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Dr. P. S. Bhadouria

IMPROVING THE CLASSIFICATION OF INDUSTRIAL LAND INTO TYPES AND THEIR ACCOUNTING

(ON THE EXAMPLE ALMALYK MINING METALLURGICAL COMBINE)

Kholbaev Bobirjon Akramugli[1]

ABSTRACT

According to the decree of the president of the Republic of Uzbekistan dated 07.09.2020 No.6061 "On measures to radically improve the system of land accounting and public Cadastral management"and the decree of the President of the Republic of Uzbekistan "On measures to further improve the activities of the cadastral agency under the Ministry of Economy and Finance" dated October 20, 2022, PD-405" large-scale changes in in the economic sphere, suggestions and recommendations for improving the system of their rational use have been mentioned.

Key words: *Almalyk Mining Metallurgical Combine, Industrial, Industrial Purpose Land, Mining Industry, Mines, Sub-Mining Land, Land Plot, Land Report,Land Types, Land Categories.*

INTRODUCTION.

Almalyk mining and metallurgical combine is located in the city of Almalyk, Tashkent region. In the scientific literature, the name Almalyk from the 13th century has been noted many times. On July 10, 1951, the Almalyk was granted the status of a city within the region, based on The Decision No. 19/855 of the Executive Committee of the Tashkent region of 1951. The area is equal to 10,767 kilometers, in the early days the residential area was 800 thousand meters square, the population was 8700 people. Almalyk is located 60 kilometers south-east of Tashkent, at an altitude of 600-650 meters above sea level. The Kuramatog range in the Northeast, the Chatkalmountains in the North and Southeast, and the left tributary of the Ohangaron River.

The Almalyksoy is joined by the Karakiyasoy, and the Nakpaysoy by the Coldbuloksoy, the tributaries of which flow through the city for 230 kilometers to the left tributary of the flowing Okhangaron river through the middle of the city. The soil is Sandy, dark gray soil. The lower part of the city (new city) is located mainly on sand, gravel, on the site of the Okhangaronriver. The surface water reserve is rich, and the average dynamic water reserve is 146 kilometers square [1].

In the last years, a huge and worthwhile work on the reform of direct industrial enterprises was carried out in our country. The work on the introduction of scientific and technological achievements, new techniques and advanced technologies into production is gaining momentum from year to year. The efficiency of using limited land resources, underground fossil resources, capital and labor resources is rising. The economic reforms and structural changes that are being carried out in stages in the development of industry in our republic are giving its result.

867.4 thousand hectares of the total land fund of the Republic constitute land for industrial, transport, communication, defense and other purposes. Among these figures, the role of the Almalyk Mining

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Metallurgical Combine is also significant. In terms of the production of precious metals, mining, building materials and several other materials, this industrial enterprise is the leading one in the Republic. It is known that any production directly or indirectly necessarily requires land resources. Since my research object is this large industrial enterprise, solutions to existing problems in the use of land resources in industry have been researched.

RESEARCH.

Industrial development is the main heart of the economy of any country. At the same time, the proper selection and species assignment of the land areas required for the development of the industry is important. Industrial land is classified into species based on a variety of factors, including environmental, economic, and social criteria. In this article, we will tell in detail about the main types of land allocated for industrial activities and their characteristics [2].

These are areas reserved for the extraction of natural resources such as metal ores, coal, natural gas and oil. Mining areas are chosen based on their geological structure, and their location is determined by the size and type of mining, as well as the technological processes of mining.

Industrial associations are complexes that combine various industrial enterprises. These lands usually produce the same or similar products. The main goal of industrial associations is to effectively manage resources and optimize production processes. Because businesses are located close to each other on such land, transportation costs are reduced and productivity is increased [3].

Mining complexes are often large areas containing several types of mining operations. They may include underground and surface mining operations, and are often co-located with Ore enrichment plants, smelters, or chemical enterprises. Infrastructure will also be developed in the mining complexes, including roads, power supply and water supply systems [4].

The processing plant lands are usually designed for processing mined raw materials, in which ores are cleaned, enriched and converted into various metals. These are often located close to mining sites, helping to reduce transportation costs and improve efficiency [5].

Pic 1.Processing plants

In the mining process, a lot of waste is formed. Therefore, waste storage areas are important. The grounds would be purpose-built with special insulation to prevent the spread of toxic and harmful substances. They must meet environmental safety standards and not harm the environment.

Pic 2.Waste storage areas in the mining industry

As a result of mining activities, environmental problems may arise. For this reason, rehabilitation and rehabilitation of post-mining areas is mandatory in many countries. Rehabilitation areas include restoration of flora and fauna on land where mining activity has ceased, clearing water sources and soil reclamation.

Special economic zones are areas with tax incentives, Customs and other commercial relief in order to stimulate economic activity. Special economic zones are usually created to promote export-oriented production and attract foreign investment. They play an important role in order to diversify the industry and integrate the local economy into global economic systems [6].

Environmentally friendly industrial zones are industrial areas focused on the application of technologies that are less environmentally damaging. Environmental protection measures such as energy conservation, waste recycling, and pollution mitigation are used. Enterprises located in environmentally friendly industrial zones are usually required to have "Green" certificates and comply with environmental standards.

By accurately cartography of all land used in the mining industry, their exact boundaries and size are determined. With the help of modern technologies, such as GIS (Geographic Data System) and digital cartography tools, accurate data on land plots is collected. This data forms the main database in the management of underground and Surface Mining Resources. A license is required for each mining area. During the licensing process, many factors such as geological characteristics of the plot of land, extraction methods and environmental impact are considered. Also, by registering mine sites and their activities, government regulatory authorities monitor their activities [7]. An important part of land accounting is their constant monitoring and regular auditing. These processes are carried out in order to control the condition of land plots and the environment, as well as to ensure compliance with legal norms. In the monitoring process, environmental indicators such as water level, air quality, soil composition are observed.Before the start of any new mining project, an assessment of its environmental and social impact is carried out. In the process of assessing the environmental and social impact, a clear analysis of how the project affects the environment and changes in the lifestyle of local residents is carried out. Based on this data, measures are developed to minimize harmful effects.

All mining activity documents, including licenses, environmental reports, mining plans, etc., are regularly updated and stored in an electronic database. This makes it possible to quickly and easily find the basic information necessary for the management and control of the lands.

Land accounting in the mining industry requires a systematic and integrated approach. Through this approach, it is possible to effectively use resources, comply with legal and environmental standards, and ensure the sustainable development of the industry.Maintaining land records in the mining industry is critical to managing the industry in an efficient and less environmentally harmful manner. Through methods such as precision digital cartography, licensing, continuous monitoring and auditing, as well as environmental and Social Impact Assessment, it is possible to use land resources wisely, not harm them, and maintain an ecological balance. At the same time, these processes play a key role in ensuring state control and legal restrictions. This helps not only protect economic interests, but also protect the interests of the environment and local communities.

CONCLUSION.

Land types in the mining industry, each with their own specific goals and objectives, are aimed at ensuring that the industry operates efficiently and less harmfully to the environment. It is necessary that the land be under strategic planning, environmentally sound management and strict state control. Proper land management for the mining industry plays an important role in minimizing environmental impacts and in the sustainable development of Natural Resources. The categorization of land for industrial purposes contributes to the development of industry, the stability of the economy and the maintenance of ecological balance. Each type of industrial space has its own characteristics, the correct selection and management of which plays an important role in improving the efficiency of industrial enterprises. Thus, the categorization of industrial areas and the effective implementation of land accounting in the mining industry are key factors in determining the economic and environmental future of the country.

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FINANCIAL INDICATORS AND THEIR ROLE IN BUSINESS ANALYSIS

Zukhurova Nargiza[1]

ABSTRACT

Financial indicators are key metrics used to evaluate the financial performance, stability, and efficiency of a business. These indicators provide insights into a company's operations and guide decision-making processes. This article focuses on analyzing various financial indicators such as revenue, net profit, return on assets, and debt-to-equity ratio, discussing their importance in the broader context of financial health evaluation. The study also emphasizes the significance of proper utilization of these indicators to ensure long-term business sustainability.

Keywords*:Financial Indicators, Revenue, Net Profit, Return On Assets, Debt-To-Equity Ratio, Business Sustainability.*

Introduction:

Financial indicators are essential tools used to assess the economic performance of businesses. These metrics offer valuable insights into how efficiently a company operates, how well it controls its costs, and how profitably it uses its assets. The indicators such as revenue, net profit, and liquidity ratios provide a solid framework for understanding a company's current position and future prospects.

The oil and gas industry is characterized by its high capital requirements, cyclical market behavior, and exposure to global economic fluctuations. Financial stability in this sector is vital, as companies must invest heavily in exploration, extraction, and refining processes while managing volatile commodity prices. Proper use of financial indicators provides a clear view of a company's operational health and its ability to withstand market fluctuations. In this article, we explore the significance of core financial metrics—revenue, net profit, ROA, debt-to-equity ratio, and current ratio—within the oil and gas industry.

Financial Indicators and Their Importance in the Oil and Gas Industry

Revenue in the oil and gas industry refers to the total income generated from the sale of crude oil, natural gas, and refined products. It is a key indicator of a company's market strength and its ability to generate income from core operations.

Relevance in Oil and Gas: Given the cyclical nature of the oil and gas market, revenue fluctuations are common due to changing oil prices, geopolitical tensions, and supply-demand dynamics. Companies in this sector often rely heavily on their ability to maintain stable revenue streams by securing long-term contracts and diversifying their product offerings. For instance, large oil companies like Saudi Aramco and ExxonMobil generate substantial revenue by operating in both upstream and downstream segments, which helps them cushion the impact of market volatility profit.

Definition: Net profit is the income remaining after all expenses, including operational costs, taxes, and interest, are deducted from total revenue.

Relevance in Oil and Gas: High operational costs, such as exploration and production (E&P) expenses, impact net profit in the oil and gas industry. Companies often face significant capital expenditures (CapEx) to

[1] Senior teacher of TUIT

develop oil fields or maintain refining capacity. Additionally, fluctuating oil prices can compress margins, reducing profitability. However, when oil prices rise, companies with strong cost control mechanisms see significant net profit increases. For example, during periods of high oil prices, companies like Shell and Chevron report substantial gains in net profit, illustrating the importance of cost management in this volatile sector turn on Assets (ROA).

Definition: ROA measures how efficiently a company utilizes its assets to generate profit. It is calculated by dividing net income by total assets.

Relevance in Oil and Gas: The oil and gas industry is asset-heavy, with significant investments in exploration sites, drilling equipment, and refineries. ROA provides insights into how effectively a company manages these assets to generate returns. A higher ROA indicates better asset management and profitability. Companies like BP and TotalEnergies invest in advanced technologies and asset management strategies to enhance their ROA, especially in times of oil price declines .

Dty Ratio. The debt-to-equity ratio assesses a company's financial leverage by dividing total liabilities by shareholders' equity.

Relevance in Oil and Gas: Due to the high capital intensity of the oil and gas sector, companies often rely on debt financing to fund large-scale projects such as new oil field development and refinery upgrades. A higher debt-to-equity ratio signals greater reliance on debt, which can be risky during periods of low oil prices or economic downturns. For example, when oil prices plummet, companies with high leverage may struggle to meet their debt obligations, leading to liquidity crises. Companies like ExxonMobil and Gazprom balance their debt loads carefully to maintain financial stability in volatile markets

Case Study: Financial Stability in Oil and Gas Industry

The analysis of financial indicators in companies like "Uzbekneftegaz" illustrates the importance of maintaining a balance between leveraging debts and ensuring liquidity. Over the years, companies in the oil and gas sector have shown fluctuating results in key metrics such as autonomy coefficient, financial leverage, and debt repayment ratios. For instance, "Uzbekneftegaz" JSC managed to increase its autonomy coefficient from 0.55 in 2019 to 0.58 in 2021, showing a stronger reliance on equity financing.

In the context of Uzbekistan's oil and gas sector, companies such as «Uzbekneftegaz» JSC highlight the critical importance of financial indicators in driving informed decision-making processes. According to the dissertation provided, several key financial measures, such as the autonomy coefficient, reflect the company's shift towards more sustainable financial practices. Over recent years, «Uzbekneftegaz» JSC has improved its autonomy coefficient from 0.55 in 2019 to 0.58 in 2021, which indicates an increased reliance on equity financing rather than debt. This shift reduces financial risks, particularly in volatile markets like the oil and gas industry, where fluctuations in oil prices can significantly affect financial stability.

Additionally, «Uzbekneftegaz» JSC has made significant efforts to improve its current ratio, a measure of liquidity. By increasing its ability to meet short-term obligations with its current assets, the company has enhanced its overall financial resilience. This focus on liquidity management has been particularly beneficial during periods of fluctuating oil prices, allowing the company to maintain operations without facing liquidity crises.

This strategic improvement in both autonomy and liquidity has helped «Uzbekneftegaz» JSC manage financial leverage more effectively, making it less vulnerable to market volatility and external financial pressures.

These efforts align with broader global trends in the oil and gas industry, where financial sustainability and risk management are becoming increasingly critical for long-term success.

In the article, the primary focus is on examining the critical role that financial indicators play in the oil and gas sector, particularly in understanding the financial health, stability, and performance of companies like Uzbekneftegaz. The key idea advanced in the article is the necessity of optimizing financial indicators such as the autonomy coefficient, debt-to-equity ratio, current ratio, and return on assets (ROA) to ensure the long-term sustainability and competitiveness of oil and gas companies in a volatile market.

The importance of this research lies in addressing a common challenge within the oil and gas industry: managing the inherent financial risks associated with market volatility and capital-intensive operations. By optimizing financial indicators, companies can:

Reduce their reliance on debt, minimizing financial risk during periods of low oil prices.

Enhance liquidity, ensuring that they can meet short-term obligations even when market conditions are unfavorable.

Improve asset utilization, maximizing the efficiency of expensive infrastructure and equipment investments.

Strengthen overall financial resilience, making the company less vulnerable to economic downturns and fluctuations in global oil demand.

This study emphasizes that financial indicators are not just abstract metrics but serve as actionable tools for strategic decision-making. By regularly monitoring and improving these indicators, companies can align themselves with best practices in financial management, optimize their operations, and position themselves for growth, even in challenging market conditions.

The Proposed Solution.To address these financial challenges, the article proposes several strategies:

Equity-Based Financing: Companies should focus on improving their autonomy coefficient by increasing reliance on equity financing rather than debt. This approach reduces the financial burden during downturns and enhances stability.

Technological Investment: Leveraging modern technologies such as automation, digital twins, and advanced asset management systems can significantly improve operational efficiency. By optimizing resource management and reducing maintenance costs, companies can boost their return on assets (ROA) and reduce operational expenditures.

Liquidity Management: Ensuring a healthy current ratio is crucial for maintaining financial flexibility. Companies should aim to strengthen their liquidity through effective cash flow management and by optimizing working capital.

Debt Management: Companies must manage their debt-to-equity ratio carefully, ensuring that they do not over-leverage their operations. Maintaining a balanced approach to debt allows them to remain financially sound during periods of low oil prices or economic uncertainty.

Conclusion

The article advances the idea that financial sustainability in the oil and gas sector is directly linked to the careful management of key financial indicators. The proposed solutions—improving equity financing, leveraging technology for operational efficiency, and managing liquidity and debt—are critical for ensuring that companies like Uzbekneftegaz can thrive in a challenging and competitive market. Implementing these strategies will not only enhance financial stability but also improve operational performance, enabling companies to remain competitive in the long run.

This approach presents a comprehensive and practical framework for addressing the financial challenges faced by oil and gas companies and provides a roadmap for sustainable growth and success.

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ANALYSIS OF THE IMPACT OF GLOBAL CRISES AFFECTING TOURISM

Hallakova Barnokhon Bakhodirjonovna[1]

ABSTRACT

This article will focus on ways to develop the tourism sector in the context of the global crisis, as well as on analyzing existing problems and improving development prospects. The article also presents the prospects for the use of tourist services, as well as existing problems in the prospects for the development of their use in the activities of the tourism sector of the Republic of Uzbekistan, as well as the author's approaches and suggestions for their elimination.

Keywords: *Tourism, International Tourism, Regional Tourism, Domestic Tourism, Tourist Arrivals, Restrictions, World Tourism Organization, Special Tourist Zones, Tourist Services, Tourist Resources.*

Introduction.

According to the latest data from the World Tourism Organization (UNWTO), international tourism is on track to recover almost 90 percent from pandemic levels by the end of this year. Also, between January and September 2023, about 975 million tourists made international trips, which is 38% more than in the same months of 2022. [1].

To swiftly overcome the global tourism crisis, we must identify the factors influencing its development, boost the competitiveness of tourism services, emphasize the attraction of tourism, develop new tourism services, introduce innovative technologies in the field, effectively utilize tourism resources in the regions, establish special tourism zones, create new jobs, improve infrastructure by attracting investments, increase tourism's share in GDP, and conduct scientific research to transform tourism into a profitable industry..

A number of factors influenced tourism's recovery in a short period of time. During this period, tourists from the American region shifted their focus to Europe and Asia, with an increase in visits due to investments and mutually beneficial cooperation in the restoration of war ruins. This period did not last long, the reason being the intensification of the world economic crisis of 1929–1933, the political situation in Europe becoming tense, and the Nazi Party coming to power in Germany. The tourism sector has become a source for gathering information about various states of importance and carrying out subversive activities. For eFor instance, the German Ministry of Propaganda established a special tourism department during the Spanish civil His primary goal was to send Polish soldiers to Spain as tourists. [2].

Studying the development processes of tourism reveals that it has undergone multiple stages, and its role as the primary tool for understanding the world in people's lives since ancient times is crucial.

Literature reviews.

To understand the importance of tourism sector management, we need to consider its theoretical foundations. First of all, it is necessary to learn the explanation of terms related to the field of tourism.

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The term "tourism" originates from the French word "tour," signifying "travel." The Law of the Republic of Uzbekistan "On Tourism" defines the concept of "tourism" as follows: "Tourism is a physical person's place of permanent residence for health, educational, professional-practical, or other purposes..." to leave (travel) for a period of one year without engaging in paid activities in the destination country." [3].

In the era of increasing globalization and integration of the world economy, the correct interpretation of the concept of "tourism" and the correct understanding of its essence are of both theoretical and practical importance. In this regard, the opinions of foreign and domestic scientists differ, leading to a variety of views and concepts. In particular, globalization processes affect not only the market but also almost all aspects of everyday life, including travel and tourism. In this context, T.C. Levellen sees modern globalization as "the growing flow of trade, finance, culture, ideas, and people that has resulted from the worldwide spread of advanced communication and travel technologies and neoliberal capitalism." [4]. W. Zhao and X. Li assert that global trends and competition directly impact tourism and related economic activities. Developing countries primarily experience the impact of globalization on tourism due to their abundant and preserved resources, affordable goods and services, and readily available labor. [5].

Diverse eras have approached tourism differently. For instance, the "International Webster's" dictionary defines a tour as "a trip for work, pleasure, study, and the process of visiting various places in between these trips and a planned travel program." [6]. To prevent etymological errors and establish the limits of this phenomenon, we endeavored to precisely define the term "tourism," given its usage in research and analysis, statistical data collection, the creation of legal and administrative normative documents, their interaction, and its crucial role in understanding the economic and social dynamics of tourism.

Scientists, who serve as the field's scientific foundation, define tourism as "a set of relations formed by foreigners' trips to a place and resulting from their temporary stay without the aim of permanent residence, earning money."

In our opinion, the tourism sector is the activity of enterprises and organizations that provide services related to travel and recreation. It includes various sectors such as transport (airlines, railways, bus companies), accommodation (hotels, hostels, apartments), catering (restaurants, cafes), tour operators, and travel agencies, as well as organizers of excursions and entertainment events.

The trade route known as the "Great Silk Road," stretching from Southeast Asia to the Mediterranean countries, connected the peoples living in the West and East of the world for several centuries. The "Silk Road" got its name primarily because the majority of the products transported from this region were made of silk. For thousands of years, the Chinese have hidden the secret of making silk from people. The "Great Silk Road" not only transported silk products but also transported porcelain, woolen raw materials, and products made from them. "The Great Silk Road" has a two thousand-year history. This route mainly went from Italy through Turkey to Iraq and Iran, and from there to Central Asia and Northern Pamir to Kashgar and Yorkent. From this point, the road split into two, circumnavigating the Takla-Makon desert from the north before reuniting near Lake Lobnor and heading towards Shanghai.

The Movarounnahr region played a leading role in the "Great Silk Road." A number of cities located on the "Great Silk Road," such as Samarkand, Bukhara, Khiva, Termiz, and Khojand, were considered the main destinations.

In general, technology has given great impetus to the development of mass tourism. In 1830, the world's first railway opened between Manchester and Liverpool, and it practically changed the boundaries of travel.

Travels that used to last for weeks are now affordable for everyone for a small fee. The construction of railways has led to an unprecedented level of development in all countries across the world. Cherepanov built the first steam train in Russia in 1833, and in 1842, passenger transportation by railway reached 23 million in England. The USA built and put into operation 15,000 miles of railroads by 1850. Tashkent launched the first railway in 1899 on the Krasnovodsk-Tashkent route, followed by the Tashkent-Orenburg route in 1905.

Baptist priest Thomas Cook, recognized today as the founder of modern tourism, was one of the first in 1843 to realize the usefulness of a mass tour of travelers, organizing a tourist trip by railway with 570 travelers and achieving success. In 1851, Cook also arranged for Englishmen from all over the country to participate in the Paris Exhibition, bringing 165,000 people. Since the exhibition tours were very profitable, Cook also organized the participation of English tourists in the Universal Exhibition in Paris in 1855. By 1856, exhibition tours had become commonplace in European countries, and Cook's tourist agency and its branches had begun to operate there. The directory lists more than 8,000 tourist hotels, demonstrating the unprecedented success of Cook's tourist company. Thus, in 1870, the number of customers for the tourist company "Thomas Cook" reached one million people. [7]

In general, a new form—the field of tourism—has emerged from travel as a particularly attractive way of life activity, and it is characterized by its own characteristics and features. The organizational development of tourism, along with the development of targeted and mass tourism, distinguishes it from travel in key ways.

Research Methodology.

The research employed scientific abstraction, grouping, comparison, retrospective and prospective analysis, and other methods. In the article, by means of a comparative comparison, the organizational and legal basis of the methods of using the ways of development of the tourism industry in world practice and in developed countries were compared with the existing basis in our country, and relevant conclusions were formed..

Analysis and Results.

Preliminary estimates indicate that the income from international tourism in 2023 is expected to reach 1.4 trillion USD, a significant increase from the 1.5 trillion received by destinations in 2019. It represents 93 percent of the US dollar. In 2023, the total income from tourism exports (including passenger transport) will be $1.6 trillion. The total revenue from tourism exports, including passenger transport, was recorded at 1.7 trillion US dollars in 2019. Almost 95% of the US dollar. A preliminary estimate of the economic contribution of tourism, measured by the direct gross domestic product of tourism, is 3.3 trillion in 2023. The figure symbolizes the US dollar and accounts for 3% of the global GDP. This shows a recovery of the pre-pandemic tourism direct GDP due to strong domestic and international tourism.

Generally, the international tourism market experienced a slowdown in the 1990s of the 20th century, with an average growth rate of around 4 percent. Terrorism and extremism are two of the negative factors affecting international tourism development. These factors have presented a significant threat to the movement of tourists in recent years.

