulation of the sale of agricultural products is carried out within the framework of the relevant legislative acts adopted in the country, including the "Regulations of trade, public catering, household and other types of services" approved by the Cabinet of Ministers of the Republic of Azerbaijan. Rules related to the regulation of sales activities, including control mechanisms, have been consistently improved. In this direction, the organization of the activities of the Food Safety Agency of the Republic of Azerbaijan, established in 2017, had a special role. The agency provides control over the sales, service and storage areas of legal and natural persons, regardless of their subordination and form of ownership.

Another direction of the development of the institutional mechanisms of sales activity in the agribusiness sphere was the creation of a new legislative framework for the implementation of that activity on the basis of cooperation. The Law of the Republic of Azerbaijan "On Agricultural Cooperation" adopted in the country in 2016 contains provisions related to the establishment of supply and sales (trade) cooperatives and their engagement in the supply, wholesale and retail sale of agricultural products, as well as the study of the sales market. At the same time, in the State Program for the Development of Agricultural Cooperation in the Republic of Azerbaijan for 2017-2022, approved by the Order of the President of the Republic of Azerbaijan No. 3099 dated July 14, 2017, creation of conditions for the operation of cooperative markets, timely supply of ready-made short-term products from cooperatives, internal and creation of a mechanism that ensures access to the foreign market, annual determination of orders for the supply of agricultural and food products from cooperatives for state needs, and implementation of procurement operations.

The dissertation shows that an important direction of institutional development in the sphere of agribusiness activity was the formation of state procurement (supply) mechanisms in this sphere. In this direction, issues related to the formation of a more effective supply chain for strategically important goods in the country and the creation of rules for the supply of products through the State Reserves Agency of the Republic of Azerbaijan and the State Grain Fund under it, established for the purpose of protecting the internal market, were resolved by the Decree of the President of the Republic of Azerbaijan dated October 7, 2021 has been done.

The size of the Grain Fund in the country is determined by the government of Azerbaijan. The Grain Fund of the State Reserves Agency of the Republic of Azerbaijan (DEA) is formed through its grain elevators, flour mills and other institutions through contract purchases from product manufacturers.

Currently, the Republic of Azerbaijan, along with the State Grain Fund, is in the field of purchasing agribusiness products in our country "Agrarian Supply" under the Ministry of Agriculture established by

the President's Decree No. 400 dated December 14, 2018

and supplies" Open Joint Stock Company acts as the main institution. This organization organizes the purchase of agricultural and food products at the expense of budget funds in a centralized manner based on the orders given by budget organizations, as well as the export of those products.

In the third chapter of the dissertation work called "**The main directions improvement of the system realization of products in the sphere agribusiness**" from the point of view agromarketing, the issues preparation of effective sales strategy of product manufacturers, modernization of sales infrastructure and improvement of the organizational and economic mechanism realization of products were studied.

For the prospective development of agribusiness product sales, a sales strategy should be developed that allows agricultural product producers to determine the product demand situation and potential consumers.

In modern conditions, the formation of an effective sales strategy is based on the entry of agricultural product producers into new markets, optimization of sales channels, and the increase of the volume of realized output and profit, paves the way for increasing efficiency. The dissertation shows that it is necessary to take into account the short and long-term period in the preparation of the sales strategy of agricultural products. The main focus of the sales strategy of agricultural product producers is to determine the size of the market for agricultural products and the current situation, to plan the possible volume of products, as well as the optimal movement of products from the producer to the consumer, including the selection of intermediaries and other processes, should be prepared as a strategic development plan for farmers to realize their products.

At the same time, from the point of view of the short-term period, the sales strategy should be aimed at satisfying the needs of consumers by optimally using the sales potential of agricultural product producers and ensuring the efficiency of the realization of this basic product. It is shown in the work that the following can be included in the scope of the strategy in order to successfully realize the mentioned tasks:

- improvement of the existing sales infrastructure;
- increase of business activity in the system of realization of agribusiness products;
- offering new products to the market;
- selection of the target market and time of entering the market in the system of realization of agricultural products;
- determining the means of influence on the system of realization of agricultural products.
- selection of effective channels for the realization of agribusiness products;
- determination of forms and methods of sales promotion in the system of product realization.

The thesis emphasizes that there is still no universal sales strategy for agricultural producers. Each farm has an individual sales strategy depending on its production and sales characteristics. The development of the sales strategy of agribusiness is aimed at ensuring the efficient movement of agricultural products from the field to the consumer, in other words, the collection, storage, transportation and sale of products. In agribusiness, the sales policy of product manufacturers is implemented through commercial structures in accordance with the established strategy.

In modern conditions, the sales strategy of agricultural producers in our country for different types of products should be focused primarily on the optimization of sales channels. The optimization of the product sales channel should mainly consist of the analysis of existing distribution channels, the preparation of necessary measures for optimization, and the implementation and implementation of the program.