Despite these negative influences, tourism is making significant progress in terms of development. For instance, in the 21st century, the development of space tourism, which enables tourists to travel in space,

along with the creation of new tourist destinations, has emerged as a key focus. In 2010, Russian tour operators successfully launched tourists into space for the first time in history. Leading countries around the world have started to develop numerous programs in this direction. In the future, they aim to develop interspace tourism.

Even in the next decade, it is evident that some countries are establishing special areas (regions) adapted to tourism. The main ones are being organized in mountainous regions, on seacoasts, and in places with beautiful nature. This results in improved infrastructure and a wider geographical scope for the routes. Improvement in the stages and directions of international tourism development necessitated categorization and division. We categorize international tourism based on the type of organization it belongs to.

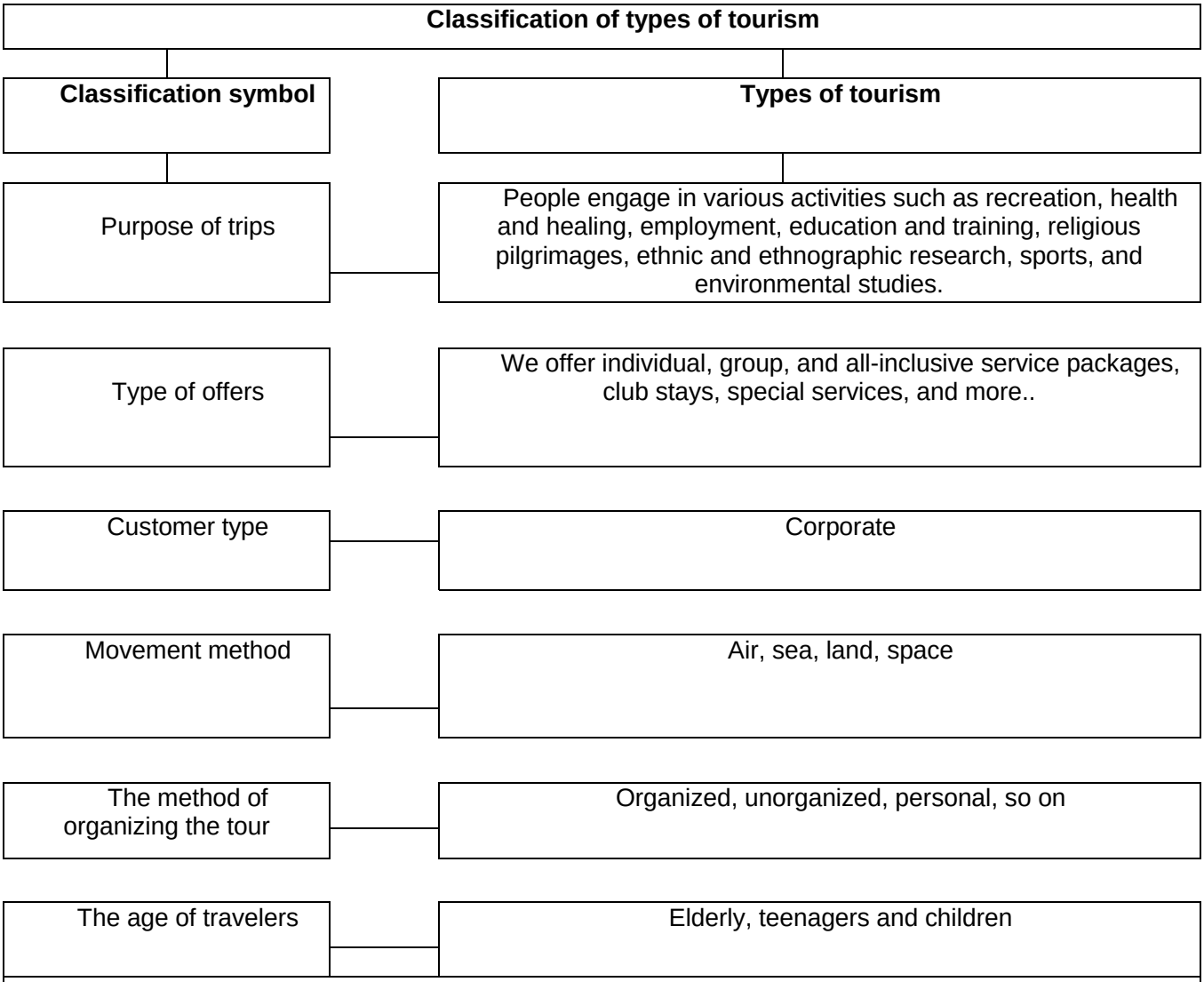

Figure 1. Classification of tourism by types and organization (made by author)

By the end of 2024, we expect a full recovery of world tourism due to the increase in demand, the expansion of air connections, and the active recovery of Asian markets and destinations. The Middle East became the only region to beat pre-pandemic levels. At the same time, the number of international visits to Middle Eastern countries is 22% higher than in 2019. Tourist arrivals in Europe, the world's most visited region, were 94% of 2019 levels, driven by cross-regional demand and travel from the US. In Africa, the number of foreign visitors has reached 96% of the pre-pandemic level, and in the Americas, it has reached 90%. Asia-Pacific only recovered to 65 percent. However, the figures are inconsistent, with South Asia already at 87 percent of 2019 levels and Northeast Asia at 55 percent. International arrivals exceeded 2019 levels in four sub-regions: southern Europe, the Mediterranean, the Caribbean, Central America, and North Africa.

The development of digital technologies, the direction of tourist flows, and the shift in the travel paradigm (personalization of services, safety, ecology, the desire for new experiences, and the growing focus on unique practical experiences during tourist travel) are among the megatrends that shape the modern global tourism industry. In such conditions, the development of an innovative direction in the world tourism industry is considered a response to the emerging new view of tourism products.

According to reports from the World Tourism Organization (WTTC) for the eight countries of the Central Asian Economic Cooperation (CAREC), the CAREC region is expected to experience 10 times the annual rate of 3.3 percent of global tourism in the next decade until 2030, with an average annual growth rate of 4.9% and 4.4% in developing countries, as noted in the 2017 UNWTO report Key Indicators of Tourism Development. Nevertheless, in the global context, the total share of CAREC countries (excluding the PRC) still accounts for less than 2% of world tourism (see Table 1).

Table1- : Forecast of International Tourist Arrivals and Visitor Expenditure in CAREC Countries, 2018–2028 [1]

CAREC countries	**Tourist arrivals in 2018, thousand people**	**Forecast of tourist arrivals in 2028, a thousand people**	**Annual growth of tourist arrivals in 2018–2028 %**	**Annual Growth in Visitor Spending 2018-2028, percentage**
Azerbaijan	2 125	3 235	4,3	6,1
Georgia	3 500	6 125	5,8	5,4
Kazakhstan	6 010	8 658	3,7	3,5
Kyrgyzstan	4 088	6 130	4,1	3,5
Mongolia	474	1 021	8,0	4,0
Pakistan	1 252	2 054	5,1	6,4
Tajikistan	218	263	1,9	2,0
Uzbekistan	2 066	4 238	7,5	6,9
Total	**19 733**	**31 724**	**4,9**	**It is not valid as it is calculated in the average national currency in each country**

[1] 2018 WSTP countries report on the economic impact of travel and tourism reports (Afghanistan and Turkmenistan are not included in the TSTP). No data is provided for the PRC.

The table indicates an estimated 5.0% annual increase in tourist arrivals in the CAREC region from 2018 to 2028.

The integration of the country's economy into the world economy requires the development of new technological approaches to support the growth of service exports and imports. Currently, market services make up a large part (more than 60 percent) of total services, and according to statistics, more than 40 percent of foreign investments in Uzbekistan are in the service sector. This shows that this sector's development is important for the country's overall economic growth.

From the analysis of the main indicators of the development of the tourism sector in the economy of Uzbekistan for 2016–2023, we can see that the number of domestic tourists gradually increased from 2016 to 2019, and the number of domestic tourists in 2019 was 10.8 million.

This indicator indicates that the number of domestic tourists increased again due to state support for tourism in 2021–2022. In 2022, this indicator will be 11.5 million. In general, we expect 6.6 million people to come from abroad in 2023, and 2 million people to visit our country for tourism purposes (Table 2).

Table 2 : The main indicators of the development of tourism in Uzbekistan in 2016-2023[1]

Indicators name	Measurement unit	2016	2017	2018	2019	2020	2021	2022	2023
The number of foreign citizens who came to Uzbekistan	million person	2,07	2,6	5,4	6,7	1,5	1,8	5,2	6,6
for tourism purposes	million person	0,175	0,211	0,456	1,043	0,129	0,156	1,2	2
Number of domestic tourists	million person	1,8	2,1	9.1	10.8	1,8	5,9	11,5	14,9
Carried out tourist activities (sold tour package) organizations	unit	433	449	493	517	337	368	408	810
Export volume of tourist services	million US dollar	430,7	531	1041,1	1313,1	261	422,1	1610,1	2142,1

[1] It was developed by the author based on https://stat.uz/uz/, the statistical agency under the President of the Republic of Uzbekistan.

From the table, 6.748 million people visited Uzbekistan in 2019, which is 125% more than the statistics of 2018 (5.346 million people). Also, in 2020 and 2021, there were "lockdowns" due to the coronavirus pandemic, which significantly damaged the tourism services market. In particular, the number of tourists coming to our country in 2022 is 5.2 million. The number of tourists visiting our country in 2023 is almost the same as in 2019, at 6.6 million. reached

Based on the above information, the increase in tourists coming to our country from day to day leads to the development of the tourist market and an increase in its demand. Today, the world's increasing demand for sustainable tourism necessitates the development of sustainable tourism in Uzbekistan. Especially, the use of elements of sustainable tourism in accommodation and transport services helps to improve service quality.

Conclusion

Air transport accounts for 30% of the total greenhouse gas emissions in the travel and tourism industry, accounting for 8% of global greenhouse gas emissions. Currently, low regional air links between the Central Asian Regional Economic Cooperation countries result in higher than average levels of greenhouse gas emissions as the number of passenger kilometers increases and passengers have to fly more hours compared to direct flights via the main hubs of the Middle East and Turkey. Improved cooperation and coordination will improve connectivity, lower costs, and increase the profitability of the Central Asian Regional Economic Cooperation airlines, all while increasing the number of regional tourists.

Due to infrastructure improvement, organizing tools and development factors are also emerging. It was shown that natural-geographical and socio-economic factors take the lead among these factors. In addition to these factors, infrastructure organization tools are also a key factor in the industry's development. All these provide opportunities to serve tourists.

Upon a thorough analysis of global tourism development trends, we concluded that studying the potential for utilizing tourism resources across different regions is crucial. According to the research results, the European region boasts the most developed tourism infrastructure in the world. By implementing these recommendations in our republic, we can enhance the management of tourism services within the national economy, thereby increasing their share in the country's GDP.

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IMPROVING THE FINANCIAL MECHANISMS OF THE OIL AND GAS SECTOR: A CASE STUDY OF UZBEKISTAN'S INDUSTRIAL ENTERPRISES

Zukhurova Nargiza[1]

ABSTRACT

This article examines the mechanisms for enhancing financial performance in Uzbekistan's oil and gas sector, particularly focusing on large enterprises such as "Uzbekneftegaz." The study explores key financial indicators, including the debt-to-equity ratio, current ratio, and return on assets (ROA), as essential tools for understanding the sector's financial health. By analyzing the financial management practices and development strategies within these enterprises, the article highlights the critical importance of financial autonomy and risk management, particularly in volatile markets. The findings demonstrate how improving these mechanisms can ensure sustainable development and competitiveness in the global energy market.

Keywords : Oil and Gas Industry, Financial Performance, Uzbekistan, Debt-To-Equity Ratio, Financial Indicators, Market Volatility, Uzbekneftegaz, ROA, Current Ratio

Introduction

The oil and gas industry plays a crucial role in Uzbekistan’s economy, serving as a major source of revenue and energy security. In recent years, companies in this sector have been confronted with fluctuating global oil prices and increasing competition. In this context, efficient financial management is essential for maintaining competitiveness. Large enterprises, such as "Uzbekneftegaz," face the challenge of adapting to changing market conditions while improving operational and financial efficiency.

The focus of this study is to analyze the financial mechanisms that can enhance the performance of oil and gas companies, particularly through financial indicators such as the debt-to-equity ratio, return on assets (ROA), and the current ratio. By improving these financial metrics, companies in Uzbekistan's oil and gas sector can increase their autonomy and reduce risk, thus ensuring a stable financial footing amidst global economic shifts.

Methods

The study is based on a detailed analysis of financial reports from key players in Uzbekistan's oil and gas industry, particularly "Uzbekneftegaz." Data from the company's financial statements between 2019 and 2021 have been used to calculate important financial ratios, such as the autonomy coefficient and debt-to-equity ratio. Market trends and financial forecasts have been taken into account to evaluate the sector's resilience to market volatility. Additionally, global best practices in financial management for oil and gas enterprises were reviewed to establish a comparative analysis.

Results

1. Debt-to-Equity Ratio

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The debt-to-equity ratio is a vital measure of financial leverage, showing how much a company relies on debt to finance its operations. "Uzbekneftegaz" demonstrated an improvement in this ratio, with a noticeable shift towards equity-based financing. For example, between 2019 and 2021, the autonomy coefficient rose from 0.55 to 0.58, reflecting a reduction in reliance on debt. This transition has been significant in reducing financial risks, particularly in volatile oil markets where external funding can pose higher risks.

2. Current Ratio

Another key metric, the current ratio, improved significantly over the analyzed period. This ratio, which measures a company's ability to cover its short-term liabilities with current assets, showed that "Uzbekneftegaz" increased its liquidity. The increase in the current ratio ensured that the company could maintain operations even during periods of oil price fluctuations, thus providing a buffer against market risks.

3. Return on Assets (ROA)

The ROA metric, which indicates how effectively a company utilizes its assets to generate profits, also saw positive improvements. "Uzbekneftegaz" demonstrated higher asset efficiency, allowing the company to achieve better profitability despite operating in a highly capital-intensive sector. This indicates more effective resource management and operational streamlining within the enterprise.

Discussion

The findings underscore the importance of improving financial indicators in Uzbekistan's oil and gas sector. By reducing dependence on debt and enhancing liquidity, companies like "Uzbekneftegaz" can mitigate risks associated with market volatility. The results show that enhancing these financial mechanisms not only stabilizes the company's operations but also allows for sustainable growth, even in uncertain global markets. Furthermore, adopting global best practices in financial management can provide a roadmap for other enterprises in the sector, promoting long-term financial stability and competitiveness.

The improvement of financial mechanisms, particularly the debt-to-equity ratio and current ratio, reflects a broader trend towards more resilient financial management in Uzbekistan's oil and gas industry. By prioritizing financial autonomy and maintaining liquidity, these companies can better navigate periods of global economic instability, ensuring their role as key contributors to the national economy.

Existing and Hidden Problems

1. Existing Problems

Market volatility and global economic impacts: Uzbekistan's oil and gas companies, like many others in the industry, are heavily exposed to fluctuations in global oil prices. Significant drops or spikes in oil prices can adversely affect local companies' revenues and financial stability.

Capital-intensive nature of the industry: The oil and gas sector is highly capital-intensive. Companies such as Uzbekneftegaz require substantial investment to maintain and develop infrastructure and technology. This creates challenges related to financial stability and liquidity management.

Lack of technological modernization and innovation: Some companies in Uzbekistan have not fully adopted modern technologies, which limits their competitiveness and operational efficiency.

Underdeveloped infrastructure: Aging equipment and underdeveloped infrastructure in the oil and gas sector lead to increased operational costs and reduced productivity.

2. Hidden Problems

Insufficient financial diversification: Oil and gas companies in Uzbekistan often rely heavily on limited sources of revenue. A lack of financial diversification leaves these companies vulnerable during economic crises.

Shortage of skilled labor and human capital: The lack of highly skilled personnel required for implementing innovative technologies can be a bottleneck for growth and operational improvements.

Environmental impact risks: The risks associated with environmental damage in oil extraction processes are often underestimated. Long-term environmental consequences, if unaddressed, could pose significant regulatory and reputational risks for companies.

Solutions and International Experiences

1. Managing Market Volatility

Solution: To mitigate the impact of market volatility, companies should adopt hedging strategies to protect themselves from oil price fluctuations. Moreover, economic diversification at the state level can reduce the sector's dependency on volatile oil prices. International Example: Saudi Arabia's Saudi Aramco uses hedging strategies to shield itself from dramatic oil price changes. Additionally, the country's broader diversification efforts under Vision 2030 aim to reduce its reliance on oil revenues.

2. Managing Capital Expenses and Liquidity

Solution: Companies should leverage state-sponsored financial support and international capital markets for long-term financing strategies. This can help improve financial resilience, especially for capital-intensive projects. International Example: Norway manages its oil revenues through its sovereign wealth fund, which invests in a diversified portfolio to maintain liquidity and financial stability over the long term.

3. Technological Modernization

Solution: Investing in and implementing innovative technologies such as automation, artificial intelligence, and digital solutions can significantly improve the efficiency of oil and gas extraction and refining processes. International Example: ExxonMobil in the United States has successfully integrated "digital twin" technology, which has improved the efficiency of its operational processes by allowing real-time monitoring and predictive maintenance of equipment.

4. Developing Human Capital

Solution: Investing in education and training programs for workers in the oil and gas sector is essential. Collaborative efforts with international institutions and universities will be crucial for developing a highly skilled workforce capable of adopting and implementing new technologies. International Example: Canada has a strong program of training highly skilled workers for its oil and gas industry, offering partnerships between government, universities, and private sector companies to improve workforce readiness.

5. Ensuring Environmental Safety

Solution: Companies must prioritize environmental protection by implementing innovative and environmentally safe technologies in oil extraction. Strict adherence to environmental standards can help mitigate long-term risks. International Example: The Netherlands employs advanced environmental

regulations in its oil industry, combining innovative technologies and strict environmental standards to reduce the ecological impact of oil extraction and processing.

Forecast and Justification

The oil and gas sector in Uzbekistan is expected to experience significant technological advancements and improvements in financial stability over the coming years. The integration of innovative technologies will boost productivity and reduce operational costs. By entering international financial markets and diversifying the economy, the sector will become less reliant on fluctuating oil prices.

By 2030, it is forecasted that if Uzbek oil and gas companies, such as Uzbekneftegaz, continue to focus on technological innovations and strategic financial management, they will significantly enhance their competitiveness and integration into the global energy market. This could position Uzbekistan as a key player in Central Asia's energy sector.

The forecast is grounded in global trends and the successful strategies employed by leading companies in the oil and gas sector worldwide. Countries like Saudi Arabia and Norway have demonstrated how technological adoption and financial management can ensure long-term sustainability and growth in a volatile industry. By adopting similar strategies, Uzbekistan's oil and gas sector can secure its place in the regional and global market.

Conclusion

In conclusion, the improvement of financial mechanisms in the oil and gas sector, particularly through key indicators such as the debt-to-equity ratio, current ratio, and ROA, has proven essential for the long-term sustainability of companies like "Uzbekneftegaz." By focusing on these financial metrics, oil and gas companies in Uzbekistan can achieve greater stability and competitiveness in the global market. Implementing strategic financial management practices will be crucial for maintaining resilience in the face of market volatility.

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CONDITIONS AND CURRENT STATE OF INTRODUCTION OF CLUSTER SYSTEM IN HORTICULTURE

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ABSTRACT

This article describes the conditions and current state of the implementation of the cluster system in horticulture, efficiency indicators, regional agricultural crop types and geographical location.

Key words: *Production, Cluster, Innovative, Finished Product, Climatic Geographical Location, Competitiveness, Level Of Profitability, Agro-Industrial Complex.*

Introduction:

Central Asia, especially the favorable climatic geographer of the Republic of Uzbekistan location allows to grow many types of agricultural products in our country. Especially, the fruits grown in our country can find their consumers in many countries in yellow and dry state due to their taste and sugar content. However, most of the fruits that are currently grown in the fields are perishable during cultivation, harvesting, transportation, storage, sale and processing. As a result, its growers lose a large amount of income.

That without the development of an industrial system based on improved processing in the agricultural sector, the desired goal in the field of horticulture cannot be achieved . This is evidenced by the fact that in recent years , our achievements in the agro-industrial complex due to the primary processing industry are increasing. Based on these ideas, agroclusters have been established in the Samarkand region since 2017, similar to the entire republic. If the first cluster worked in Uzbekistan in 2017, in 2019 there will be 75, and in 2024, the total number of clusters in the Republic of Uzbekistan will be 463, and the land area attached to them will be 2,210,385 hectares: of which the clusters own land - 282,004 hectares, in cooperation with clusters in the Republic 75,283 working farms [2]make up 1,930,975 hectares.

What is the purpose of clustering? Why is a cluster important? To these questions Clusters system i ". It is a whole system covering the processes from the production of raw materials to the delivery of processed finished products to the consumer .

Analysis of literature on the topic.

The essence of the cluster is reflected in the theoretical views of Alfred Marshall's work entitled "Principles of Economics" (1890) about the "harmonization of specialized industries in separate areas"[4]

American scientist Michael Porter introduced the term "cluster" as an economic category. According to him, a cluster is a geographically cross-sectoral union of companies and institutions operating in a certain field. It is no coincidence that one of the first objects identified as a cluster by M. Porter was a group of small and medium-sized enterprises of Italian shoe manufacturers. In this respect, clusters are said to resemble medieval artisan guilds with their norms, rules of interaction, and unique subculture.[5]

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Research Methodology.

Based on our observations, scientific conclusions and proposals have been developed on the organizational-economic mechanisms of establishing clusters in the horticulture network and the impact on structural changes. In the process of creating the article, observation and sampling, questionnaire, scientific-theoretical, empirical observation methods were used.

Analysis and Results .

A cluster is a group of enterprises that brings together all the participants of the added value chain (farmers, processing enterprises, exporters) towards one goal .

In 2018-2021, the cluster system was implemented in all sectors in Uzbekistan . In particular , in 2024 , 45 agroclusters of various fields will operate in Samarkand region , and strong strategies have been developed for the stabilization of economic and social relations with the agricultural enterprises attached to them , and for increasing competitiveness.As a result of the activities of the above, the gross agricultural product is significantpart is currently being prepared by agroclusters. As a result , over 50,000 new jobs were created in the regions of the Republic in the following years .

As a result of the efficiency created by the clusters, the productivity of various agricultural crops is increasing, which can be seen in the example of Samarkand region.

Table 1 : Analysis of productivity changes in the main types of agricultural crops in Samarkand region (s/ha)*

No	Show - kids	Years								2023 to 2016 relative change	
		2016	2017	2018	2019	2020	2021	2022	2023	m production , +/-	relative , %
1	Grain	45.8	42.9	42.7	46.4	46.9	60.8	70.7	73.8	28.0	161.3
2	Cotton	24.5	25.6	16.1	23.6	24.5	32.1	35.4	38.9	14.4	158.8
3	Vegetable	240.5	218.4	258.0	214.3	240.5	271.4	295.6	286.8	46.3	119.3
4	Potatoes	230.5	187.6	264.3	264.8	230.5	188.1	213.7	212.0	-18.5	92.0
5	Police	205.1	106.1	234.0	252.7	205.1	253.1	231.1	230.4	25, 3	112.4
6	Fruit	163.9	90.9	117.3	78.4	163.9	73.6	121.8	120.7	-43.2	73.7
7	Grapes	165.0	105.8	140.2	148.7	165.0	137.5	155.2	155.6	-9.4	94.3

*Source: Information from the Samarkand Region Department of Agriculture

As can be seen from the data in Table 1, a sharp increase in productivity was observed due to the establishment of clusters in the cultivation of grain, cotton and vegetables, which are the main crops in Samarkand region. In particular, while the productivity of cotton growing was 16.1-25.6 s/ha for many years, after the cluster system, the productivity will increase to 32.1 s/ha in 2021, 35.4 s/ha in 2022, and 38.9 s/ha in 2023. s/ga level has been reached. In other words, in 2016-2023, productivity increased from 24.5 s/ha to

38.9 s/ha and increased by 14.4 s/ha or 58.8%. In 2024, it is planned to increase the productivity to the level of 70 s/ha.

The creation of a cluster system in grain production has brought the productivity to 60.8 s/ha in 2021, and 73.8 s/ha in 2023, when the yield in the field was 45.8-46.9 s/ha or less than 50 centners for many years. In 2024, it is planned to increase productivity to 100 s/ha. This indicator means an increase of 28.0 s/ha or 61.3% in 2016-2023. A similar situation is observed in vegetable growing, and in 2016-2023, an average increase in productivity of 46.3 s/ha or 19.3% was achieved.

We can see the opposite situation in fruit production. In 2016-2023, productivity in horticulture of Samarkand region decreased from 163.9 s/ha to 120.7 s/ha. In other words, it can be seen that it has decreased by 43.2 s/h or 26.3%. In viticulture, the productivity decreased from 165.0 s/ha to 155.6 s/ha in 2016-2023. In other words, it was determined that this indicator decreased by 9.4 s/ha or 5.7%.

In horticulture in Samarkand region, cluster system in fruit and grape growing is still not sufficiently organized, the cost of growing fruit and grapes is still high and the selling price is still low, which does not sufficiently ensure the financial interest of workers working in the field . The fact that the products grown in the region are not enough to satisfy the interest of agricultural producers leads to a decrease in their interest in further development of this sector. For this reason, we are not introducing a system of clusters in horticulture that includes the system of product storage, processing, sale, and export. It is clear that the productivity level will remain low.

In Samarkand region, the level of income change in the main types of agricultural crops was also studied during the research.

Table-2 Analysis of the dynamics of income from the main types of agricultural crops in Samarkand region (billion soums)*

No	Show - kids	Years								2023 to 2016 relative change	
		2016	2017	2018	2019	2020	2021	2022	2023	m production , +/-	relative , times
1	Grain	423.5	396.2	579.2	1039.3	1045.5	1232.1	2333.7	2526.6	2103, 1	6.0
2	Cotton	284.9	414.7	435.1	787.4	284.9	1045.5	2276.8	2436.2	2151.3	8 , 5
3	Vegetable	968.2	833.5	1275.3	1867.0	968.2	3601.8	3234.3	3032.9	2064.7	3 , 1
4	Potatoes	638.4	1314.4	927.8	1020.6	638.4	1314.4	1095.1	2401.0	1762.6	3.8
5	Police	70.1	32.0	56.2	60.9	70.1	117.8	244.8	282.4	212.3	4 , 0
6	Fruit	324.6	430.4	582.1	919.5	324.6	625.9	779.0	1293.4	968, 8	4.0
7	Grapes	530.0	856.7	1132.1	1071.7	530.0	1145.4	1478.6	2634.1	2104.1	5.0

*Source: Information from the Samarkand Region Department of Agriculture

As can be seen from the data of Table 2, the income from the main types of agricultural crops in Samarkand region changed in different ways in 2016-2023. In particular, it was observed that during the

studied period, incomes increased by 6.0 times in grain growing, cotton growing by 8.5 times, in fruit growing by 4.0 times, and by 5.0 times in grape growing. Due to the fact that the data related to the increase in income cannot give us sufficient information about the situation, it was found necessary to study the situation on the basis of other additional indicators. For this purpose, an analysis of the level of indicators in clusters and traditional production was carried out based on the analysis of indicators such as the sales price of products by the main types of crops, production costs, profit from the sale of a product unit, and the level of profitability from the sale of products (Table 3).

Table 3 Analysis of the indicators of the main types of agricultural crops in the Samarkand region at the expense of the product unit*

No	Product types	Indicators	Unit of measurement	Years								2023 to 2016 relatively change	
				2016	2017	2018	2019	2020	2021	2022	2023	quantitative +/-	relative times
1	Grain	Selling price	soum / kg	586.8	590.6	1045.4	1466.0	1527.4	2058.4	3504.8	3632.8	3046.0	6, 2
		Cost i	soum / kg	502.9	494.2	873.3	1213.8	1263.8	1750.6	2509.6	2576.8	2073.8	5 , 1
		Benefit	soum / kg	83.9	96.4	172.0	252.2	263.5	307.8	995.2	1056.0	972.1	12,6
		Profitability level	%	16.7	19.5	19.7	20.8	20.8	17.6	39.7	41.0	increased by 24.3 points	
2	Cotton	Selling price	soum / kg	1310.4	1894.4	3359.3	4420.8	1310.4	4325.0	8821.4	8886.1	7575.7	6 , 8
		Cost i	soum / kg	1216.5	1728.0	3726.4	4164.0	1216.5	3755.8	7087.8	7273.1	6056.6	6.0
		Benefit	soum / kg	93.8	166.4	-367.1	256.8	93.8	569.2	1733.7	1612.9	1519.1	17,2
		Profitability level	%	7.7	9.6	-9.9	6.2	7.7	15.2	24.5	22.2	increased by 14.5 points	
3	Vegetable	Selling price	soum / kg	547.7	628.6	901.4	2888.7	547.7	3256.2	3203.9	3191.2	2643.5	5 , 8
		Cost i	soum / kg	413.8	494.1	677.4	2170.5	413.8	2335.3	2255.3	2243.6	1829.8	5 , 4
		Benefit	soum / kg	133.9	134.5	224.1	718.3	133.9	920.9	948.6	947.6	813.7	7,1
		Profitability level	%	32.3	27.2	33.1	33.1	32.3	39.4	42.1	42.2	increased by 9.9 points	
4	Potatoes	Selling price	soum / kg	1030.9	2079.5	1467.9	1614.7	1030.9	5117.9	3638.1	3769.7	2738.8	3 , 7
		Cost i	soum / kg	781.0	1656.9	1102.9	1202.2	781.0	4078.0	2670.6	2784.6	2003.7	3 , 6
		Benefit	soum / kg	250.0	422.6	365.0	412.6	250.0	1040.0	967.5	985.0	735.1	3 , 9
		Profitability level	%	32.0	25.5	33.1	34.3	32.0	25.5	36.2	35.4	increased by 3.4 points	
5	Police	Selling price	soum / kg	567.8	525.9	561.2	512.6	567.8	1521.2	2642.3	2634.5	2066.8	4 , 6
		Cost i	soum / kg	435.7	414.9	437.7	398.0	435.7	1015.3	1931.4	1913.0	1477.3	4.4
		Benefit	soum / kg	132.1	111.0	123.5	114.6	132.1	505.9	710.9	721.5	589.4	5.5
		Profitability level	%	30.3	26.7	28.2	28.8	30.3	49.8	36.8	37.7	increased by 7.4 points	
6	Fruit	Selling price	soum / kg	785.4	1911.9	1723.7	5725.0	785.4	3563.3	4012.4	4004.4	3219.0	5.1
		Cost i	soum / kg	591.4	1461.4	1320.2	4248.0	591.4	2385.4	2852.6	2844.7	2253.3	4 , 8
		Benefit	soum / kg	194.0	450.6	403.4	1477.0	194.0	1177.9	1159.8	1159.6	965.7	6.0
		Profitability level	%	32.8	30.8	30.6	34.8	32.8	49.4	40.7	40.8	increased by 8.0 points	
7	Grapes	Selling price	soum / kg	873.1	2219.6	2012.2	2856.7	873.1	3446.5	3847.6	3890.5	3017.4	4 , 5
		Cost i	soum / kg	654.9	1683.8	1526.9	2142.3	654.9	2360.5	2728.0	2788.4	2133.5	4,3
		Benefit	soum / kg	218.2	535.8	485.3	714.4	218.2	1086.0	1119.6	1102.0	883.8	5 , 0
		Profitability level	%	33.3	31.8	31.8	33.3	33.3	46.0	41.0	39.5	increased by 6.2 points	

As can be seen from the data of Table 3, it was found that there are very positive and high indicators in the efficiency indicators of cotton and grain products operating under the activity of the cluster system in 2016-2023. It was found that the rate of profitability in grain production was 16.7% in 2016, and by 2023 this indicator reached 41.0% or increased by 24.3 points during the studied period. During this period, it was found that the profit from grain growing increased by 12.6 times.

In 2016-2023, the profitability of the cotton industry increased by 14.5 points, increasing from 7.7% to 22.2%. It can be noted that in 2018, a 9.9% level of harmfulness was also observed in cotton cultivation. During the studied period, the profit from cotton growing increased by 17.2 times. It is important to say that during this period, the profit from the sale of 1 kg of cotton increased from 93.8 soums to 1612.9 soums, and in 2018, a loss of 367.1 soums was incurred from the sale of 1 kg of cotton.

As the main activity of production of the above 2 products corresponds to the contribution of clusters, it can be observed that they are achieving high efficiency in production.

It can be observed that efficiency indicators have also increased in other crop types, but they are not at the level of introduction of clusters. In 2016-2023, the profit index increased in vegetable growing - 7.1 times, in potato growing - 3.9 times, in the cultivation of fruit products - 5.5 times, in fruit growing - 6.0 times, in grape growing - 5.0 times.

In 2016-2023, the indicator of profitability increased in vegetable growing - by 9.9 points, in potato growing - by 3.4 points, in the cultivation of fruit products - by 7.4 points, in fruit growing - by 8.0 points, and in grape growing - by 6.2 points.

The above table shows that the profit increased by 12.6-17.2 times during the period when the cluster system was introduced, and by 3.9-7.1 times when the products were not introduced. At the level of profitability, it was found that clusters increased by 14.5-24.3 points in introduced products, and by 3.4-9.9 points in non-introduced products.

These data show that the implementation of the cluster system is highly effective.

A new trend in the country's agrarian network is the transition to the cluster system the views of the producers are now different from each other . While some manufacturers are in favor of it, there are also those who have a negative opinion. Unfortunately, there are also cases where the land resources of many farmers are taken away due to cluster integration. In addition, there are cases of misinterpretation of legal relations in the implementation of the cluster system. There are also frequent criticisms of the fact that farmers' land resources are being taken away due to cluster integration. There are also cases where the cluster system is evaluated as a new type of "collective farm" or "collective farms". Newly emerging cluster systems should not operate in the old-fashioned way of farming, but on the contrary, should achieve higher efficiency in agriculture, which has the lowest efficiency compared to other sectors.

A cluster is what a system should be in simple terms. How should it differ from other types of farms?

The first cluster system was put forward in February 2017 during the visit of the President of the country Sh.M. Mirziyoyev to Bukhara region. It was during this trip that the president proposed the introduction of the cluster system for the first time. It was noted that our textile enterprises established by the President have strengthened themselves, and now it is necessary to create a solid source of raw materials for cotton production for light industrial enterprises. This meant that through the cluster system, large investments were offered to the textile industry and agriculture, which were now emerging and showing themselves to the world.

President Sh.M. Mirziyoyev explained the current situation as follows: "The cotton industry has invested heavily in the sector, and now textiles need a guaranteed amount of raw materials. Businessmen in the textile industry can easily get into it [1]. "

A cluster system is a process of gathering production of all production process enterprises in one area.

"How is it different from a farmer?" First, our farmers signed a contract directly with "Uzpakhtasanoat" and supplied them with cotton fiber. Textile enterprises used to buy cotton from "Uzpakhtasanoat". Now there is a connection between the farmer and the textile enterprise."

The cluster system has shown its effectiveness in several large countries of the world. For example, the cluster system is used in agriculture in France and the Netherlands.

"The farmer now needs to increase his income by increasing the yield"

We are also in favor of increasing the income of farmers. In this system, the current textile industry enterprises do not have to get rich overnight. Through the redistribution of profits, the income from textiles should be redistributed to the farmers.

Earlier, 30 quintal per hectare was planned for the farmers. Now farmers are being told about the 40-50 quintal plan. Accordingly, farmers should set new requirements for themselves.

In the world's experience, clusters arise from the voluntary association of farmers. Why was this system introduced in some regions of Uzbekistan through the forced liquidation of farms and forced integration into clusters?

Implementation of cluster system development measures in agriculture is important for increasing agricultural efficiency, ensuring product quality and competitiveness. These measures can be implemented in the following directions (Figure 2.1.1):

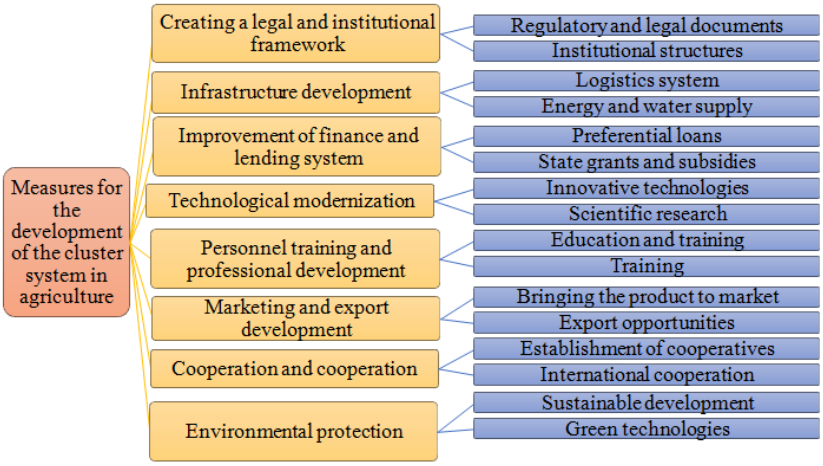

Figure 1. Measures for the development of the cluster system in agriculture*

*Source: Author development based on research

[1]"Cluster": Can Uzbekistan fix agriculture? - Interview with the head of "Uztoqimaliksanoat". 06.03.2020. https://kun.uz/46557673

1. Creating the legal and institutional basis of the cluster system. This is based on:
    - Creation of normative legal documents. Development and approval of relevant laws and regulations for the development of the cluster system.
    - Creating institutional structures. Establishment of special offices and organizations for management and development of clusters.
2. Development of the infrastructure of the cluster system. This is based on:
    - Logistics system: Creation of modern logistics systems for delivery, storage and processing of agricultural products.
    - Energy and water supply: Modernization and renewal of water resources and energy infrastructure.
3. Organization of improvement of financing and lending system in the cluster system . This is based on:
    - Preferential loans. Allocating preferential loans to farmers and entrepreneurs who are part of the cluster system.
    - State grants and subsidies. Allocation of state grants and subsidies for the introduction of innovative technologies and expansion of production.
4. Technological modernization of the machine-tractor palace. This is done as follows:
    - Innovative technologies. Introduction of advanced technologies and automated systems in agriculture.
    - Scientific research. Strengthen cooperation with research institutes and put new technologies into practice.
5. Organization of personnel training and skill improvement in agriculture. This is based on:
    - Education and training. Organization of special educational programs and trainings for farmers and agricultural workers.
    - Training. Professional development and training of new technologies.
6. Development of marketing, sales, storage and export potential in the cluster system. This is done as follows:
    - Product Marketing: Development of marketing strategies to launch products in domestic and foreign markets.
    - Export opportunities: Promotion of export of agricultural products and creation of favorable conditions in this regard.
7. Formation of cooperative and cooperative relations in the agricultural sector:
    - Establishment of cooperatives. Organization of cooperatives among producers of agricultural products and their support.
    - Establishment of international cooperation. Strengthen cooperation with international organizations and foreign countries.
8. Not forgetting to protect the environment during the production process:

- Sustainable Development: Ensuring environmental sustainability in agriculture and rational use of natural resources.
- Green technologies: Implementation of environmentally safe and green technologies.

These measures are aimed at strengthening the economy, creating new jobs and ensuring the country's food security through the development of the cluster system in agriculture.

It was studied what possibilities there are for the establishment of clusters in the field of horticulture in Samarkand region.

Samarkand region is one of the regions of the Republic of Uzbekistan. It was founded on January 15, 1938. This region is located in the central part of the territory of the republic, in the basin of the middle course of the Zarafshan River. Its borders are Navoi region in the west and northwest, Jizzakh and Kashkadarya regions in the north and northeast, and Tajikistan in the southeast.

The central part of the province consists of a beautiful oasis, which is not very wide and occupies between Zarafshan and Turkestan mountain ranges from east to west. The main irrigated lands of the region occupy the same areas.

As of January 1, 2024, the population is 4208.5 thousand people. In this respect, Samarkand region is in the first place in the republic and it is 11.4% of the population of the republic.

The territory of the region is 16,88 thousand km². Samarkand region ranks first among the Republic of Karakalpakstan and regions in terms of the number of rural districts. There are 14 such districts in this region.

Samarkand region is located on the western edge of the Pamir-Aloy mountains, in the middle of the Zarafshan river. The relief mainly occupies the valley of the Zarafshan River, which extends along the latitude and is surrounded by the branches of the Turkestan mountain ranges from the north (the height of Mount Nurota is 2169 m), Oktog, 2003 m, and the Zarafshan mountain ranges from the south. The valley descends from east (750-800 m) to west (350 m). The valley consists of sloping plains and hills.

Table 4 : Dynamics of changes in the price of agricultural production in the cross- section of regions (2000-2022 years)*

(at current prices, billion soums)

No	Areas	2000 boy	Share , %	2005 son	Share , %	2010 son	Share , %	2015 boy	Share , %	2020 son	Share , %	2021 son	Share , %	2022 boy	Share , %
	Uzbekistan Republic	**1387.2**	**100.0**	**5978.3**	**100.0**	**30856.7**	**100.0**	**99604.6**	**100.0**	**250250.6**	**100.0**	**303415.5**	**100.0**	**347564.4**	**100.0**
1	***Karakalpakstan Republic***	***36.8***	***2.7***	***198.1***	***3.3***	***990.4***	***3.2***	***3332.2***	***3.3***	***9751.6***	***3.9***	***11511.8***	***3.8***	***13389.0***	***3.9***
2	Andijan	148.6	10.7	585.5	9.8	2841.1	9.2	9796.6	9.8	26096.1	10.4	30413.0	10.0	35811.3	10.3
3	Bukhara	106.9	7.7	538.5	9.0	2426.3	7.9	8290.5	8.3	23876.0	9.5	28529.3	9.4	33255.9	9.6
4	Jizzakh	66.2	4.8	339.2	5.7	1736.2	5.6	5685.3	5.7	16352.8	6.5	20471,1	6.7	23081.6	6.6
5	Qashqadaruo	101.5	7.3	558.3	9.3	2753.7	8.9	9089.0	9.1	23777.8	9.5	28275.6	9.3	32227,2	9.3
6	Navoi	48.7	3.5	258.3	4.3	1349.7	4.4	4206.1	4.2	11309.7	4.5	14547.2	4.8	15266.7	4.4
7	Namangan	126.2	9.1	420.7	7.0	1908.9	6.2	6973.6	7.0	17913.1	7.2	21596.1	7.1	25117.9	7.2

8	Samarkand	162.2	11.7	751.8	12.6	5368.6	17.4	14300.0	14.4	32158.0	12.9	38549.7	12.7	41833.9	12.0
9	Surhondaruo	117.4	8.5	481.1	8.0	2286.8	7.4	8218.0	8.3	19424.0	7,8	23415.5	7.7	27474.1	7.9
10	Sirdaroo	50.7	3.7	239.7	4.0	1075.0	3.5	3581.2	3.6	8002.0	3.2	9755.0	3.2	11465.3	3.3
11	Tashkent	183.8	13.2	654.5	10.9	3617.8	11.7	10735.5	10.8	23875.1	9.5	29538.3	9.7	32880.1	9.5
12	Fergana	146.6	10.6	572.3	9.6	2570.0	8.3	9180.9	9.2	21455.5	8.6	27501,2	9.1	32457.4	9.3
13	Khorasm	91.6	6.6	380.3	6.4	1932,2	6.3	6215.7	6.2	16258.9	6.5	19311.7	6.4	23304.0	6,7

*Source: Information from the Statistical Agency under the President of the Republic of Uzbekistan

The main river is Zarafshan. Its length in the region is 193 km. Dargom, Narpai (54 km), Right bank (64 km), Left bank (169.3), Central highway (39.5), Zarafshan, Old Ankhor canals and Kattakurgan reservoir are also used for irrigation of crops.

The soil is mostly gray soil. In the plains and up to 500 meters high, there is light gray grassy gray soil in irrigated lands, dark gray soil at 1500-1700 m altitude, sandy, barren, gray brown soils in the desert zone.

The main goals of the agricultural development of Samarkand region are to divide the territory into mutually important zones , to create jobs, to develop smart agriculture and the quality industry , to increase the share of eco-agriculture in production, and to ensure the capture of foreign markets.

During the years 2000-2022 in the Republic of Uzbekistan, the value of production of agricultural products at current prices (see Table 4 and Figures 2) changed in the range of 1,387.2-347,564.4 billion soums. It was found that 9 billion soums have changed in value. This number increased by 257.9 times during the studied period.

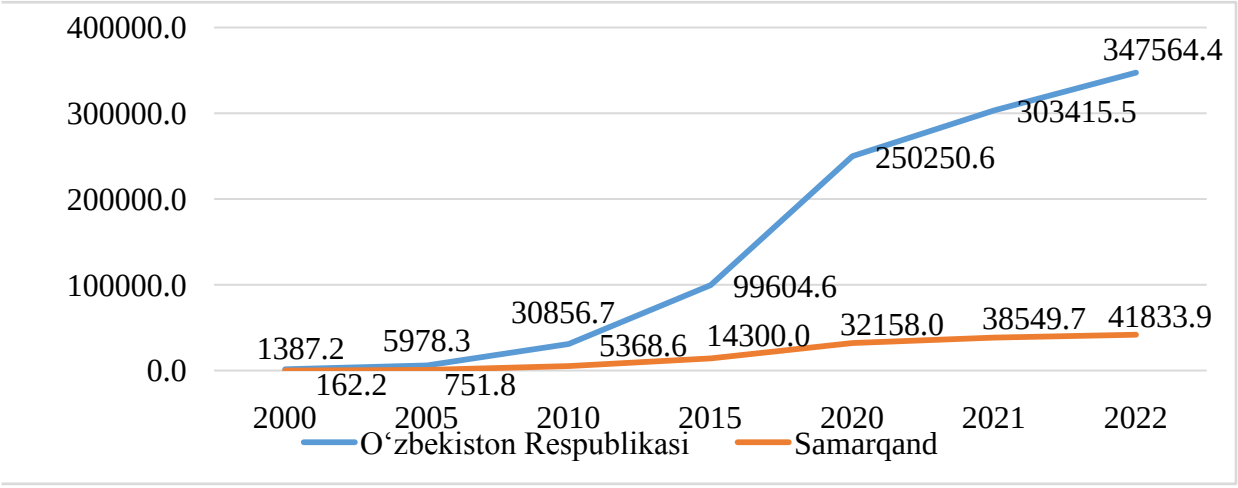

Figure 2. Analysis of comparative indicators of the agricultural product production price in Samarkand region

As can be seen from the data of Figure 2, we have seen that the value of agricultural production in Samarkand region has steadily increased, and in the Republic of Uzbekistan, a sharp change has occurred. However, it was observed that the share of agricultural production of Samarkand region increased from 11.69% to 12.04% during this period (see Figure 3).