The organization of effective sales channels allows for a considerable reduction of losses in the process of delivering agribusiness products to final consumers and an increase in the level of profitability in the agribusiness sphere of the country as a whole. Here it is shown that in modern conditions, local wholesale markets, including wholesale fairs, auctions and exhibitions, and the organization of online sales can be attributed to the perspective channels for the realization of agricultural products in our country. The

problem of finding new sales channels also arises due to increasing the growth rate of agricultural products production. In order to solve this problem, fair events are organized in our country in order to influence the sales activity of small individual entrepreneurs. At the same time, in the conditions of structural changes in the system of realization of agricultural products, the application of economic stimulation for the supply and sale of products for state needs on a contractual basis is of particular importance.

In modern conditions, ensuring the development of the sales infrastructure in the agribusiness sphere of the country acts as one of the important conditions for the harmonious operation of all links in the supply chain of products. The dissertation analyzes the general situation of the sales infrastructure in the agribusiness system of our country. Taking into account the trends observed in the relevant world experience, the upcoming tasks in the field of infrastructure formation and development for the realization of products are disclosed. In this direction, the following priority directions for the modernization of the agricultural products sales infrastructure are distinguished:

- the existing material and technical base of the sales infrastructure modernization of (refrigerator, general-purpose warehouses, fruit and vegetable bases and other wholesale warehouses);
- organization of logistics - transport - expedition service, trade-warehouse and sales process operating on the basis of modern technologies in the product realization system;
- expansion of electronic sales infrastructure based on digital transformations;
- creation and improvement of a fleet of car-refrigerators equipped with cooling devices for the export of agricultural products to the foreign market;
- creation of a modern sorting-packing unit and warehouses;
- purchase of modern, organic taring and packaging equipment, production and wide application.

In the dissertation work, the ways of improving the organizational-economic mechanism of the realization products in agribusiness under modern conditions are investigated. The issues to be resolved in this direction are explained. Taking into account its pioneering importance

in the transition to a modern supply chain, the possibilities of improving contractual relations in the agricultural products sales system are evaluated. It is shown that, first of all, cases of setting conditions that are not favorable for farmers should be avoided. In order to create a reliable guarantee for this, in accordance with the experience of a number of foreign countries in the relevant field, it is considered appropriate to reflect in the legislation the issues to be determined in the contracts for the purchase and sale of individual agricultural products and the specific rules for their regulation. Agreements concluded on the supply of agricultural products ultimately form guarantees to prevent unfair trade practices against farmers and protect the interests of producers.

CONCLUSION

In the **conclusion** section of the dissertation, the research conducted in the work is summarized and relevant recommendations are put forward:

1. In modern conditions, the improvement of the system of realization of agribusiness products is important in terms of the effective delivery of manufactured products to the consumer and the impact on the formation of real demand in the end consumer. At the same time, the formation of a favorable sales system acts as a factor of increasing the efficiency of the labor and material resources spent on the realization of the product. The implementation system should develop dynamically as one of the important activities in the field of economy in our country.

2. In connection with the implementation of the long-term rapid development strategy in our country, the volume of the market for agribusiness products has continuously expanded and significant changes have taken place in its structure. In accordance with this, there have been advances in the formation and development of the system of realization of agricultural products:

Firstly, the formation of infrastructures in accordance with modern requirements for the corresponding quantitative expansions were accompanied by qualitative changes.

Secondly, as a result of fundamental reforms carried out under the conditions of state independence, the rights and powers of product manufacturers in our country have been expanded, allowing them to freely choose sales channels, including the direction, structure, volume and access to the foreign market of production and realization, as well as independent use of the funds they are given the opportunities to do. There is an increasing trend of realization through various sales channels - especially markets, retail trade network, public catering establishments, other commercial structures. As a result of the historical victory, the reintegration of the potential of the territories freed from occupation into the general economy of our country is in the agrarian sphere of production and its enables stronger development of product realization.

Thirdly, a new institutional structure of the system realization of agribusiness products was formed, mechanisms of action adequate to the market economy were created. The progress made in the system is aimed at ensuring the effective movement of products from producers to consumers, creating conditions for the profitable operation of production and sales means. At the same time, in modern conditions, there is a need to consistently solve the issues related to the development of sales channels in the supply chain of agribusiness products, to deepen reforms in this area and to further reduce the losses of produced products, to effectively reconcile the interests of partners involved in the implementation process.

3. The lack of development of the system of realization of agricultural products at the necessary level leads to a significant increase in losses in the process of supply, transportation, storage and processing. The seasonal nature of agriculture and the perishable nature of products increase the demands for speeding up the process of their realization and improving the organization of the sales system. The improvement of the system of realization of agricultural products should be aimed at creating optimal conditions for maintaining the necessary quality indicators of realized products, effectively meeting the buyer's demand, and increasing the efficiency of sales.

4. From the point of view of the development of the system of realization of agricultural products, the improvement of the

organization of the realization of products at the level of producer subjects, the preparation of sales strategy and the optimization of sales channels, the issues of agromarketing activity and the development of agricultural cooperation should be the focus. At the state level, further improvement of direct concessional crediting of producers of products, targeted financing in the form of grants and compensation in some cases, expansion of procurement for state needs, price regulation, and improvement of the tax mechanism have been implemented holding gains importance.