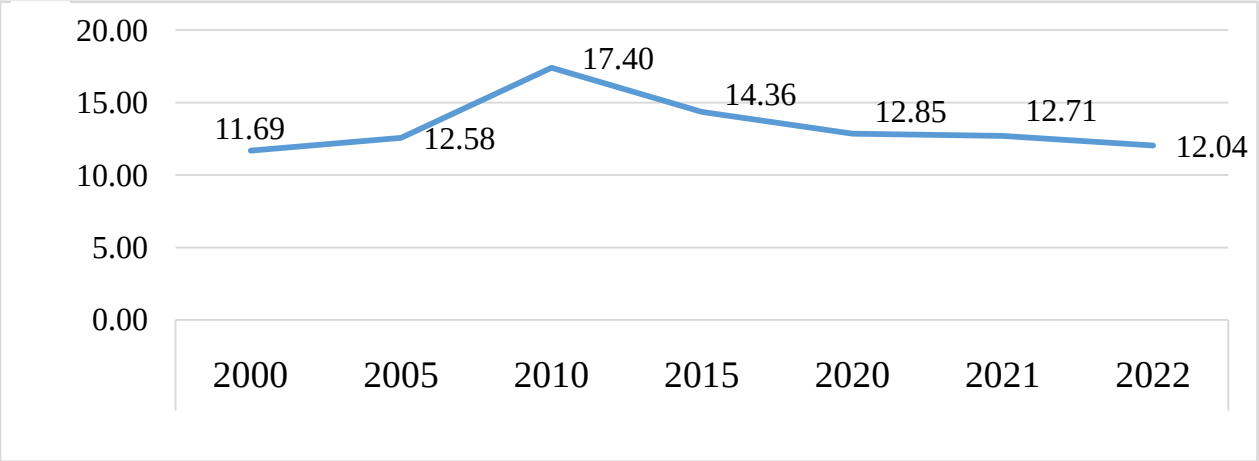

Figure 3. Dynamics of changes in the share of agricultural production of Samarkand region (percentage)

Table 5 Analysis of the composition of land resources in the agricultural area of Samarkand region (2023)*

No	Indicators	Measure unit	Total	Weight
I	Total land area (in reality)	thousand hectares	1 677.3	100.0
1	sh:j plant lands	thousand hectares	428.8	25.6
	from which : water is extracted lands	thousand hectares	246.4	14.7
	lmao lands	thousand hectares	182.4	10.9
2	A lot yearly tree groves	thousand hectares	78.6	4.7
	from which : gardens	thousand hectares	26.7	1.6
	vineyards	thousand hectares	43.5	2.6
	traps	thousand hectares	8.1	0.5
	fruity nurseries	thousand hectares	0.3	0.0
3	Gray lands and pastures	thousand hectares	799.2	47.8
4	Homestead farms the number	piece	518 865	x
	Total land fields	hectares	86 472	100
	From this plant land area, ha	hectares	58 855	68.1

* Source : Samarkand province village farm department information

In Samarkand region, there is a total of 1,677.3 thousand ha of irrigated land (Table 5), while in 2023 the cultivated area was 428.8 thousand hectares, and the irrigated land area was 246.4 thousand hectares.

Samarkand region in gardening there is plant fields status analysis was done (Fig. 4).

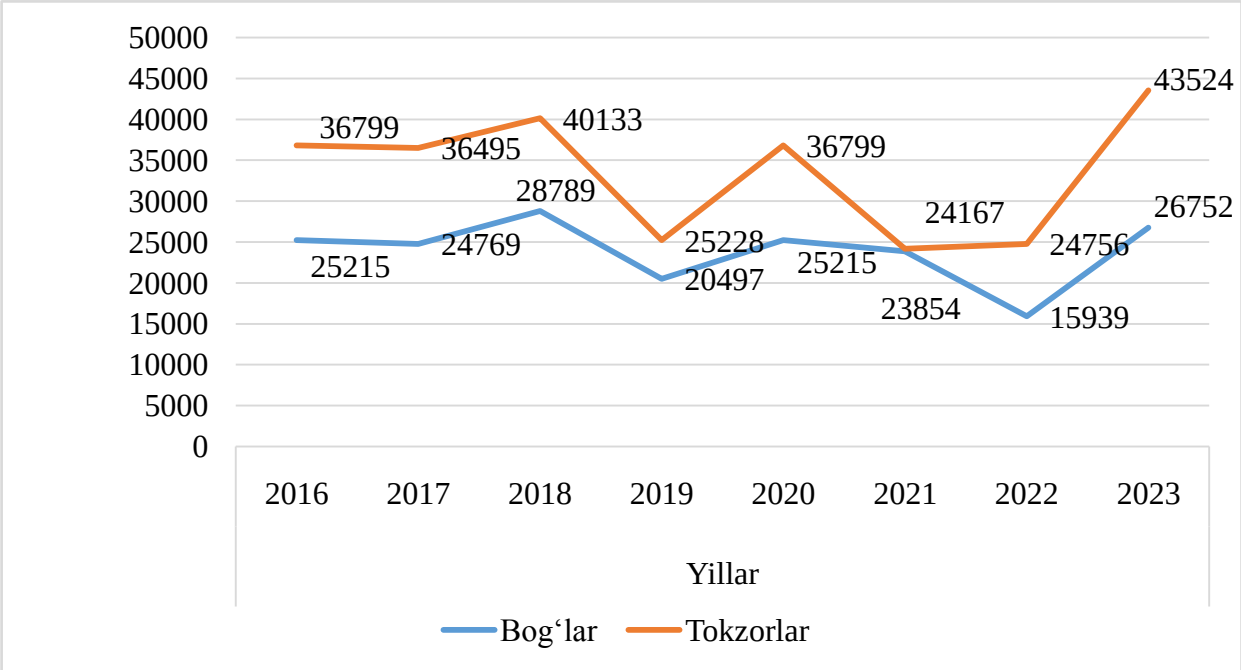

Figure 4. Dynamics of changes in the area of existing gardens and vineyards in Samarkand region

As can be seen from the data of Figure 4, the area of parks in Samarkand region in 2016-2023 is 25,215-26,752 hectares, and the area of vineyards is 36,799-43,524 hectares, which indicates that there is enough land even if the cluster system should have an average of 10,000 hectares of land.

In the Samarkand region, there is also a need for producers to switch to a cluster system in gardens and vineyards, and this is due to the difficulties that arise in the production process for gardeners: lack of equipment, seasonal increases in the cost of hired labor, sudden changes in climatic conditions, global and anomalous climate changes, the price of the product when it is ready. sharp decline, year-round uneven prices, low processing, storage and sales opportunities, and similar situations devalue the work of gardeners, causing a sharp decrease in their income, and ultimately increasing the probability of the industry becoming a low-profit sector or sometimes even a loss. In the course of our research, economic efficiency indicators of parks in Samarkand region were studied (Table 6).

Table 6 : Economic efficiency analysis of horticulture in Samarkand region*

No	Indicators	Measure unit	Years								2023 to 2016 relative change	
			2016	2017	2018	2019	2020	2021	2022	2023	quantitative , +/-	relative , %
1	Earth area	to	25215.0	24769.0	28788.7	20497.0	25215.0	23854.0	15938.6	26752.0	1537.0	106.1
2	Productivity	s/ to	163.9	90.9	117.3	78.4	163.9	73.6	121.8	120.7	-43.2	73.7
3	Gross harvest	tons	413302.0	225135.0	337689.0	160612.1	413302.0	175654.0	194150.0	322986.9	-90315.1	78.1
4	Total income	million soum	324616.4	430440.5	582065.5	919497.8	324616.4	625901.3	778999.9	1293362.6	968746.3	4.0 times
5	Total expenses	million soum	244445.2	329002.9	445832.6	682279.6	244445.2	419000.4	553830.6	918811.7	674366.5	3.8 times
6	Gross benefit	million soum	80171,2	101437.6	136232.9	237218.1	80171,2	206900.9	225169.3	374550.9	294379.7	4 , 7 times
7	1 unit product											
-	Selling price	soum /s	184804.4	245050.2	331370.5	523471.0	184804.4	356326.2	401236.1	400438.1	215633.7	2.2 times
-	The cost	soum /s	139162.9	187301.7	253813.0	388422.5	139162.9	238537.3	285259.1	284473,4	145310.5	2 , 0 times
-	Benefit	soum /s	45641.5	57748.5	77557.5	135048.5	45641.5	117788.9	115977.0	115964.7	70323.2	2 , 5 times
8	1 ha land at the expense of											
-	Income	thousand soum	13608.5	18044.8	24401.2	38546.9	13608.5	26238.8	48874.9	48346.4	34737.9	3 , 5 times
-	Cost	thousand soum	10247.6	13792.4	18690.1	28602,3	10247.6	17565.2	34747.7	34345.5	24098.0	3 , 3 times
-	Benefit	thousand soum	3360.9	4252.4	5711.1	9944.6	3360.9	8673.6	14127.3	14000.9	10639.9	4.2 times
9	Profitability level	%	32.8	30.8	30.6	34.8	32.8	49.4	40.7	40.8	8.0 to the point increased	

* Source :author's development based on the information of the Samarkand Region Department of Agriculture

Table 7 : Economic efficiency analysis of viticulture in Samarkand region*

No	Indicators	Measure unit	Years								2023 to 2016 relative change	
			2016	2017	2018	2019	2020	2021	2022	2023	quantitative , +/-	relative , %
1	Earth area	to	36799.0	36495.0	40133.0	25228.0	36799.0	24167.0	24755.9	43524.0	6725.0	118.3
2	Productivity	s/ to	165.0	105.8	140.2	148.7	165.0	137.5	155.2	155.6	-9.4	94.3
3	Gross harvest	tons	607085.0	385970.0	562652.0	375141.2	607085.0	332324.0	384297.0	677069.9	69984.9	111.5
4	Total income	million soum	530049.1	856693.9	1132143.3	1071657.7	530049.1	1145354.6	1478630.2	2634111,2	2104062,2	5.0 times
5	Total expenses	million soum	397599.2	649886.0	859115.6	803666,1	397599.2	784439.6	1048362.1	1887970.4	1490371,2	4 , 7 times
6	Gross benefit	million soum	132449.8	206807.9	273027.7	267991.6	132449.8	360915.0	430268,1	746140.8	613691.0	5 , 6 times
7	1 unit product											
-	Selling price	soum /s	159497.7	257788.8	340674.6	322473.7	159497.7	344650.0	384762.3	389045.7	229548.0	2 , 4 times
-	The cost	soum /s	119642.0	195557.9	258517.5	241832,1	119642.0	236046.6	272800.0	278844.2	159202.2	2 , 3 times
-	Benefit	soum /s	39855.6	62230.8	82157.1	80641.7	39855.6	108603,4	111962.4	224522.1	184666.5	5 , 6 times
8	1 ha land at the expense of											
-	Income	thousand	21932.8	35448.9	46846.7	44343.8	21932.8	47393.3	59728.4	60520.9	38588.1	2.8 times

		soum										
-	Cost	thousand soum	16452.2	26891.5	35549.1	33254.7	16452.2	32459.1	42348.0	43377.7	26925.5	2 , 6 times
-	Benefit	thousand soum	5480.6	8557.5	11297.5	11089.2	5480.6	14934.2	17380.4	17143.2	11662.6	3 , 1 time
9	Profitability level	%	33.3	31.8	31.8	33.3	33.3	46.0	41.0	39.5	6.2 to the point increased	

* Source :author's development based on the information of the Samarkand Region Department of Agriculture

Table 6 shows that the area of parks in Samarkand region increased from 25215.0 hectares to 26752.0 hectares in 2016-2023, in other words, it increased by 1537.0 or 6.1%. During this period, productivity decreased by 43.2 s/ha or 26.3%. These changes also led to a decrease in gross yield: 90,315.1 tons or 21.9%. The decrease in gross harvest did not have a negative impact on the increase in total income from horticulture. During the studied period, this indicator increased from 324616.4 million soums to 1293362.6 million soums, in other words, it increased by 968746.3 million soums or 4.0 times. During the analyzed period, the total costs increased by 3.8 times, and as a result, the gross profit increased by 4.7 times. These changes caused the profitability level to increase by 8.0 points. According to the analysis, the sales prices of horticulture products increased by 2.2 times, production costs by 2.0 times, and the profit from the sale of a product unit by 2.5 times during the studied period. Revenues from 1 ha of land increased by 3.5 times, expenses by 3.3 times, and profit by 4.2 times.

Table 7 shows that the area of vineyards in Samarkand region increased from 36,799.0 hectares to 43,524.0 hectares in 2016-2023, in other words, it increased by 6,725.0 hectares or by 18.3%. During this period, productivity decreased from 165.0 s/ha to 155.6 s/ha in 2016, in other words, it decreased by 9.4 s/ha or 5.7%. These changes did not have a negative impact on the reduction of the gross harvest. As a result, the gross harvest increased by 69,984.9 tons or 11.5%. The increase in gross yield had a positive effect on the increase in total income from viticulture. In the studied period, this indicator increased from 530049.1 million soums to 2634111.2 million soums, in other words, it increased by 2104062.2 million soums or 5.0 times. During the analyzed period, the total expenses also increased by 4.7 times, and as a result, the gross profit increased by 5.6 times.These changes led to an increase in profitability by 6.2 points. According to the analysis, the sales prices of viticulture products increased by 2.4 times, production costs by 2.3 times, and profit from the sale of a product unit by 5.6 times during the studied period. Revenues on account of 1 ha of land increased by 2.8 times, expenses by 2.6 times, and profit by 3.1 times.

Conclusions and suggestions.

As can be seen from the data of the above tables 6-7, it can be seen that the increase in sales prices was less than 2 times compared to the increase in income of gardeners in horticulture and viticulture. If sales prices increased as much as revenues did, revenues would rise even higher. State parks play an important role in ecology, they are a source of additional income for the poor. Gardening today's status and more development only region of the governorship wide support and help with is achieved .In the province gardening development measures according to so farmer farms identified , horticulture in farms planting area from year to year by increasing shave need

Gardening in farms gardening development main principle work release specialization and to concentration based on complex from intensification consists of Mechanized care , advanced technologies current reach and work release organize reach opportunity provide for area zone for rational planting area specialized farmer economy for very good chance creates. The garden is in need strategic planning object

territorial level again seeing exit agro-economic development strategy work exit and done increase methods choose with one in line innovative cluster approach based on whole structures and strategic developments create necessity set gave Regional gardening .In the future, the organization of clusters in the field will serve to further increase the income of farmers.

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REGIONAL PECULIARITIES, FACTORS AND FUNCTIONS OF DEVELOPMENT OF SERVICE ENTERPRISES

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ABSTRACT

In this article, the organization of effective economic activities in the service sector (service economy), the characteristics of the process of effective activity arising with the development of the service economy, the important directions of ensuring socio-economic stability in the region and the implementation of measures, scientific and theoretical information such as promising directions of the regional economy through the development of the service sector is explained.

Key words: *Service Sector, Service Economy, Cost-Effective Economy, Strategy, Innovation, Monitoring, Evaluation, Operational Activity.*

Introduction

Today, the level of socio-economic development of the countries of the world, according to its essence and content, is significantly different from the development of the previous stages. The modern interpretation of achieving economic stability requires new conceptual approaches in the world economy and depending on the characteristics of economic processes related to the development of sectors and industries. In our opinion, this situation is explained by the specific aspects of the gradual development of the countries of the world.

Also, the organization of effective economic activities in the service sector (service economy) has been studied to a wider extent than in industrial (industrial) activities, in which, first of all, the implementation of socially oriented activities increases the standard of living and quality of life of the population in society, the intellectualization of the labor process is expressed by the fact that it is aimed at increasing the level and creating a cost-effective economy.

Literature review.

At the same time, in agreement with N.G. Fed'ko's opinion, the following features can be singled out in the process of carrying out effective activities arising with the development of the service economy[2]:

1.In the service economy, economic entities first of all pay attention to increasing socio-economic efficiency, that is, to more fully satisfy the private (special) requirements of consumers. In the industrial economy, the main focus is on the maximum production of goods.

2.The concept of efficiency (utility) in the service economy is the same as the description of the use of goods, which determines the extent to which the system of material goods and services has been improved. In the industrial economy, only the material side of the product is taken into account.

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[2]Федько Н.Г. Основы маркетинга / В.П.Федько, Н.Г.Федько. – Ростов н/Д: Феникс, 2002. – С. 23-24.

3.In the service economy, the ability to constantly control and determine the attitude of the manufacturer to satisfy the maximum needs of the consumer is assumed based on the «quality» criterion. In the industrial economy, based on the “quality” criterion, only the ability of the operator to perform his work well is taken into account.

4.The management system in the service economy is also changing. Its main features are flexibility, speed of decision-making, organizational aspect, free movement and transparency, while in industrial economy, management «has a mechanical nature, that is, it is determined by the hierarchical and excessive regulation of organizational structures.

5.In the service economy, the main attention is paid to the efficiency of the formation of the service system, and in the industrial economy, the main attention is paid to the transformation of raw materials into finished products.

Judging from these opinions and comments, increasing the efficiency of economic activity in the service sector (service economy) is significantly different from effective activity in the industrial economy, and it is mainly distinguished by the specific nature of the social orientation of the labor process.

Analysis and results.

Judging from these opinions and comments, increasing the efficiency of economic activity in the service sector (service economy) is significantly different from effective activity in the industrial economy, and it is mainly socially oriented in the labor process.

Effective development of the service sector is an important direction of ensuring socio-economic stability in the region. The economic policy implemented in the field is aimed at achieving demand and demand compatibility in the service market, optimizing service delivery processes, increasing the quality and competitiveness of services, introducing innovations and encouraging the provision of digital services, diversifying services for all segments of the population, and facilitating and includes a number of measures aimed at reducing the waiting time of consumers. In our opinion, the implementation of these measures should be carried out in the following directions:

it is distinguished by its unique feature:

1. Strategic planning of the activities of service sector sectors and economic entities:

- Development and implementation of a long-term strategy for the development of the service sector, taking into account the needs and characteristics of the region;
- Analyzing the demand for various types of services in the region and forecasting their development to determine priorities;
- To evaluate the results and determine the goals and performance indicators for changing the strategy.

2. Infrastructure development in the field:

- Creation and improvement of infrastructure supporting the provision of various services (hospitals, schools, cultural centers, transport infrastructure, etc.);
- Making investments in digitization of the service sector to increase the convenience and quality of the services provided and to increase their efficiency;

- Creation of innovative infrastructure aimed at diversification of services and provision of modern services in the field.

3. Innovation support:

- Improving the quality and efficiency of services based on the development of innovative projects and startups in the service sector;
- Implementation of programs to support and encourage innovation, including grants and contests for entrepreneurs;
- Financial support for the processes of providing modern (in particular, social) services at the expense of venture funds and other sources;
- Tax exemption of the part of profit directed to scientific research developments in service enterprises;
- Creating a motivational mechanism for innovative development in the industry and creating a competitive environment in the service market;

4. Training and professional development of personnel in the field:

- Training and retraining of highly qualified personnel to provide quality services in the service sector;
- Development of training and training programs for specialists in the service sector, taking into account modern requirements and trends;
- By organizing the training of workers in the field for second or substitute professions, to specialize them in several specialties and to ensure their rapid adaptation to the conjuncture of the service market;
- Increasing labor productivity and quality by increasing the level of responsibility and motivation of workers.

5. Increasing access to services for all segments of the population:

- Development of measures to reduce inequality in the use of services, including the creation of social programs and mechanisms to support low-income groups;
- To provide access to services for people with disabilities and those from remote areas through the development of technological and transport infrastructure;
- Expanding the scope of meeting the needs of the population for certain services, especially social services, and providing services digitally through the “online neighborhood” platform in the region;
- To increase the reliability of the services provided to consumers according to the most important features such as quality, price, place, qualification, etc.

6. Monitoring and evaluation:

- Regular monitoring of the quality of services provided and customer satisfaction in order to increase the efficiency of the service enterprise;

- Continuous monitoring of service delivery processes;
- Evaluation of the results of the implementation of strategies and programs in order to determine the achieved results and determine the directions of further development;
- Determining and implementing the stages of implementation of development strategies and programs of the service sector.

For the sustainable development of the region, effective management of the service sector requires a comprehensive approach that includes not only financial and technical activities, but also social and organizational aspects. It is important to develop the service sector in a stable and uniform manner, to ensure the well-being of all segments of the population of the region, and to strive for continuous improvement and innovation.

The development of the service sector plays an important role in stimulating economic growth in the region. This serves not only to increase the gross regional product (GDP), but also to create new jobs, increase the standard of living of the population and improve infrastructure.

Below are the promising directions of the region's economy through the development of the service sector:

1. Ensuring economic growth by increasing GDP:

- The development of the service sector leads to an increase in the volume of production in the region and supply in the market;
- An increase in the volume of services will ensure an increase in the region's income and, as a result, an increase in the gross regional product;
- The development of the service sector ensures that the division of labor is raised to a relatively high level and the development of human capital;
- The increase in the consumption of services also stimulates the activities of other sectors of the economy, such as transport, trade and production.

2. Creating new jobs in the service sector:

- The development of the service sector leads to the creation of new jobs in various fields, such as health, education, tourism, information technology, etc.;
- The expansion of the service sector requires various specialists, which helps to reduce unemployment and increase the level of employment;
- Diversification of services in the service sector creates modern jobs through the expansion of modern (digital technology-based) services, along with traditional services.

3. Improving the quality of life through the development of the service sector:

- The development of the service sector creates an opportunity for the population to use a wide range of services, such as providing medical services, high-level education, holding cultural events, and meaningful leisure time;

- Improving the quality of services will increase the standard of living and well-being of the population;
- The development of the service sector creates conditions for improving the quality of life by meeting the population's demand for various services.
- Encourage innovation and digitization:
- The development of the service sector helps to stimulate innovations and introduce new technologies;
- Digitization of the service sector increases the convenience and efficiency of the services provided, and also serves to develop the digital economy of the region.

4. Attracting investments:

- The development of the service sector makes the region more attractive to investors, as it creates a favorable environment for business activities and increases the potential for profit;
- Investing in the service sector serves to develop the socio-economic infrastructure of the region, which attracts investors and increases investment attractiveness.

5. Ensuring sustainable economic growth:

- The development of the service sector helps to diversify the economy of the region and reduce its dependence on certain sectors;
- Various services ensure stable economic growth of the region in the context of changes in market conditions.

6. Increasing the competitiveness of the area:

- The development of the service sector increases the competitiveness of the area by providing quality services and attracting tourists and investors;
- Improving the quality of services and their availability will help the region stand out from the competition and attract more customers and investments.

In general, the development of the service sector is important in developing the economy of the region, contributing to the growth of the gross regional product, creating new jobs, improving the quality of life of the population, encouraging innovation and digitization, attracting investments and increasing the competitiveness of the region. However, in order to achieve such results in the future, effective management and strategic planning are necessary to develop the service sector in accordance with the characteristics and needs of a particular area.

In order to ensure economic development based on the goals set in the economy of the region, it is necessary to identify the factors affecting the effective operation of business entities in the service sector, to evaluate and generalize their levels of influence. This situation implies the use of parameters describing the efficiency of the enterprises' activities, their impact on the regional and related sectors and the indicators of the regional economy.

One of the most important risk elements of managing the economic development of business entities in the service sector is to allow the formation of the tasks of their organizational departments and employees,

to ensure preliminary planning of work, monitoring and expert control, to make appropriate corrections based on modern innovative technologies organization of formalization processes based on important performance indicators.

The state of development of the service sector in a certain area of the region shows that the relations between business entities and the region are carried out in the conditions of the existing structure of the regional organization and are based on the principles of social orientation and competitiveness of the region. Their operation and development is an integral part of the economic development of the region, because a certain enterprise is located in a system of interconnected relations from a certain territorial point of view. In such conditions, the business entity and its services serve as a certain potential factor of socio-economic development of the region, an indicator of compliance with the regulatory policy, an indicator of interdependence with the infrastructure of the entrepreneurship and service sector.

The issues of comprehensive and in-depth assessment of the different level of enterprises as economic entities, their field of activity and the efficiency of service provision are reflected in the scientific works of many economists.[1]

Taking into account the high share of business entities, especially small and private business activities in the service sector, it is important to generalize methodological approaches on a theoretical and praxeological[2] basis to determine the efficiency of the service sector as a component of the regional economy.

The need to develop the service sector and create favorable conditions for doing business in this field is an integral part of the region's economy, its innovative factor. As in any traditionally operating branch of the region's economy, large and small enterprises, including individuals – private business entities, operate in the service sector. The peculiarity of the service sector is explained by the absolute majority of micro (family) and small enterprises compared to other sectors. Also, at the regional level, non-production enterprises can have a partial impact on suppliers and consumer agents, as service providers operate as independent entities. Due to well-established communication with suppliers and deep internal motivation, non-manufacturing enterprises can indirectly influence neighboring industries and this can have many effects in other sectors of the region's economy.[3]

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[3]Balashova R. Improved territorial policy, as the direction of increase of efficiency of sphere of services (Совершенствованиетерриториальнойполитики, какнаправлениеповышенияэффективностисферыуслуг) // European science review, «East West» Association for Advanced Studies and Higher Education GmbH. Vienna. №1-2. 2016, – pp. 201-203.

Business entities are interested in balancing the interests between the various resources involved in the activity process, they follow generally recognized ideas of norms, priorities and values, and they have goals and programs for the economic development and forecast of the region.

The task of regional management requires the study of the entire complex of network and regional interests, the development of methods and means of their rational harmonization. The methodological basis of the strategic management of regional development expresses the need to use the concept of innovative development, the principles of uncertainty and risk reduction, ensuring economic security, and cluster forms of integration at an acceptable level.

In the service sector, as in other sectors, enterprises have characteristics of the production process and the nature of services, financing and innovative conditions for the performance of work. Human capital and information are the main factors of service processes in the service economy.

Today, the scale of social and economic development of the countries of the world, according to its content, has aspects that differ to a certain extent from the level of development in the previous stages. Accordingly, the implementation of scientific and technical achievements has a special place in ensuring economic stability and requires the formation of a new conceptual approach to innovative development in the service sector. This situation is determined by the specific characteristics of the gradual development of the service economy in the world.

Therefore, the introduction of scientific and technical development (FTT) achievements in material production sectors is the most important factor in achieving economic efficiency, but the issue of the impact of this factor on other sectors and sectors of the economy is particularly relevant. Experiments show that the application of FTT achievements in all types of services in the service sector in the activities of enterprises and organizations of the sector does not have the same effect on the increase of efficiency, which in turn provides services has a certain effect on the change in the efficiency of the enterprises. For example, services with a subjective description of specific traditional services, that is, catering, household services, are not very suitable for standardization and technical equipment. Even if these services quickly accept scientific and technical achievements, in most cases they depend on the wishes of consumers, the level, speed and quality of service. If these indicators have a lower level, then it will lead to a decrease in the efficiency of the enterprise. Accordingly, the use of modern techniques and technologies and the use of information technologies will not have a very high positive effect on increasing the level of labor productivity in these types of services.

Conclusion.

Based on the above, it can be said that the activity of the business entity and the efficiency of the regions of the region are considered as factors that interact with each of them, that is, the function of the efficiency of the region. These factors are “operational and innovative activities of the enterprise”; “resource” factor or potential of the territory and business entity; “organizational” factor of the region.

The economic feature of these factors is that each of them describes a certain direction of the economic development of the business entity for the purpose of providing services in the region and covers a systematic list of system elements, types of activities and indicators.

In order to reveal the nature of theoretical and praxeological approaches, it is necessary to identify each factor and determine its impact on the economic development of the region:

1. The first main factor "operational activity of the enterprise" describes the activity of the subject in accordance with the management documents, as the main goal, it aims to form a positive financial result of its activity.“Operational and innovative activity the assessment of the effect of the ” factor is based on the following principles:

- Implementation and improvement of contractual relations aimed at continuous stable regulation of financial, technological and innovative factors affecting agents and other participants of the process in the region during the production and provision of services;
- Increasing the internal potential of the enterprise due to the use of its reserves based on the expansion, improvement and modernization of the types of services;
- Development of management and innovative structure activities, provided that the implementation and expansion of functions related to the creation and implementation of services using digital technologies, modern banking services, the internet, financial and information technologies that ensure the efficiency of the business entity.

2. The impact of the region and the economic entity “resource” factor should be evaluated in economic connection with the formation of the economic system and infrastructure of the region, which is largely related to the increase in the entrepreneurial activity of existing entities. As part of the trend of using resources in accordance with social and economic changes, it is necessary to constantly change goals and diversify existing types of products and services, expand their assortment and improve their quality.

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THE CURRENT STATE OF THE DIGITAL ECONOMY IN UZBEKISTAN AND ITS IMPACT ON THE DEVELOPMENT OF INDUSTRIAL ENTERPRISES

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ABSTRACT

This article will discuss the current state of the digital economy in Uzbekistan, the development of the digital economy sector, ways to increase the competitiveness of the economy in the world market, improvement of institutional mechanisms for the development of digital technologies in regions, formation of infrastructure, allocation of a sufficient place to the level of use of digital technologies in the criteria for assessing the activities, practical proposals to reduce the stratification of digital literacy on a territorial scale have been highlighted.

Keywords: *Internet Audience, Internet Advertising, Digital Technology, Institutional Mechanism, Elements of Digital Economy, Strategy, Human Capital, Technology, Global Electronic Network, Digital Infrastructure.*

Introduction.

Currently, the number of internet users around the world is growing every year, and in addition to the growth of the internet audience, the advertising market on the global electronic network is accelerating. The emergence and development of Internet advertising allows businesses and companies to move to a qualitatively new level and have additional competitive advantages. Also, the development of various strategies in the use of marketing in the activities of enterprises contributes to the further development of the enterprise.

The economy of developed countries in the world assumes a significant increase in the possibility of digital integration and the use of the potential of sectors of the economy, as well as its digital management. Basic models of industrial transformation are being developed based on digitization, the vector of development of the modern concept “Industry 4.0”, which has become a driving factor in digitizing all sectors of the economy, including marketing in production.

Literature review.

Scientific-theoretical and methodological aspects of marketing Research in the industry and increasing the competitiveness of economic entities far abroad scientists N.Woodcock, P.Doyle, DC.Igan, F.Kotler, N.Malhotra, L.Mechtinger, M.Porter, Stone, Dj. O.Shonessi.[2]The likes of schoenessy have been examined in

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their scientific work, on the issues of the impact of industrial production on economic growth based on marketing research.V.Akberdina, F.V.Vazagova, V.I.Zinchenko, Z.X.Kilchukov, N.Kolosovsky,[1] M. to the importance of innovative development in the sustainable development of regional industries.I.Maslennikov, S.N.Rastvorseva, O.A.Romanova, A.I. scientists from the CIS countries, such as Tatarkin[2], paid special attention to their scientific research work.

Research methods. The research process used systematic and comparative analysis, strategic analysis, mathematical-statistical analysis, sociological research and expert assessment, SWOT - and PEST-analysis and other methods.

Analysis and results.

The development of the digital economy in Uzbekistan, increasing the competitiveness of the economy in the world market will help to bring the economy to a new level of development, characterized by intensive structural changes. Currently, special attention is paid to the development of the digital economy in Uzbekistan and its territories. In particular, February 22, 2023, at a meeting under the chairmanship of President Shavkat Mirziyoev on “issues of accelerating the process of digitization in areas and regions” ...IT-park residents provided services worth 5 trillion, exported services worth $ 140 million. Of the 715 existing public services, 370 were transferred to the digital platform, which was used by 12 million residents the previous year. As a result of digitization, it was noted that the demand for more than 70 types of information and documents from the population was canceled.

At the same time, it is necessary to carry out such tasks as improving the institutional mechanisms for the development of digital technologies in regions, forming infrastructure, providing sufficient space for the level of use of digital technologies in the criteria for assessing the activities of Executive local authorities, establishing territorial analytical and analytical platforms, forming an open statistical database, reducing the stratification of digital literacy on This entails expanding the scope of R & D work in which the assessment of

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the impact of digital technologies on socio-economic development of Regions and structural changes in it is carried out.

In recent years, the penetration of elements of the digital economy into the entire economy has been gaining momentum. In our country, in accordance with the strategy “digital Uzbekistan - 2030”, comprehensive measures are carried out in the system of public education, public services, Court, Finance and banking on the digitalization of sectors and territories of the economy, the introduction of Public Information Systems and electronic services, as well as the widespread use of digital technologies. At the same time, the lack of an effective rating assessment system of the state of development of the digital economy and e-government, as well as an interdepartmental mechanism for its implementation, prevents an in-depth analysis of the current state of digital transformation of sectors and territories of the economy.

Table 1 examines the factors that underlie the transition to digital change.

Table 1 : Factors that justify the transition to digital change

Marketing strategy elements	**Digital transformation phase**		
	digital	transformation	phase
Strategy	In enterprise strategy digital strategy does not exist	Digital strategy-from enterprise priorities	One Digital Strategy-Enterprise business strategy basic
Technology	Different sources of data in a scattered state, the main means of accounting and data analysis	Data collection across multiple channels, basic modeling Tools	Using cloud technologies and "big data"
Human capital	Scattered knowledge of digital technology	Employees have digital competencies	Professionals in the field of digital marketing available

Thus, the digital transformation of the economy of all countries of the world has become an integral element of modern life today, serving to increase the efficiency of information content and develop business, including industrial enterprises, sectors of the economy, the social sphere and the system of Public Administration.

Successful promotion of small enterprise products using digital marketing tools is carried out in the following areas (Figure 1).

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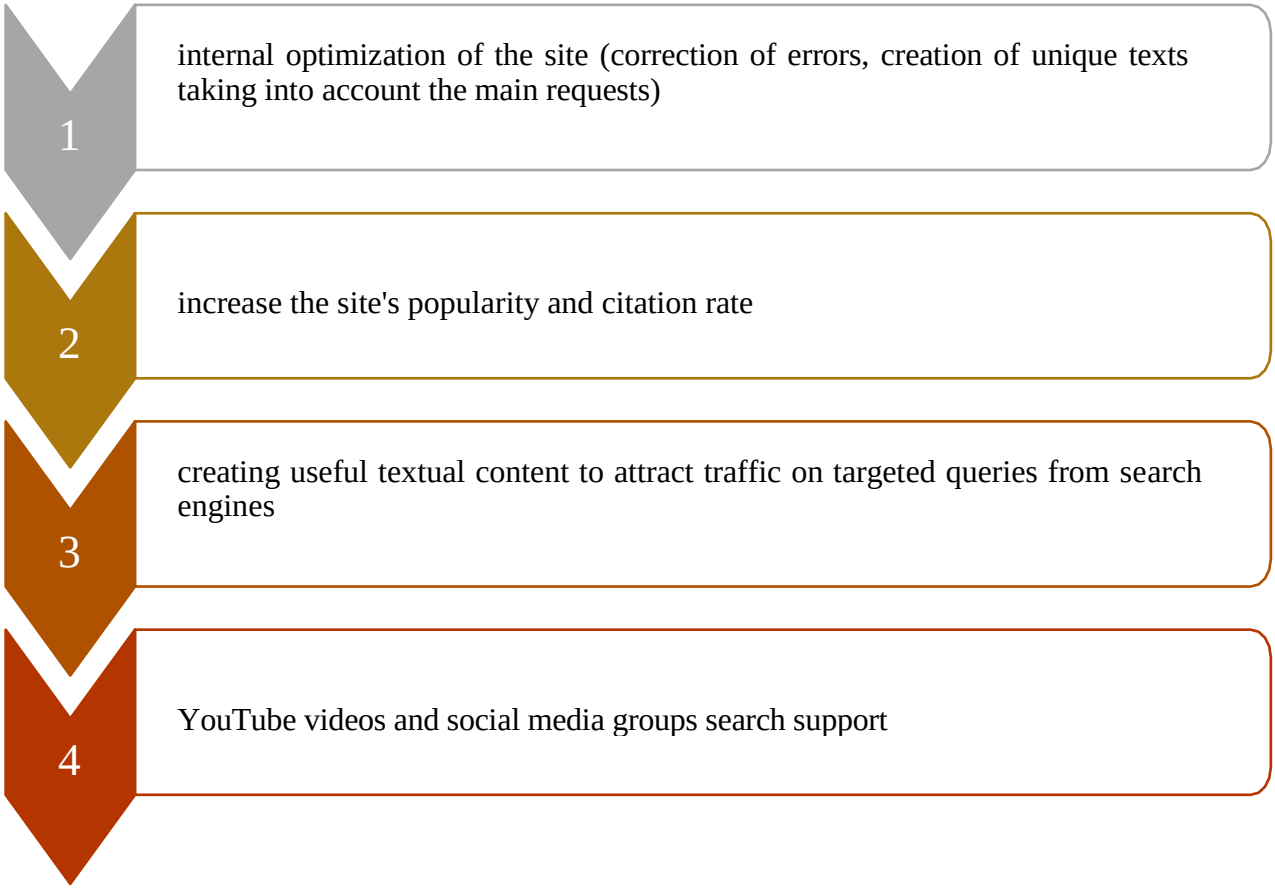
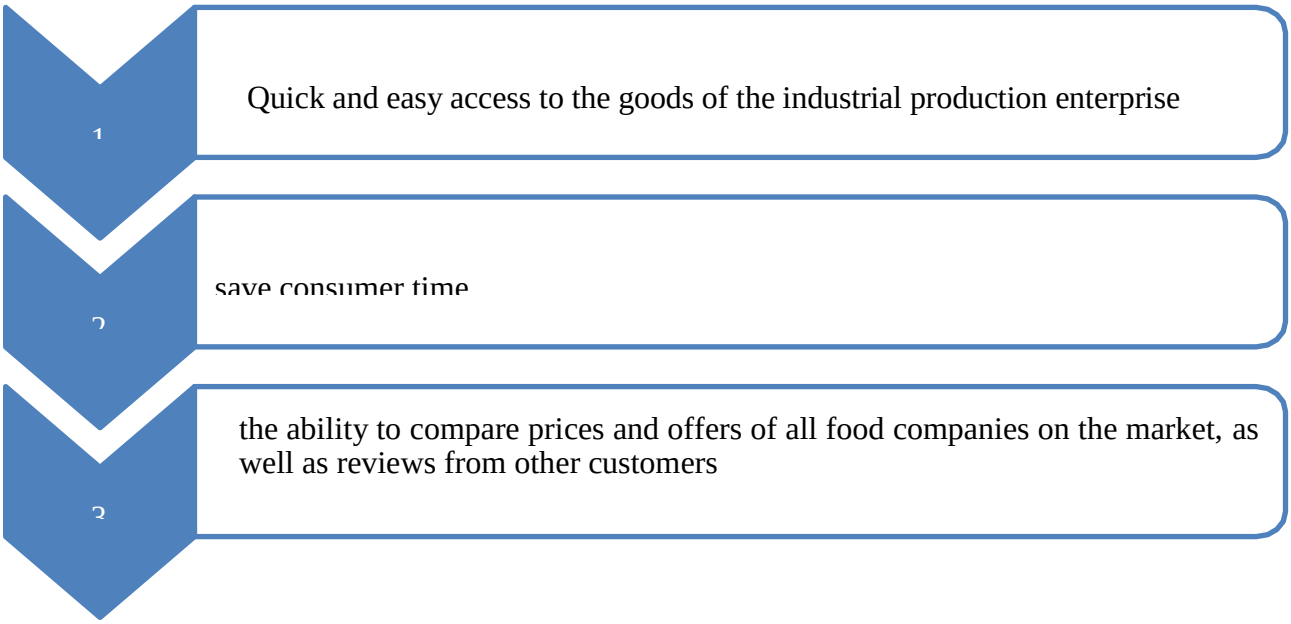
Figure 1. Measures to promote enterprise products with digital marketing tools



In connection with the development of digital infrastructure, some areas of industrial enterprise activity in the Republic of Uzbekistan are involved in the digitization process and operate with success (search and purchase of raw materials, warehouse accounting, formation and presentation of tax and accounting reports). The digitization of the production process itself is currently very expensive for industrial enterprises.

The features of the organization of marketing Research in industrial enterprises were identified, taking into account the digital economy and survey methods. Using digital marketing tools, the Republic of Uzbekistan has developed an innovative technology for the formation and effectiveness of the marketing system of industrial enterprises in market conditions. The use of digital marketing tools is a promising direction for industrial enterprises.

Figure 2. Advantages of industrial enterprise product consumers using digital marketing tools



In our opinion, digital marketing tools in the activities of small industrial enterprises allow:

- Bringing small businesses ' products and services closer to consumers;
- Inform consumers about Small Enterprise Products;
- Attracting new consumers;
- Focus on the needs of each customer;
- Improving the image of a small industrial enterprise;
- Reduce the cost of finding and placing orders;
- Increase the volume of sales and revenues of the company.

In turn, the practical use of digital marketing tools by product consumers should ensure the following (Figure 2). In recent years, many countries and international organizations have identified the transition to the concept of a digital economy and the implementation of its development programs as a priority. Similar routes have been developed and are being implemented in the United States, United Kingdom, Canada, Finland, France, Japan, Italy, India, etc.

The poor development of Internet networks in Uzbekistan has a negative impact on the development of the e-commerce service. The Internet is the technology of the future, it is important to know how to use this technology effectively. The tasks of creating modern fiber-optic infrastructure in the Republic are being systematically solved. So, if in 2018 2.6 thousand kilometers of fiber-optic cable were laid, by the end of 2020 this figure had reached 37.5 thousand. It is planned to lay 50 thousand kilometers of fiber-optic lines this year, bringing their total length to 118 thousand 600.

High-speed internet connectivity is also increasing. So, while 84.6 thousand broadband connection ports were installed in 2018, in 2020 their number exceeded 1.2 million. To date, the number of broadband

connection ports installed throughout the country is 2.9 million units. By 2023, it is planned to bring the figure to 5.8 million. In order to increase the capacity of the population to use the internet, the prices of communication services are consistently reduced. Thus, for three years, external channels internet services tariffs for operators and providers fell 10-fold from $ 30.3 in 2018 to $ 3 in 2021 (□32,000). Uzbekistan Britain due to price reform Cable.co.uk.ranked 21st among the 230 countries with the cheapest internet according to the portal rating.

Among the priorities of the development of Telecommunications is the provision of objects of the social sphere with a high-speed internet network. To date, 97% of Public Schools, 83% of neighborhood citizen assemblies, 56% of internal affairs bodies, as well as 100% of preschool and medical institutions are connected to high-speed internet. By the end of this year, all objects of the social sphere are fully provided with a high-speed internet network. Mobile networks are gradually expanding throughout the country. If in 2017 the number of subscriber radio stations connected to the mobile system was 22,504.5 thousand, by 2021 this figure had reached 29,022. 4 thousand.

In our country, comprehensive measures are being implemented for the active development of the digital economy, the widespread introduction of modern information and communication technologies in all sectors and industries, above all in public administration, education, health and agriculture.

In particular, the implementation of more than 220 priority projects began, which envisaged the improvement of the e-government system, the further development of the local market of software products and Information Technologies, the establishment of IT parks in all regions of the Republic, as well as the provision of qualified personnel to the industry.

In addition, a comprehensive program “Digital Tashkent” is being implemented, which provides for the launch of an integrated Geoportal with more than 40 information systems, the creation of an information system for the management of public transport and municipal infrastructure, digitization of the social sphere and subsequent implementation of this experience in other regions.

Thus, the main task is to use the potential of the R & D area in the Republic for the effective implementation of the national priorities of technological development, at the same time to transform the information and communication sector into a production network “knowledge economy”. The perspective requires studying the following key aspects of this problem:

development of conceptual approaches to the strategy of integration of the information and communication sector of the Republic into the global world market;

in the further perspective of modern development, the study of the methodological aspects of the implementation of” Big Data “(huge data),” Cloud Computing “(cloud technology),” Artificial intelligence “(artificial intelligence)and crowdsourcing,” Blockchain technology " (blockchain technologies)and the impact of these technologies on socio-economic development;

scientists of the world Economist are faced with the problems of creating a single integrated indicator for assessing the value and effectiveness of the digital economy in today's digitizing global world.

The lack of empirical and statistical data in addressing these cases is due to the rapidly changing processes of technological development, the rapid pace of institutional change;digital transformation (digital transformation) broadly refers to the adoption of digital technology that requires a change in management system through strategy, models, operations, products, marketing approach, and goal revisions. It serves to

accelerate the growth of trade, business and the general economy and increase the efficiency of non-profit organizations (for example, universities and other educational institutions) (decree of the president of the Republic of Uzbekistan “on measures to approve the strategy” digital Uzbekistan-2030”No. 6079 of October 5, 2020 and its effective implementation " is the a large number of queries indicate that the main priorities for digital change are as follows:

- What customers and employees are waiting for from the level of digital services and changes in their behavior in the ham;
- Competitive pressure, there is a desire to occupy new promising markets;
- The subjects of the activities of industrial enterprises are attracted by various digital technologies that allow to reduce the cost of doing business in their activities, in particular, the financial means of online payments;
- In social networks, target advertising media, accounting programs, CRM-systems, the small enterprise uses its own website, etc.

As can be seen from the cited data, almost all industrial enterprises in Finland, Japan and Sweden have their own website. The use of its own website allows the promotion of small enterprise products not only in domestic, but also in foreign markets, providing the possibility of rapid feedback from consumers of products or services and, in some cases, an additional sales channel for a small enterprise. Uzbekistan, Belarus and Russia are slightly behind European countries in terms of the availability of websites for industrial enterprises. The development of digitalization within the framework of the program" digital Uzbekistan-2030 " will contribute to an increase in this indicator for Uzbekistan in the near future.

In our country, electronic technologies are widely used not only in sales processes, but are the most effective and indispensable mechanism in the entire process of business activity – production, service, business management, financial management and marketing activities. At the same time, the effective application of the latest achievements of electronic technology provides the basis for reducing the dependence of the national economy on raw material resources and building a high-tech economy.

Conclusion.

In place of the conclusion, it should be noted that the trend of the continuous development of electronic trading in developed and developing countries should not lead to the conclusion that electronic trading will completely replace traditional trading. Perhaps it is inevitable that the overall economic relationship will eventually improve further, leading to the emergence of an environment in which e-commerce competes with traditional trading mechanisms.