5. One of the main directions of the development of the agribusiness product realization system at the modern stage is the expansion and modernization of the sales infrastructure. In this direction, first of all, there is a need to continue the creation of wholesale markets in large cities. It is necessary to expand the network of Wholesale Distribution Centers in the large cities of the country in the current system of agribusiness products realization. This can increase the efficiency of the system of supply, storage, processing and realization of agricultural products, increase the production of locally competitive products in the country, and expand the possibilities of providing the population with high-quality agricultural products and food. It is considered appropriate to organize logistics centers, to create storage warehouses for agricultural products, as well as to give priority to the production of agricultural tares, it is necessary to organize a marketing service that carries out the study of elements.

6. In the coming period, the promotion of the role of the use of digital technologies in ensuring the effective integration of agribusiness products into local and global (foreign) supply chains should be prioritized. In this regard, the need to increase the scope of their activities will be strengthened, taking into account the expansion of digital infrastructure facilities and relevant world experience.

7. It is important to actively use state support tools in the relevant direction in order to ensure the development of the sales infrastructure of agribusiness products in priority areas. First of all, crediting for the creation of sales infrastructure facilities with concessional terms should be expanded. In addition, it is appropriate to encourage investments directed to the construction of important infrastructure

facilities. At this time, relatively more favorable incentive conditions for investments in infrastructure facilities for the sale of agricultural products intended to be established by the "I State Program on the Great Return to the territories freed from occupation of the Republic of Azerbaijan" approved by the Decree of the President of the Republic of Azerbaijan dated November 16, 2022 No. 3587 it is necessary to determine.

8. Purchase of agricultural products for state needs mechanisms should be improved. In this direction, the terms of the competition and contracts related to the implementation of product supply should allow to increase the efficiency of the state's financial resources, to increase the transparency in purchases, and to allow the competition of the consignors to receive the state order.

9. In the conditions of the implementation of the measures envisaged in the long-term strategy for the regulation of the agribusiness products market, freely formed prices will have to be connected with guaranteed prices. At this time, it should be ensured that the realization prices for specific types of agricultural products are formulated in accordance with the requirements for preventing market distortions.

10. Due to the limitation of the product storage period and the complexity of the transportation process in the system of realization of agricultural products, it is important to choose a development strategy aimed at the formation of shorter means-less means of realization channels in order to speed up their efficient realization.

11. Ensuring efficient realization of agribusiness products from the point of view of creation, it is appropriate to provide farmers with technical support for the preparation and implementation of sales strategies. Agrarian producers should be provided with the necessary knowledge and skills in the direction of forming a sales policy aimed at the correct selection of sales channels and effective organization of product movement to final consumers.

12. In the development course of the agribusiness product realization system, the role of improving contractual relations along the supply chain of products increases. In the current conditions, it is appropriate to make changes in the civil legislation related to the

regulation of certain conditions of purchase and sale contracts of agribusiness products, taking into account the relevant experience of developed countries, in order to prevent unfair trade behavior towards farmers by economic entities operating in the post-agricultural links of the supply chain.

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1. Shukurova, A.A. Interconnection the channels of realization products in the agrarian sphere. // – Baku: Construction economics and management, – 2019. No. 2 (7), – p. 166-175.

2. Shukurova, A.A. The main tendencies of the formation and development of the market of food products in Azerbaijan. // – Baku: Statistics news, – 2019. No. 4, – p. 37-46.

3. Shukurova, A.A. The structure of the agricultural products realization system and its formation factors. // – Baku: Finance and accounting, – 2019. No. 7, – p. 39-51.

4. Shukurova, A.A. Features of the product realization system in the agricultural sector of the economy. // Materials of the 2nd Republican Scientific and Practical Conference of Young Researchers, - Baku: AU, - 2019. - March 15, - p. 397-400.

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11. Shukurova, A.A., Formation and improvement of the system for the sale of agribusiness products // - Moscow: Economics and entrepreneurship. EP, - 2020. - No. 9 (122), - p. 1340-1345.

12. Sukurova, A.A. The need to modernize the channels and sales infrastructure of agricultural products. // - Ganja: scientific works of Azerbaijan State Agrarian University, - 2021, No. 2, - p. 59-63.

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14. Shukurova, A.A. Formation and development of a marketing strategy for agricultural enterprises // Economic and legal prospects for the development of the society of the state and consumer cooperation: [Electronic resource]: / Collection of scientific articles of the III international scientific and pro-actual Internet conference. - Gomel: BTEU, March 31, - 2021, - p. 240-244. Scientific. electron. text ed. 1 electronic, opt disk (CD-R) - in-screen....

15. Shukurova, A.A. Development directions of small agribusiness in the liberated Karabakh region // Global economic challenges: main directions of socio-economic development of the liberated territories of Azerbaijan. Materials of the international scientific-practical conference. - Baku: BBU, - 2021. - May 6, - p. 346-350.

16. Shukurova, A.A. The role of restoration of the Zangezur transport-logistics corridor in the economic development of Azerbaijan's agriculture // "Sustainable development strategy: global trends, national experiences and new goals". Proceedings of the international scientific conference. – Mingachevir: MSU, 2021. – December 10-11

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