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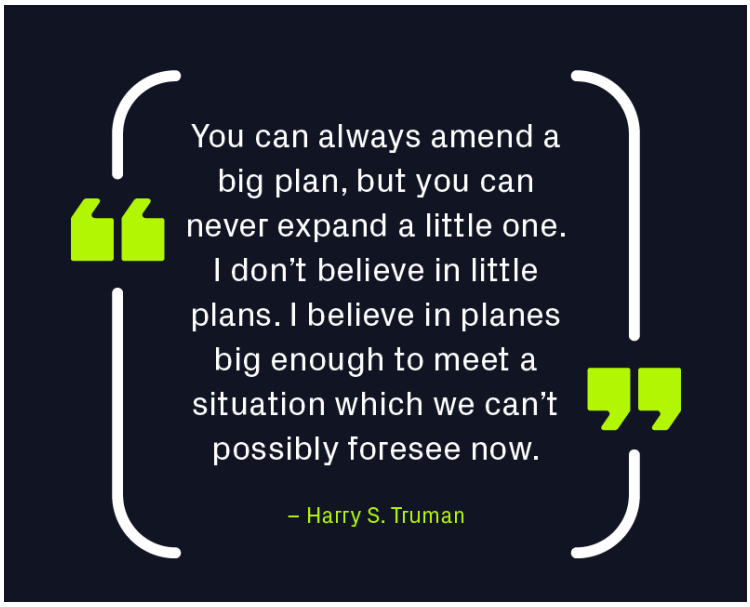

IMPROVING THE METHODS OF ASSESSING THE QUALITY OF HOUSEHOLD SERVICES

Kh.T. Meliyev[1]

ABSTRACT

In this article, the suggestions and recommendations of the author are given on improving the methods of evaluating the quality of household services, as well as on the level of satisfaction of consumers with the service, expectations and its real impressions.

Keywords: *Service, Household Service, Quality, Assessment of The Quality of Household Service, Objective Methods, Subjective Methods, Quality Control of Services.*

At present, objective methods of evaluating the quality of household services have not been sufficiently researched. Existing methods are based on subjective factors related to the consumer's expectations and his actual impressions, the level of satisfaction with the service. The discrepancy between the desired and actual price of the service is the consumer's assessment of its quality.

Evaluation of service quality by the manufacturer is carried out on the basis of assessment of its compliance with a number of criteria established by law or corporate standards.

Service quality management begins with planning appropriate activities. Planning the quality of services for a certain period of activity or, in general, for a certain date, means to justify the quantitative and qualitative indicators that determine their characteristics. Therefore, the planning of measures to control the quality of services and to improve it should be based on reasonable forecasts of consumer needs and detailed in accordance with their preferences and expectations for a particular household service.

After the development of plans that determine the goals for the volume, assortment and quality of services, the processes of organization, motivation, regulation and coordination are carried out, which allow:

- Timely and effective implementation of planned measures to ensure compliance of the real quality of services with state, network and corporate standards;
- Selection of forms of incentives for employees of public sector enterprises financed by the state in order to prevent the occurrence of consumer objections;
- Prompt response of departments and specialists to complaints of consumers regarding the quality of services received. The inconsistency between the real characteristics of household services and the consumer's expectations can be manifested under the influence of organizational, technical, economic and social factors. Below is a brief description of them.

Technical factors work by anticipating outdated equipment, use of low-quality raw materials, materials and components, violation of the technological process, deviation from state, industry and or corporate standards.

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Organizational factors are manifested in the use of inefficient methods of organizing production and quality control of services, low level of labor and production discipline of employees, neglecting the possibilities of modern forms of business organization, and the absence of a quality management system.

Economic factors are manifested by irrational price policy, low efficiency of the wage system, low quality of planning and accounting work of employees of the household service enterprise.

Social factors are related to the organizational culture of the household service enterprise, inefficient methods of personnel selection and matching, ineffective career planning policy for personnel.

A household service enterprise will be able to provide quality services if it has developed and implemented quality management in its activities. This system makes it possible to evaluate the characteristics of the quality of the provided services, as well as to evaluate the customer service processes and evaluate the direct quality of the services. For this purpose, a specific system of indicators is used, that is, the amount and nature of complaints about the quality of household services and claims about the violation of consumer rights during the service or as a result of it. In addition, the quality management system also provides for the existence of regulations to satisfy reasonable claims of consumers.

"I.V. Rudakova summarized the theoretical ideas about the quality management system, which includes the systematic analysis of consumer requirements, the determination of processes that help to constantly improve the quality of services provided by household service enterprises, and the results of increasing the level of consumer satisfaction." In our opinion, the system of factors forming the quality of household services is presented in Figure 1 below.

Quality requirements are determined by the system of requirements in accordance with the system of standards at the national, branch and corporate level.

The requirements for services are related to the characteristics that are directly perceived by the user and are the object of his evaluation. Requirements for delivery methods are related to features that directly affect the quality of services, but are not always perceived by users.

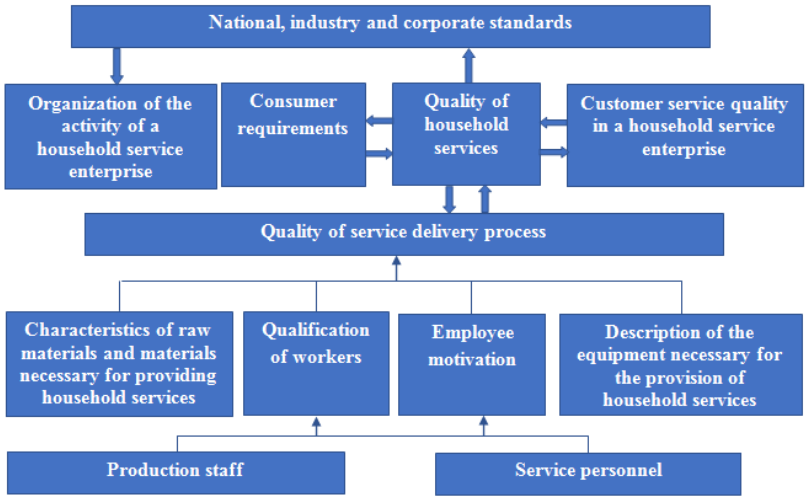

Figure 1. Factors of formation of quality of household services

Characteristics related to service requirements include: waiting time and housekeeping, service time accuracy, service completeness, reliability, ease of use, safety, speed, courtesy, comfort, aesthetics, environment and hygiene, service productivity enterprises, the number of employees and the duration of individual processes.

The customer focus of a home service business provides a significant competitive advantage in the fierce market competition among similar businesses when there are corporate service standards that ensure the same high level of service to all customers.

"The marketing approach to the assessment of the quality of personal services includes the following: the method of design in the form of a drawing, the method of the general basis, the method of the consumer scenario, the method of reengineering, the method of "Mystery Shopping".

The main approaches to managing the quality of household services are presented in Figure 2.

The diagrammatic design method proposed by Lynn Shostak is a schematic representation of all stages of the household service process, taking into account their division into visible and invisible zones for the customer. By using the "blue-printing" method, the individual tasks of the provided household service are analyzed, controlled and corrected.

The "contact points" method is as follows: the process of interaction between company employees and consumers during service is called "contact points". It is considered controllable at this moment, and therefore the service process and its management can be modeled accordingly.

The reengineering method is similar in content to the diagrammatic design method. However, the difference is that all departments of the enterprise are engaged in the analysis, control and correction of the household service process.

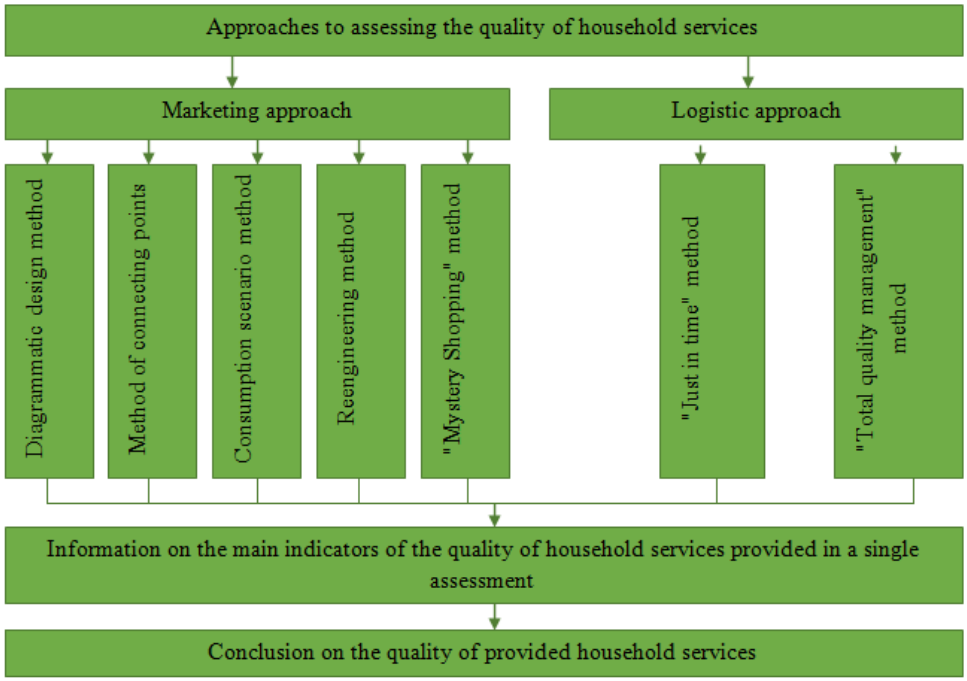

Figure 2. Approaches to assessing the quality of household services

"The consumer scenario method is based on the fact that, in addition to the manager and marketer, service consumers can also participate in the design process."

"Mystery Shopping", which means "Mystery Shopping" in English, was widely used in the United States in the 1970s. The purpose of this method is to evaluate the quality of personal services. Its essence is that the representatives of the company visit sales platforms and salons under the guise of buyers, and then buy household services. The advantage of the considered method is amazing control, secrecy, direct observation.

In Figure 2. the logistic approach to assessing the quality of household services is defined by two methods: the "just-in-time" method and the "total quality management" method. The main thing in the method of logistics approach is to provide quality service in the shortest possible time. Procurement is an integral process of service life in the quality management system. The quality of the final service in many cases depends on the quality of raw materials, decorative items, etc.

It should be noted that the variety of forms and directions of providing household services objectively reflects the variety of methods and models of their quality assessment. However, a significant part of the work in this field is based on the study of the consumer's expectations and their conformity with the evaluation of the characteristics of the actual received service. Such evaluations and models are effectively used in the assessment of the quality of services whose characteristics are relatively weakly related to the material component.

The most popular among theoreticians and practitioners have been models such as tolerance zone analysis, GAP and SERVQUAL. In our opinion, based on the results of the above research, we think about the most common models of quality management of the provided household services.

The GAP model, which has been successfully used in the analysis of the quality of many types of services (tourism, health care, consulting, etc.), has also proved itself effective in the management of the quality of personal services. This model was proposed by a group of American scientists (A. Parashuraman, V. A. Zaitaml, L. L. Berry). It is based on the identification and assessment of gaps (discrepancies) between expectations and perceptions during service delivery. Its importance in managing the quality of household services lies in the adequate identification of the causes of these inconsistencies.

In our opinion, there are the following variants of the relationship between expectations and perceptions, which determine the appearance of gaps and characteristics of service quality:

- Expectation exceeds perception: there is a gap, the service is of poor quality;
- Expectation corresponds to perception: there is no gap, the service is of high quality;
- Perception exceeds expectations: there is no gap, the service is of high quality.

Figure 3.5 shows the GAP model as a hierarchy of different types of gaps.

It is based on clear cause-effect relationships between gaps, which creates a potential opportunity for a household service enterprise to create a methodologically correct quality management system. The first gap (GAP 1) is observed if the household service enterprise has not clearly defined its target audience and therefore does not have a clear idea of consumer expectations. The first type of gaps is typical for entrepreneurs who do not have experience in the market of household services and ignore the need to focus on specific consumer expectations.

This kind of loophole is typical for the country's consumer services market, whose participants usually consider consumer claims to be a whim, a manifestation of bad mood.

A gap in GAP 1 causes a gap in GAP 2. GAP 2 creates a second type of gap if corporate standards for consumer service delivery are not based on consumer expectations. In consumer service enterprises, this gap is not often encountered, because the high level of competition leads to the inevitable standardization of consumer expectations and the offers of consumer service providers. The reasons for the GAP 2 gap are the incompetence of the management, the absence of a well-developed policy in the field of personal service quality

Figure 3. Hierarchy of discontinuities in the GAP model

If the standards are developed in sufficient detail, but in fact they are not followed or allowed to deviate from them, then a gap of the third type GAP 3 appears, the emergence of which begins with a gap of the second type GAP 2. The main reasons for its appearance are:

- Unsatisfactory performance of foremen, foremen, department heads;
- Presence of uncertainties in ordering a service or transferring it to production;
- Absence or unsatisfactory functioning of coordination and regulation systems.

Such gaps are often observed in the field of household services to the population, and studies show that this is due to the low level of efficiency of the vocational education system that provides personnel training for household service enterprises.

The fourth type of gap - GAP 4 occurs when errors occur in the formation of the organization's image, which leads to an increase in the expected expectations of customers. The main reasons for such a gap are:

- Weak interaction between managers and production workers responsible for promoting the services of the household service enterprise;
- Use of unclear and ineffective advertising.

Gap 4 occurs independently of gaps of the first or third type.

GAP 5 gap occurs as a result of the formation of unsatisfactory quality of household service, as a result of comparison of its actual characteristics with their expectations.

In our opinion, the emergence of gaps is related to the inconsistency between the interests of the main groups of participants in the household service process (gaps GAP 1 - GAP 4) and the interests of the main groups of the household service process and consumers (gap GAP 5).

The SERVQUAL model is widespread among scientists involved in modeling of service processes, as well as practitioners A. Parasuraman, V. A. Zaitaml, L. L. Berry. This methodology includes assessment of service quality according to twenty-two characteristics grouped according to five main criteria (Table 1): accuracy, reliability, sensitivity, responsibility and empathy (sympathy).

Table 1 : Service quality criteria in the field of household services

№	Service quality criteria	A concrete description of the measurement
1.	Sensibility	Perception of facilities, equipment, appearance of staff and other physical description of the service.
2.	Reliability	Ability to deliver promised services in a timely and accurate manner. Qualification, responsibility and trust of the company's service personnel.
3.	Responsibility	Fast service and the sincere desire of the company's management and employees to help the consumer.
4.	Sympathy	Usability (the physical and psychological relationship with employees should be light and comfortable), communicative (the company provides information about services to consumers in a language they understand), understanding (the desire to better understand and adapt to the specific needs of the client).

The team of authors led by L.I.Erokhina provides examples of methods of assessing the quality of services developed by local scientists. For example, the methodology of quantitative assessment of the service process by G.I. Khotinskaya and T.V. Kharitonovo is based on the identification of factors affecting the organization of the service process in the enterprise. For example, relevance of service (observance of deadlines for order fulfillment), forms of customer service (progressiveness of service forms, complexity of

service, introduction of new types of service), service culture (assessment of the company's work order, service ethics and aesthetics and others)».

The method of evaluation of the service process by O.A.Semin, V.A.Saidisheva, V.V.Panyukova is based on the calculation of the generalized index of service culture: (1)

where: K is the generalized coefficient of service culture level in points;

a1, a2, a3, a4 – coefficients of significance of relevant indicators of various aspects of service culture;

K1 – indicator of the psychological aspect (state of the business environment);

K2 – indicator of moral aspect (level of professional ethics and decency);

K3 – indicator of aesthetic aspect;

K4 is an indicator of the organizational-technological aspect of culture.

To calculate the generalized indicator, the expert commission evaluates each selected aspect of the service culture in a five-point system.

Judging from the above description of the methodology, its authors equate the concepts of "quality of service" and "quality of services". In addition, it should be noted that this method of determining the quality of services was used in the 80s of the XX century. For example, L.A. Suchkova and A.B. Ladon in their work published in 1983 suggested using a generalized indicator of the quality of household services to the population as follows:(2)

where: a1, a2 – the weight of indicators determined by the expert survey method;

Ku – service quality indicator;

Co is a comprehensive indicator of service quality, (3)

where: K1 is the share of orders delivered to the client since the first presentation;

K2 – order fulfillment quality coefficient;

K3 – percentage of complaints regarding the quality of order fulfillment;

P1, P2, P3 – the weight of indicators K1-K3 determined by the method of expert survey.

American researchers L.L. Berry, A. Parasurman, V. A. Zaitmal studied the problems of service quality management and focused on the following main issues:

- What is the quality of service?
- How to evaluate service quality?
- What are consumers' expectations of services?
- What are the main causes of service failures?
- What measures should organizations take to improve the level of service delivery?

Businesses need to continuously evaluate their perspectives to provide timely, relevant information that management can use for decision making. It is known that a one-time study is not considered sufficient in

any case for continuous monitoring. Therefore, it is necessary to create a complete system of collecting, processing and storing existing information.

Table 2 presents the mechanism of continuous consumer research.

Research L.L. Berry, A. Parasurman, V.A. Zaitmal's research allowed them to identify five aggregate criteria based on the customer's conclusion about the quality of services received by customers. The selected parameters are very general and are intended to describe the basic outline of the formation of consumer expectations.

Table 2 : A sequence of activities to assess the quality of household services

Type of tracking	Frequency	Purpose
Investigate customer complaints	Permanent	Identification of disaffected customers for rehabilitation purposes; to isolate the most common service errors.
After sales research	Permanent	Establish feedback with customers during the research process; immediate remedial options.
Conduct focus groups	Every month	Evaluating the work of individual employees, using the information obtained during training, improving and motivating employees.
"Mystery Shopper"	Every quarter	Assessing the strengths and weaknesses of the current state of the "seller-buyer" relationship.
Employee evaluation	Every quarter	Measuring internal quality of services; identify barriers to quality improvement; evaluating the quality of employees and determining their motivation.
Evaluation of the general level of quality	Three times a year	Evaluation of the position of the enterprise in relation to competitors, determining the priority of quality-oriented activities; monitoring of temporal changes in quality level.

The analysis shows that reliability is the most important criterion for service quality criteria, representing the ability to deliver promised services on time and accurately, and the share of this parameter in evaluating service quality is high. Reliability is the main factor of service quality. If there is no trust in the business, there will be few aspects that can attract the customer. Also, if the enterprise constantly makes mistakes in its work, does not fulfill these promises, the consumer will soon lose confidence in its ability to work accurately and stably. A friendly attitude and a sincere apology from the communications staff will not change the course of events. Although most customers feel sympathy for a firm in dire straits when they apologize, it doesn't take away the unpleasant aftertaste of disappointment. If the consumer faces a series of rejections, no matter how pleasant it is to communicate with him and how sincere the apology, he will refuse the services of the enterprise. At the same time, quality criteria of consumers change depending on the specialization of their activity.

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VARIOUS APPROACHES TO IMPROVING THE INVESTMENT APPEAL OF REGIONS THROUGH THE INTRODUCTION OF MODERN FINANCIAL INSTRUMENTS IN THE CAPITAL MARKET

Dadakhanova Saida Muhammadjon kizi[1]

ABSTRACT

The article discusses the measures taken by the state to increase the investment attractiveness of the country for both foreign and local investors. There are presented the results of the denationalization of joint-stock companies through public offerings of shares andare analyzed the demand for bonds in recent years and the impact of new legislation on the debt securities market in this article.

Key words: *Investments, Capital Market, Initial Public Offering, Secondary Public Offering, Stocks, Bonds, Debt Securities Market.*

In recent years, the Republic of Uzbekistan has been actively engaged in improving its foreign policy, thanks to which Uzbekistan has become a very attractive country for investing capital. Investment is an important factor for the development of the economy of any country.

One of the important steps towards increasing the investment attractiveness of the Republic was the adoption of the Decree of the President of the Republic of Uzbekistan dated April 13, 2021 No6207 “On measures to further develop the capital market”, which approved the Capital Market Development Program in 2021-2023. Among the targets that will be achieved as a result of the implementation of this Program is the increase in the capitalization of the securities market to 45 trillion. soums (for comparison, in 2020 this figure was 1.9 trillion soums), bringing free float (securities in free float) to 5% of GDP (in 2020, this figure was 0.3%) and financing of part of projects, namely 5% in relation to the cost of the territorial investment program, by issuing securities within the framework of territorial programs. In addition, it is planned to conduct a public offering of shares of 15 large companies of the country, including 5 banks, metallurgical plants, oil and gas enterprises and others through the stock exchange.

Thus, the reduction of the state share in the equity capital of large enterprises through public offering, and not by selling it in one package to investors, makes it possible to attract both foreign and local investors, including minority ones, which in turn helps to increase public confidence in the securities market and will have a significant impact in revitalizing and expanding the market.

Since 2018, 4 public offerings have been held in the country:

- IPO of “Kvartz” JSC - 2018, 54% of shares of the total issued number of shares were sold in the amount of 7.5 billion soums
- SPO of “KMZ”JSC- 2018, attracted 2.34 billion soums, the number of applications submitted exceeded the proposed volume of shares by 26.14%
- SPO of “Kvartz”JSC - 2019, attracted 15.8 billion soums, the number of applications submitted exceeded the proposed volume of shares by 1.4%

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- IPO of “Jizzakh Plastics” JSC - 2020, attracted1.35 billion soums, 34.87% of the issued shares were sold.

After the very first public offerings, at the end of 2018, the number of investors in the market increased by more than 3,000 depositors, the number of transactions on the stock exchange increased by 5.35 times, and the volume of exchange turnover increased by 2.3 times compared to the previous year.

The potential of both individual enterprises and regions of the country as a whole to attract investment is quite high. The development of individual programs for attracting investment to the regions, in addition to the distribution of the state budget and the development of loans, should include the development of strategic directions in attracting local investment in certain industries or enterprises, including through the creation of new enterprises through the capital market. For example, the creation of a joint-stock company to support tourism in Bukhara and an initial public offering on the stock exchange will make it easier to attract funding for certain tourism projects. The attractedfunds could serve as an alternative to loans to create infrastructure in the region.

Another source of financing for targeted projects can be corporate and municipal bonds. Bonds are one of the attractive instruments for obtaining borrowed funds by entrepreneurs, large companies and local governments. Bond issuance is considered to be a very flexible form of financing, as the issuer determines the parameters of the offer (interest rate, maturity, collateral). Funds received from the placement of bonds can be used for current or investment activities. It is a real alternative to bank lending for companies seeking debt financing.

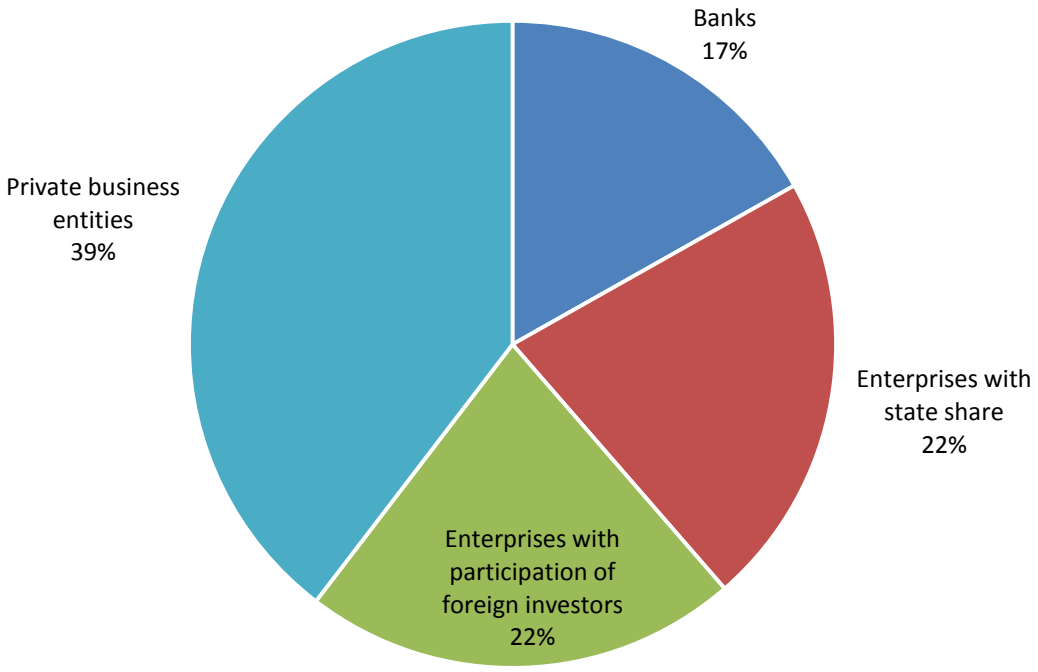

Figure 1. The structure of bond issuance by sectors of the economy for the period 2000-2019[1]

[1]Prepared by the author according to data from the Republican stock exchange “Tashkent”

For the period from 2000 to 2019, 101 issuers from different sectors of the economy made 161 bond issues for a total of 628.2 billion soums.

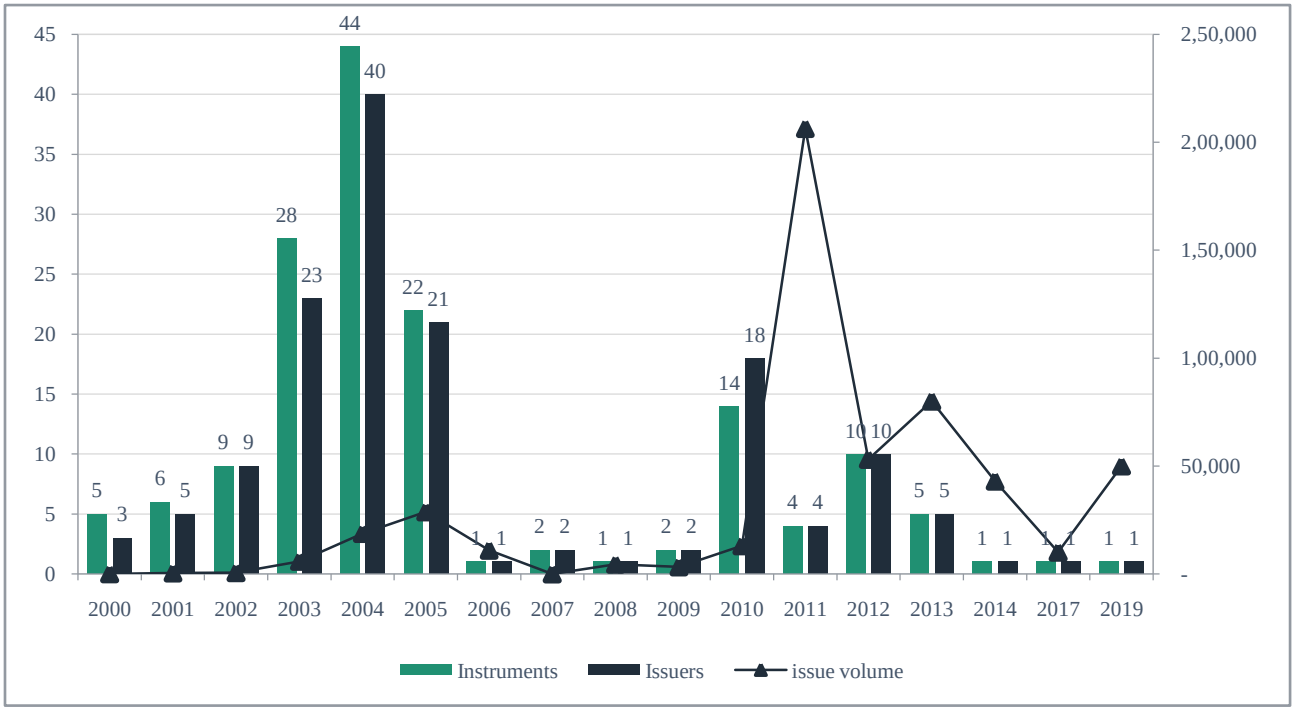

Figure 2. Dynamics of bond issuance for the period 2000-2019[1]

As can be seen from the graph, the best performance was achieved in 2004, the number of bonds available for investment amounted to 44 units, and from 2006 to 2009 the number of debt securities decreased sharply. The interest in this type of securities, which rose in 2010, decreased again in 2014; in 2015, 2016 and 2018, there were not registered issue of debt securities at all. This fact is largely due to restrictions on the issue of bonds by issuers in the form of limited liability companies.

Amendments and additions to the procedure for issuing bonds,adopted in November 2020, allow companies formed in the organizational and legal forms of limited liability companies, as well as companies with additional liability, to be issuers of corporate bonds in Uzbekistan. These changes have become an important signal for private business about the openness of the local capital market and the possibility of using its infrastructure to attract sources of financing alternative to bank loans. One of the main advantages of this type of securities is that investors do not need professional knowledge in the field of the company's activities, which expands the circle of potential investors, and since bonds are debt securities, and the requirements for their issue imply certain guarantees, the investment risk is minimal.

At the end of 2021, 8 bonds of 6 companies were available for open trading on the stock exchange. For the first time in the last 10 years, bonds of a limited liability company are included in the exchange quotation list. And 2 out of 5 issuers whose corporate bonds were traded on the floors of the Republican stock

[1]Prepared by the author according to data from the Republican stock exchange "Tashkent"

exchange“Toshkent” in 2021 represent a limited liability company - LLC “Chust Rir Mikrokredit Tashkilot” /CRMT3/ and "First Developing Group" LLC /FDGR1/.

Table 1 : **List of bonds included in the exchange quotation list as of the end of 2021**[1]

№	Issuer name	Ticker	Nominal amount	Number of securities	Interest rate	Share of placed securities	Coupon payment cycle
1	“Promstroybank” JSCB	SQB4	100 000	100 000	Central Bank refinancing rate - 1 **%**	20%	Quarterly
2	“Promstroybank” JSCB	SQB6	1 000 000	50 000	Central Bank refinancing rate + **2 %**	100%	Quarterly
3	«Asia Alliance Bank» JSCB	AABK1	1 000 000	50 000	Central Bank refinancing rate + **4 %**	90%	Quarterly
4	«Kapitalbank» JSCB	KPB4	1 000 000	50 000	Central Bank refinancing rate + **5 %**	100%	Monthly
5	«First Development Group» Llc	FDGR1	1 000 000	5 125	**8%** + rate of devaluation/revaluation of Uzbek Sum to US dollar	100%	Quarterly
6	«Chust Rir Mikrokredit Tashkilot» Llc	CRMT3	1 000 000	2 000	**24%**	78,2%	Quarterly
7	«Kapitalbank» JSCB	KPBA10	10 000 000	15 000	**6.5% of the indexed nominal amount of corporate subordinated bonds**	0%	Monthly
8	«Узметкомбинат» JSC	UZMB2	5 000 000	10 000	**22%**	100%	181 days

[1]Source: annual report of the Republican stock exchange“Tashkent” on the results of the year

As of the end of 2021, trading with 5 instruments of 5 issuers was completed on the debt market of the Republican stock exchange “Tashkent”. Bonds of 2 out of 5 issuers provide a fixed coupon profitability (/CRMT3/- 24%; /UZMB2/- 22%), the coupon percentage of bonds issued by “Asia Alliance Bank” JSCB /AABK1/ and “Kapitalbank” JSCB /KPB4/ is attached to the Central Bank rate. The coupon rate of “First developing group”LLC is changed at the rate of devaluation or revaluation of the Uzbek Soum to the US dollar. Maturities range from 1 to 7 years, and coupon payment cycles are available quarterly, monthly and twice annually. The highest offered interest rate is at the level of 24%.

Table 2 : **The volume of transactions with bonds on Republican stock exchange "Toshkent" for 2021**[1]

Issuer name	Ticker	Number of transactions, units	Number of bonds, units	Volume of transactions, billion soums
«Asia Alliance Bank» JSCB	AABK1	8	4 933	5,08
«Chust Rir Mikrokredit Tashkilot» Llc	CRMT3	18	1 564	1,56
«First Development Group» Llc	FDGR1	254	6 136	6,13
«Kapitalbank» JSCB	KPB4	9	50 000	50,00
«Узметкомбинат» JSC	UZMB2	11	10 000	50,60
Total		**300**	**72 633**	**113,40**

In total, 300 transactions were concluded on the Bond Market in 2021, the total volume of which amounted to 113.39 billion soums. This year 5 issuers with 72,633 bonds took part in the trades.

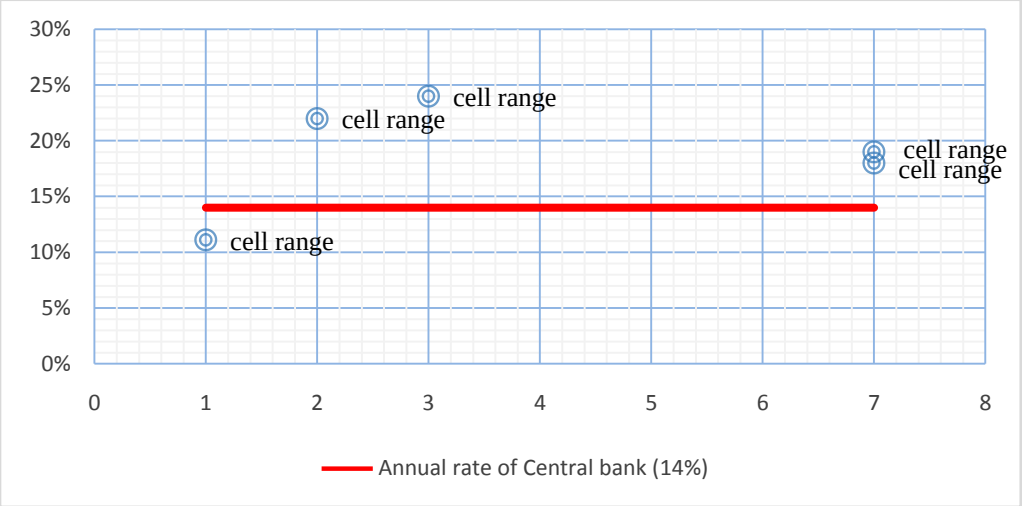

Figure 3. Coupon rate and maturity of bonds traded during 2021[2]

[1]Prepared by the author according to data from the Republican stock exchange “Tashkent”

[2]Prepared by the author according to data from the Republican stock exchange “Tashkent”

Among the bonds not attached to the main rate of the Central Bank, the most frequently traded were the securities of “First Developing Group” LLC /FDGR1/ - bonds maturing in February 2022. The coupon rate of these securities was attached to the rate of devaluation or revaluation of the Uzbek soum to the US dollar (+ 8%), bonds of “Chust Rir Mikrokredit Tashkilot” LLC, with a fixed interest rate of 24%, a significant number of transactions were made in 2021 - 18 units. The largest number of transactions for the year with the CRMT3 instrument was observed in the period from April to May, when 4 transactions were made.

Thus, the capital market could serve as the most effective and modern tool for attracting foreign investment. As well as improving the infrastructure in general and the introduction of ETFs in particular will not only attract more investors to the market and speed up the privatization process, but also activate the capital market and help increase the investment attractiveness of the region in the international arena. The development of the domestic stock market and the strengthening of positions at the international level is a necessary condition for ensuring continuous equity and debt financing of enterprises, which in turn will increase the competitiveness of the national economy in the international arena.

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THE EXPANDED CLUSTER SYSTEM THE FLOUR PRODUCTION SECTOR

Donaev Sheroli Burkhonovich[1]

ABSTRACT

The article provides information about the program for the formation and development of agro-industry clusters in Uzbekistan, and provides information about the expanded cluster system and its components for the production sector. Also, the author claims that clusters are crucial for the development of grain products enterprises.

Keywords: *Clusters, Mills, Clustering System, Waste, Marketing Agencies, Efficiency, Packaging, Transport Infrastructure, Agro-Industrial Clusters.*

Introduction.

The demandforfoodandgoodsforhumanneedsin the world is growingeveryyear.Theseessentialproducts are grownin the mainagriculturalsector.This sector plays an importantrolein the development of the country's economyin the republicafterindependenceandwith the transition of the economytomarketrails, alot has been donetoreorganize the industryanddiversify it,sharplyincrease the volume of agriculturalproductsproduced and ensure the rapidlygrowingdemand of the populationfortheseproducts.

Theseinclude the organizational and structural reorganization of agricultural enterprises, the wides preaduse of advanced agricultural technologies in the production of products, the widespread introduction of innovative scientific achievements in production, the convergence and harmonization of industry with the agricultural sector in Uzbekistan. Inthisregard, the introduction of a cluster system in the republic, especially in cotton,grain,horticultural industries, as well as in other areas of agriculture, is of great importance.

Materials and methods.

There are 3 stages of organization of agro-industry clusters in our country, and now this process is in its initial stage. Clustering generally covers a 10-year period and includes the formation phase, the innovative phase and the internationalization phase. The 1st stage envisages the establishment of work on the formation factors of the clustering system: legislation, infrastructure and management, and the second stage involves the acceleration and development of innovative processes as a result of the large-scale implementation of science and research within the clusters. is intended to give. In the 3rd stage, as a result of the work done, the clusters go international and start offering products at a new level of quality and price (Fig. 1).

[1] Independent researcher, Tashkent State Technical University

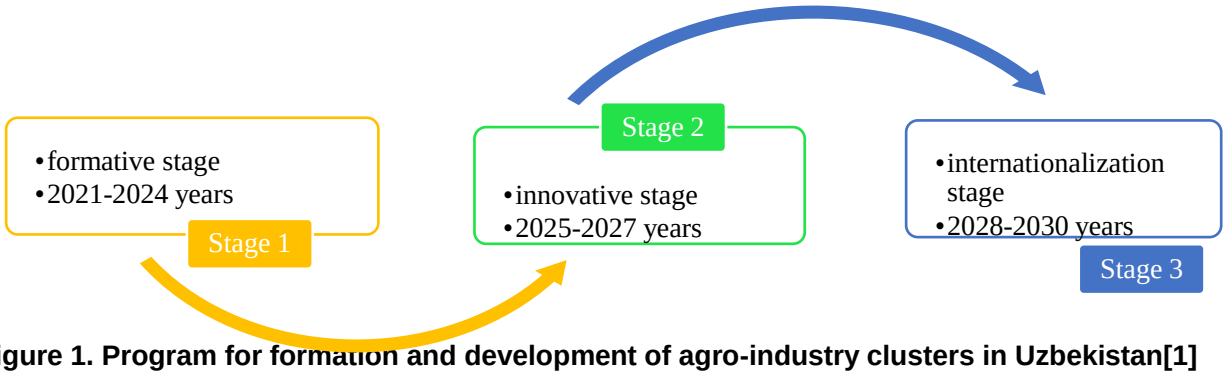

Figure 1. Program for formation and development of agro-industry clusters in Uzbekistan[1]

The above-mentioned scientific research and studies, an extended cluster system was formed for the activity of grain products enterprises, in particular flour producing enterprises. According to him , there are 10 components, and each of these links is integrally connected and important in the functioning of the cluster. Also, in the development of grain products enterprises, the structural structure of this cluster can be changed and enriched based on the characteristics of the enterprises (Fig. 3.8) .

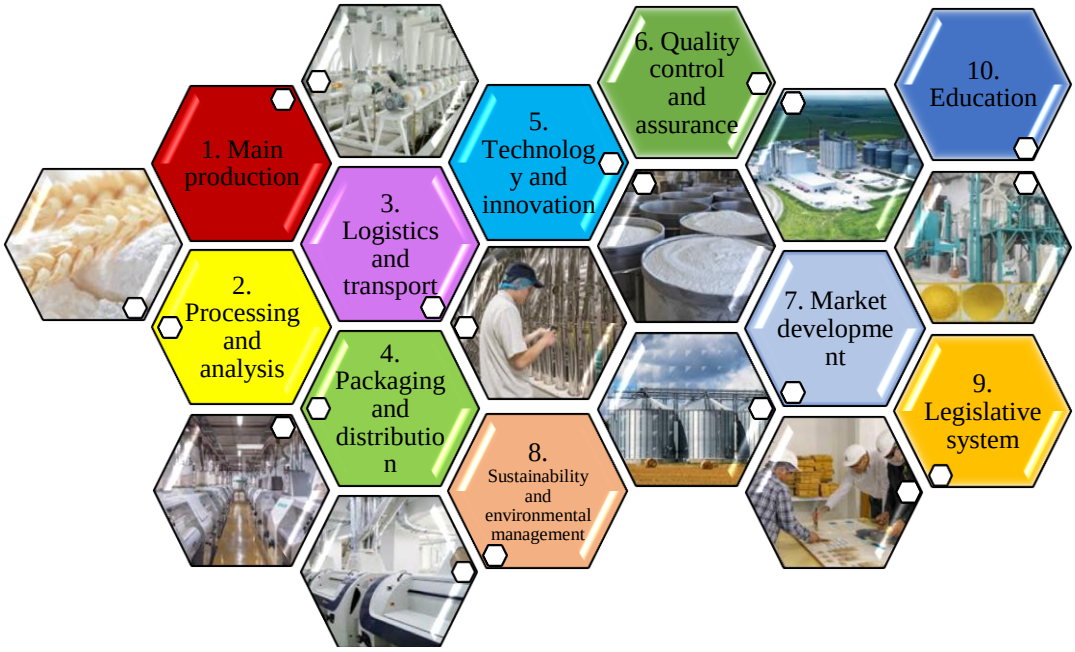

Figure 3.8. Expanded cluster system for flour production sector[1]

Result and analysis.

In our opinion, the extended cluster system for the flour production sector should include the following components:

[1]Author development

1. Main production:

Wheat production: Farmers are growing wheat crops in the cluster area using modern agricultural practices and technologies to optimize yield and quality. According to leading experts in this field , the idea of creating clusters in the segment of grain products is effective. Clusters unite all participants of the grain chain into a single whole, which, taking into account their coordinated actions and mutual interests, firstly, purposefully increases their production efficiency, introduces advanced technologies, and secondly, reduces the consumption of financial and other resources. Allows[2].

Agricultural Resources: Suppliers help farmers increase productivity by providing fertilizers, pesticides, seeds and equipment needed to grow wheat.

2. Processing and grinding (grinding):

Flour Mills: Milling companies operate within a cluster and process the harvested wheat into various types of flour using state-of-the-art milling equipment and techniques.

Value -added products: Some mills produce specialty flours such as whole wheat flour, organic flour and gluten-free flour to suit markets and consumer preferences.

3. Logistics and transportation:

Transport infrastructure: The cluster has efficient transport networks, including roads, railways and ports, which facilitate the movement of raw materials and finished goods to and from milling plants.

Warehousing: Storage facilities and warehouses are strategically located within the cluster to store pulses, flour and other related products, ensuring proper supply chain management.

4. Packaging and distribution:

Packaging Suppliers: Companies supply packaging materials such as bags, containers and labels for packaging flour products in various sizes and formats suitable for retail and wholesale distribution.

Distributors: Distribution companies transport packaged flour to retailers, supermarkets, bakeries and food service businesses within and outside the cluster, providing wide access to consumers.

5. Technology and Innovation:

Research and Development (R&D): Scientific testing and research institutes collaborate with industry stakeholders to develop innovative technologies and processes to improve wheat production, milling efficiency and product quality.

Technology Providers: An enterprise reviews, explores and selects specialized equipment, software solutions and automation technologies to improve operational efficiency and competitiveness throughout the flour production value chain.

6. Quality Control and Assurance:

Quality assurancelaboratories**: Independent laboratories** conduct tests and analyzes to ensure compliance with food safety standards, nutritional properties and product quality parameters, provide certification and assurance to consumers and regulators.

Quality Management Systems: Flour mills implement robust quality management systems, including hazard analysis and critical control points (HACCP), to monitor and control production processes and minimize the risk of contamination and product defects.

7. Market development:

Export Promotion Agencies: Government agencies and industry associations use the cluster's reputation for quality and reliability to promote the flour produced in the cluster in international markets through trade missions, participation in trade fairs and marketing campaigns.

Local Marketing Initiatives: Collaborative efforts between cluster members and marketing agencies aim to increase demand for locally produced flour products through advertising, promotion and product demonstrations.

8. Sustainability and Environmental Management:

Sustainable practices: Cluster participants use sustainable farming practices, water management practices and energy-efficient technologies to minimize environmental impact and conserve natural resources.

Waste Management: Recycling and waste management programs are implemented to minimize waste generation and maximize the use of resources, contributing to the cluster's sustainability goals.

9. Regulatory compliance and government support:

Regulatory bodies: State bodies monitor compliance with regulations, food safety standards and environmental protection rules within the cluster, ensure compliance with legal requirements and industry best practices. In this place, the Resolution of the Cabinet of Ministers No. 806 "On additional measures to ensure high productivity through the gradual introduction of the cluster system in the cultivation of spiked grains" adopted on September 25, 2019, [3] grain products market, the legal basis for the organization of a grain cluster, the requirements and tasks of cluster organizers, as well as the issues of regulating relations with state agencies and other legal entities have been expressed.

Financial support: The government provides financial support, grants and subsidies to encourage investment, research and innovation , growth and competitiveness within the flour industry . Also, according to the above Decision, up to 70 percent of the product value is allocated to finance the costs of grain production in grain clusters from the deposit funds of the State Support Fund for Agriculture under the Ministry of Finance of the Republic of Uzbekistan. In the amount of up to 12 months, loans are allocated at the refinancing rate of the Central Bank of the Republic of Uzbekistan (including 2% bank margin)[3].

10. Education:

Vocational Education: Educational institutions offer training programs, seminars and certification courses tailored to the needs of employees in the flour manufacturing industry to improve milling, food processing and quality assurance skills.

Knowledge transfer: Industry professionals and academia collaborate through workshops, conferences and knowledge sharing initiatives to share best practices, latest research findings and technological advances, enrich human capital and foster innovation in the cluster.

Discussion.

An extended cluster system for the flour production sector includes various interrelated elements and stakeholders involved in the entire value chain from wheat production to flour distribution. Collaboration, innovation and sustainability are emphasized to ensure growth, efficiency and competitiveness in the cluster ecosystem.

Clusters are crucial for the development of cereal enterprises for several reasons and factors:

1. Economies of Scale: Clusters allow companies to benefit from economies of scale by sharing resources, infrastructure, and knowledge in a concentrated geographic area. These businesses have access to specialized services and suppliers at lower prices.
2. Knowledge sharing and innovation: Clusters facilitate collaboration and knowledge sharing between companies, research institutes and educational centers. It encourages innovation, speeds up the exchange of ideas, and accelerates the development of new technologies and processes.
3. Workforce Development: Clusters attract a skilled workforce by offering employment opportunities and specialized training programs. This concentration of talent helps companies recruit and retain skilled workers, which increases productivity and competitiveness.
4. Market Access: Clusters give companies access to larger markets and customer bases. By clustering together, businesses can leverage collective marketing efforts, distribution networks, and brand recognition to more effectively enter domestic and international markets.[4]
5. Risks and risk mitigation: Clusters help companies diversify by spreading risks across multiple firms in the same industry or value chain. This reduces the vulnerability of individual enterprises to market fluctuations (skachki rynka), supply chain disruptions, and regulatory changes.
6. Policy support: Governments and politicians often support industrial clusters through targeted policies, incentives and infrastructure investments. These supporting measures aim to stimulate economic growth, create jobs and increase competitiveness at the regional and national level.
7. Institutional support: Clusters benefit from the presence of industry associations, trade organizations, and business networks that provide advocacy, information sharing, and collective bargaining power. These institutions help solve common problems, protect industry-specific interests, and represent the collective voice of cluster members.

Serve as catalysts for economic development by encouraging collaboration, innovation, efficiency and competitiveness in all industrial ecosystems, not just the grains segment. They play an important role in ensuring sustainable growth, job creation and prosperity for business and society.

Conclusion.

In conclusion, the creation of a comprehensive cluster system for the production of grain products is a strategic approach aimed at increasing efficiency, innovation and sustainability in the sector. By integrating different stakeholders and resources across the cereal production value chain, clusters provide a holistic framework to address key challenges and capitalize on growth opportunities.

The cluster system creates synergies that enhance competitiveness and resilience through primary production, processing, logistics, technology acquisition, quality control, market development, sustainability initiatives, regulatory compliance and education efforts. These collaborative efforts facilitate knowledge sharing, resource optimization, and continuous improvement in the grain production ecosystem.

In addition, the cluster model is in line with global trends toward integrated supply chains, an innovation-based economy, and sustainable development goals. By fostering collaboration between government, industry, academia and other stakeholders, clusters can unlock the full potential of grain production and contribute to economic development, food security and environmental protection.

for the production of grain products not only increases the productivity and competitiveness of the sector, but also serves to ensure inclusive growth and long-term stability. Therefore, at the state level, the development and expansion of cluster ecosystems in grain-producing regions by industry leaders and expertsshould prioritize supportive investments and initiatives . Through collective action and shared commitment, clusters can make positive changes and create lasting value for the grain industry and society as a whole.

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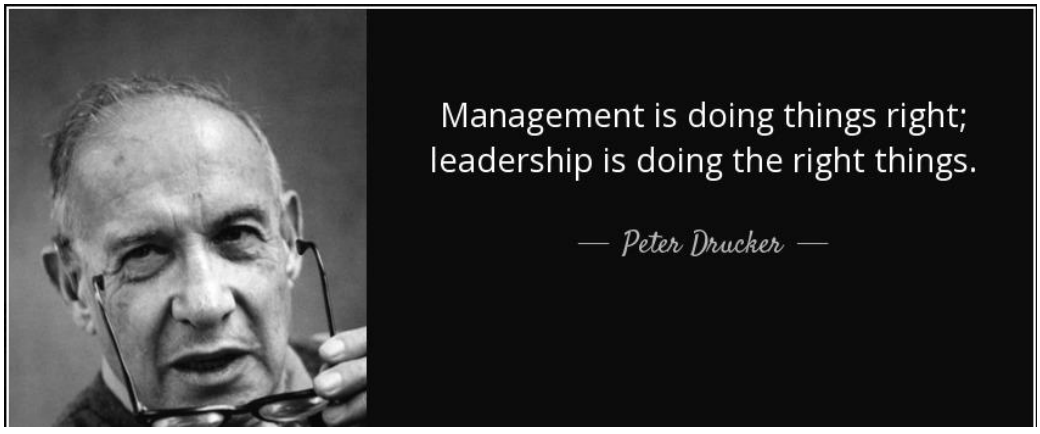

IMPROVING THE CLASSIFICATION BASIS OF CAPITAL INVESTMENT ACCOUNTING UNDER THE DIGITAL AND GREEN ECONOMY IN UZBEKISTAN

Mukhammadiev Zarrukh Umarovich[1]

ABSTRACT

In this article, the definitions of capital investments as an economic category in the context of the digital and green economy, classification issues of capital investments as an accounting object are theoretically researched, and issues such as the importance of organising and maintaining capital investment accounting in economic entities are highlighted.

Keywords: *Digital Economy, Green Economy, Capital Investment, Capital Investment Accounting, Accounting, Modernization, Biological Assets, Greenfield Facilities, Capital Investment Financing Sources.*

Introduction

The address delivered by President Sh.M. Mirziyoev of the Republic of Uzbekistan at the 75th session of the UN General Assembly is a direct outcome of the structural changes implemented in our nation to promote the "green economy". During the conference, the head of state lamented that the Island region has emerged as the focal point of an environmental catastrophe.[2] The statement of the "green economy" in our country demonstrates a significant level of commitment to this strategy by highlighting the extensive efforts being made to establish two million hectares of new plant areas and Groves. The purpose of these initiatives is to enhance the existing soil layer and improve the current condition.[3] Furthermore, the Republic of Uzbekistan adopted the program "Transition to a Green Economy and Promotion of Green Growth in the Republic of Uzbekistan until 2030" in 2019. This program aims to develop the country's strategy for transitioning to a "green" economy during the 2030s. It involves introducing "green" technologies in all economic sectors, proposing broad conditions for their technological modernization and financial incentives, introducing "green" investments in private enterprises, providing comprehensive support for their activities, offering practical assistance in establishing cooperation with international financial institutions and other foreign organisations, introducing new innovative products, and focusing on the development of the National Innovation System to facilitate the transition to a "green" economy.

Upon analyzing the data provided by the Statistical Committee of the Republic of Uzbekistan, it can be concluded that in the current digital economy, it is imperative to implement information technologies in enterprises and enhance their operations using digital technologies. This establishes the foundation for expanding the variety of cutting-edge services in the domestic economy of the country, so introducing them to the global markets. Hence, we posit that it is imperative to undertake comprehensive scientific investigation in this domain of study, ascertain the elements that have a favorable impact on the operations

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[2]The speechofthepresidentofthe Republic of Uzbekistan ShavkatMirziyoevatthe 75th sessionofthe United Nations General Assembly //People'swordnewspaper. September 24, 2020. № 202 (7704). P. 1. https://www.gazeta.uz/uz/2020/09/23/bmt/

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of enterprises in the digital economy, scrutinize them, maintain financial records, and furnish both internal and external information to cater to the demands of users. Given this imperative, it can be asserted that maintaining accounting in organizations under the circumstances of a digital economy is one of the most pressing challenges of the present date.

These defined activities are deemed significant in the national economy of the country, hence it is pertinent to maintain the accounting of capital investments in the context of the establishment of a digital and green economy. It is necessary to acknowledge these tasks and establish the classification criteria for capital investments as an accounting entity.

Review of literature

These pressing tasks prompted a study of both international and local educational literature. Within academic-scientific literature authored by scientists, several methodologies have been employed to define and describe the concept of capital investments.

The Federal legislation of the Russian state about investment activities conducted in the form of capital investments in the Russian Federation provides the following definition: "capital deposits" refers to investments in fixed capital, which include new construction, reconstruction, technical re-equipment of existing enterprises, purchase of machinery, equipment, tools, inventory, project exploration, and other expenses.[1] The legislation, enacted in the late 20th century, explicitly defines "capital deposits" as "capital investments" as stated in the regulatory texts of our nation. Although the definition includes the cost of capital investments directed towards the primary objects, it fails to adequately consider the influence of capital investments on other assets.

Within the scientific community at Ohio University in the United States, Kenton defined capital investments as the procurement of tangible assets with the purpose of attaining the long-term commercial aims and objectives of a company[2]. Examples of assets that can be acquired as capital investments include real estate, manufacturing firms, and machinery.The legislation enacted in the Republic of Uzbekistan defines the economic category of capital investments as investments in the generation and reproduction of fundamental funds, such as new construction, modernisation, reconstruction, technical re-equipment, and the advancement of other forms of material production[3].

The scientific research conducted by Russian scientist L.V. Galyapina on the subject of the organisation of capital investment accounting, including its models and methodological concerns, provides the following explicit definition: Capital expenditures are a type of investment in the Real sector of the economy and serve as the primary means of providing firms with production capabilities[4]. Acknowledging in this definition that the primary form of investment is capital investments, the scientist regards it as a crucial element in the expansion of production activities in economic entities.

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[2]https://www.investopedia.com/terms/c/capital-investment.asp

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[4]Галяпина Л.В. Организация бухгалтерского учета капитальных вложений: модели и методические решения. Автореферат диссертации на соискание ученой степени кандидата экономических наук. – Краснодар: 20006. 19-с.

Research conducted by V.I. Titov defines capital investments as a multifaceted economic category including cost and material elements that are converted into fundamental funds that directly impact the speed and nature of social production development in the capital construction system. Within the context of construction organisations, this definition encapsulates the societal significance of capital investments. It asserts that all expenditures related to capital investments result in the development of fundamental instruments[1].

Regarding the scientists of our country, by B. Urazov and according to M. E. Poolovs, capital investments refer to the allocation of financial resources towards the development of new structures, the enlargement, restoration, and modernization of existing structures, and the acquisition of new fixed assets. This definition is analogous to the one provided for capital investments in the legislation about investments and investment operations[2].

Contrarily, O.I. Ochilov holds the belief that capital investments are precisely focused investments that will provide economic and social advantages in the future, to augment private assets in both quantity and quality[3]. Upon reviewing this concise description, it becomes evident that the primary objective of firms in implementing capital investments is to priorities profit metrics.

Capital investments refer to the financial resources allocated to a corporation to enhance its business objectives. Income or recapture of invested capital from the company's earnings over the years may also be received by individuals or legal organizations[4].

Capital investments refer to sustained investments that have a duration of one year or longer and are crucial in determining the profitability of a firm and the value it provides to its shareholders[5].

Capital investments refer to the monetary resources allocated towards the attainment of corporate objectives or the acquisition of durable assets for a firm[6].

Capital investments refer to the financial resources allocated to production activities, including the creation, updating, and augmentation of essential finances for both production and non-production purposes, as well as the construction of facilities[7].

In our study effort, we consider the descriptive basis of the capital investments examined as an object of accounting to be significant and valuable for the formulation of scientific conclusions and ideas.

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Methodology of research

The research conducted on the organization and maintenance of capital investment accounting in enterprises in the context of the digital and green economy relied on the classification foundations of capital investments as an accounting object. Specifically, research methods such as scientific abstraction, economic analysis, monographic observation, comparison, induction, and deduction were employed.

Results and Discussion

To address the issue of capital investments as an accounting object, a classification of capital investment accounts was developed within the framework of a digital and green economy.A salutation to the economic experts of our nation who have undertaken rigorous study on the accounting and analysis of investments.

I.Ochilov categorized capital investments into two classes based on the purposes of financial and taxation accounting[1].Research indicates that scientific and educational literature, as well as regulatory documents on accounting, lack sufficient information on the categorization of capital investments as an accounting object within the framework of establishing a digital and green economy. The only existing plan of accounts for this purpose is found in National Accounting Standards No. 21, titled "Financial Entities Financial Economic Activity Accounting Accounts Plan and Instructions for its Application."[2] Nevertheless, the structural components of capital investments do not encompass modernisation, reconstruction, expansion, replacement of primary instrumentation with new ones, capital repairs conducted to enhance capacity, and direct modernisation, innovation, and digitisation. These activities are considered as distinct processes.

In the national accounting standard No. 12, titled "Accounting for Financial Investments," financial investments are specified and categorised as either long-term or short-term investments. Nevertheless, this BHMS does not contain any references to the categorisation of capital investments, which are regarded as a distinct form of investment.

In the context of the digital and green economy, the classification mechanisms for capital investments in economic entities are not well-developed in accounting and financial reporting. This lack of development hinders the effective reflection of the practical efforts related to the digitisation and modernisation of all sectors of our country's digital and green economy. Consequently, this has a detrimental effect on the provision of information to individuals and legal entities that are inclined to invest in enterprises. Furthermore, the absence of scientific rationale and the inadequate establishment of the classification criteria for capital investments as an accounting object result in a relative reduction in the likelihood of economic entities obtaining accurate and transparent information about capital investments in accounting. It is our contention that the current limitations on information regarding capital investments in the accounting and reporting system do not create adequate circumstances for the leadership and staff of the accounting service to effectively showcase the appeal of investing in accounting entities to both internal and external

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investors. Hence, the mentioned study underlines the need of all accounting science findings to undertake crucial activities such as identifying accounting entities associated with the implementation of capital investments in firms within the context of a digital and green economy. Additionally, it is crucial to establish their categorization based on various criteria that are essential for accounting maintenance.

Given the aforementioned pressing requirements, our study concludes that it is recommended to examine capital investments within the framework of a digital and green economy. These investments can be categorized into three distinct kinds of accounting objects.

The aforementioned facilities consist of:

1. Artefacts associated with the procedures of capital procurement.

2. Objects of the origins of funding for capital investments.

3. Objects towards the outcomes of capital investments.

The consideration of these capital investment items is essential in the development of the classification grounds for capital investments as accounting objects.

Based on the findings of the aforementioned study, we have devised a classification of capital investments as an accounting entity in the following manner. This classification aims to address the current challenges in Accounting Today and theoretically enhance accounting within the framework of a digital and green economy. The classification is presented in the form of a Table (Table 1):

Table 1. : Classification of capital investments at the object of accounting in the conditions of a digital and green economy[1]

№	Classification criterion (sign) groups according to classification criterion (sign)	Classification criterion (sign) groups according to classification criterion (sign)
I. Objects related to the processes of capital investments		
1.1	**Capital investments in the supply process of objects represent the scope of capital investment processes**	Capital investments in the supply process
		Capital investments in the production process
		Capital investments in the sales process
		Capital investments in the management process
		Capital investments in another process
1.2	**Objects that represent the directions of capital investment processes**	Buying a holisticbusiness
		Buyingnewbasictools
		Development and procurement of new intangible assets
		Building newfacilities

[1]Author'sworkbasedonresearch.

		Reconstructionofexistingobjects
		Expansionofexistingobjects
		Updating existing production facilities on the basis of modern techniques and technologies
		Improvementofexistingobjects
		Overhaul of existing facilities and facilities
II. Objects related to sources of financing of capital investments		
2.1	**Accordingtosourcesofdescent**	Externalcapitalinvestments
		Domesticcapitalinvestments
2.2	**Accordingtofundingentities**	Foreign investors
		State budget
		Out-of-budgetfunds
		Банклар
		Ownfunds
		Other legal entities and individuals
2.3	**By typeofcurrency**	Capital investments in foreign currency
		Capital investments in national currency
2.4	**Accordingtothedeadline**	Long-termcapitalinvestments
		Short-termcapitalinvestments
2.5	**According to the condition of return**	Return capitalinvestments
		Non-refundablecapitalinvestments
2.6	**Accordingtotheinterestpayment**	Interestcapitalinvestments
		Interest-freecapitalinvestments
2.7	**Accordingtotheinclusionobject**	Capital investments in digital production facilities
		Capital investments in green space facilities
		Capital investments in other key instruments
		Capital investments in intangible assets
		Capital investments in biological assets
		Capital investments in investment property

		Othercapitalinvestments
2.8	**According to the purpose of inclusion**	Capital investments in new construction
		Capital investments in the reconstruction and modernization of existing ones
2.9	**According to the method of implementation**	Powdermethod
		Farm method
III. Objects related to the results of the processes of capital investments		
3.1	**Digital production and green space facilities**	Digital productionfacilities
		Green spaceobjects
3.2	**Otherbasictools**	Furnitureandofficeequipment
		Vehicles
3.3	**Intangibleassets**	Patents
		Licenses
		Software
		Goodville
3.4	**Biologicalassets**	Perennialgardens
		Workinganimals
		Productiveanimals
3.5	**Investment property**	Land
		Building
3.6	**Receivables**	Long-termreceivables
		Extendedcurrentdebts
		Paidbootiestocontractors
3.7	**Liabilities**	Foreign currencyloans
		National currencyloans
		Foreign currencydebt
		National currencydebts
		Extendedcurrentdebts
		Current debtstocontractors

3.8	**Private equity**	Reserve capital balance for capital investments
		The balance of targeted receipts received for capital investments
		Reserve balance for capital investments
3.9	**Costsandlosses**	Interest costs on loans and debts received for capital investments
		Losses from course differences in loans and debts received for capital investments

We claim that the categorisation of these capital investments, devised by us, as an accounting entity, possesses distinct characteristics and serves as a valuable addition to accounting from both theoretical and scientific perspectives.

Conclusions and recommendations

The research findings led to the development of the following scientific conclusions and practicable recommendations:

Firstly, we assert that the categorisation of capital investments as an accounting entity in this manner, as advised by the United States, facilitates the analysis of investment activities of economic entities. This classification enhances the efficiency of evaluating economic indicators and fulfils the requirements of both domestic and international information users for capital investments information by methodically inputting data into financial and management reporting forms.Furthermore, the entities that symbolize the magnitude of the capital investment processes collectively form the substance of comprehensive financial and economic operations of firms. Each of these processes is preceded by distinct aims and objectives, the precise execution of which results in the steady and swift growth of organisations. Thus, the categorization of accounting items for capital investments in firms through the aforementioned procedures enables precise formulation of information about them in accounting and reporting, dissemination to the appropriate information users, and facilitation of operational management decisions.Furthermore, the categorisation of financing sources received by firms based on several indicators such as currency type, duration, repayment conditions, interest payment, and types of assets is crucial for users seeking to bring capital investments into their operations. Thoroughly disclosing information on the origins of capital investments in the account and report, based on the indicators of this categorisation, enables the planning, budgeting, evaluation, control, and analysis of these processes, as well as the execution of internal and external audits, ultimately facilitating suitable management decisions. Specifically, the categorisation of funds received for business capital investments based on their currency type will serve as the foundation for implementing crucial metrics such as the amount of foreign and domestic currency funds attracted for these activities, their intended uses, and the prompt recognition of funds in foreign currency required to meet payment commitments to investors. Fourth, capital investments in firms are categorised into long-term, defined as more than a year, and short-term, defined as less than a year, based on the duration of the funds obtained for financing. The allocation of these types enables the creation of graphs depicting the return on capital investments raised by firms from investors in the near and distant future. This facilitates the pre-budgeting and management of funds for the execution of these graphs.Fifth, capital investments refer to digital production and green space assets that are recorded on the balance sheet of the firm as items associated

with the outcomes of operations, other fixed assets, intangible assets, biological assets, investment property, and the appreciation in value of these assets in return for capital investments in expansion, reconstruction, and replacement activities. Furthermore, the balance sheet of the firm should take into account capital investments as items associated with the outcomes of receivables and lender debts on contractors, suppliers, and investors, as well as outstanding expenses and income from interest payments and course differences, unused reserve capital, projected receipts, and reserve balances.

We posit that the classification criteria we have developed offer a theoretical opportunity to address gaps in the scientific and educational literature, systematically analyse information on capital investments, and effectively manage accounting and reporting at enterprises. This information is expected to better meet users' needs regarding capital investments.

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IMPROVEMENT AND DEVELOPMENT OF SMALL ENTREPRENEURSHIP IN THE FIELD OF CONSUMER SERVICES IN UZBEKISTAN

Musaboev Rustam Alizhanovich[1]

ABSTRACT

This article examines the problems of the development and creation of small enterprises, which are of particular importance for our economy, since small business is an essential component and massive subject base of a civilized market economy, as an integral element of its inherent competitive mechanism in the service sector.

Keywords-*Small Entrepreneurship, Consumer Service System.*

I. INTRODUCTION

In countries with developed economies, small enterprises provide a significant, and in some cases, the predominant part of the gross social product. The entrepreneurial structure gives the market economy due flexibility, mobilizes large financial and production resources of the population, carries a powerful anti-monopoly potential, serves as a serious factor in structural restructuring and ensuring breakthroughs in a number of areas of scientific and technological progress, and largely solves the problem of employment and other social problems of a market economy . Therefore, the formation and development of small businesses is a strategic task of the reform economic policy of the state, which is relevant for the medium and long term, especially in the public services system.

The purpose of the research in the article is to identify areas for increasing the efficiency of functioning and development of small businesses in the Republic of Uzbekistan in the field of consumer services for the population.

II. LITERATURE REVIEW

Scientific research in the field of theoretical and practical problems of entrepreneurship development is being quite actively developed in the economic literature of foreign and domestic scientists. Scientific publications in this area belong to Schumpeter I :, Cantillon R., Say J.-B., Smith A., McConnell K., Yarotsky V., Drucker P.F., Lapusta M., Shulus A., Litvak B. G., Balikoev V.Z., Vlasova V.M. and many other authors.

Certain aspects of the problem of entrepreneurship development, the location of productive forces, regional development and government influence on this process are reflected in the works of domestic economists such as D.Kh. Aslanova, M.T. Alimova, I.I. Ivatov ,IbragimovI.Kh., M.M. Muhammedov, A.K. Kalandarov , M.K. Pardaev , K.Zh. Mirzaev , I.S. Tukhliev and others.

However, many issues of the functioning of small businesses in the field of consumer services, as a factor in the social and economic development of the country, incl. management and regional regulation in modern conditions and the specifics of development in the Republic of Uzbekistan have not yet been

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sufficiently studied, which indicates the importance of a thorough examination of this direction of economic thought and its importance for domestic practice. This determined the purpose, objectives and directions of the research.

III. RESEARCH METHODOLOGY

The article uses methods of rational thinking and logical analysis as a theoretical and methodological basis; decrees, regulatory documents adopted by the Government on the development of the national economy and additional measures to support small businesses, as well as scientific and methodological literature on the research topic.

IV. ANALYSIS AND RESULTS

In recent years, a number of procedures have been critically revised in Uzbekistan in order to simplify and stimulate business activities, and many outdated bureaucratic barriers and obstacles that do not meet modern requirements have been eliminated. As a result of the measures taken, the business environment has been improved and ample opportunities have been created in the republic for business entities and private investors.

At the same time, meetings held with entrepreneurs and investors indicate a lack of awareness among local implementers regarding the essence and content of ongoing reforms in this area, a noticeable lag in regulations, and the presence of unnecessary bureaucratic barriers when issuing certain licenses and permits.

Decree of the President of the Republic of Uzbekistan dated November 20, 2019 No. PP-4525 “On measures to further improve the business environment and improve the system of supporting entrepreneurship in the country” defines the goals of further improving the business environment and continuing the reforms begun in the country to provide even greater freedom to entrepreneurship , as well as ensuring the correct application of adopted legislative acts locally.

In order to develop the service sector based on special approaches based on the specifics of the regions, providing business entities with financial resources and infrastructure, as well as introducing a favorable tax regime for them, the Resolution of the President of the Republic of Uzbekistan, dated January 27, 2022 No. PP-104 “On additional measures for development of the service sector" identifies priority directions for the development of the service sector, based on the size and density of the population of the regions of the republic, geographical location, specialization and level of infrastructure provision.

Production relations, as theory proves, can be catalysts for the development of productive forces, or they can also be a brake. In relation to small businesses, there is a system of social relations determined by the investment, credit, tax, and protectionist policies of the authorities at the state and regional levels.

At the heart of the economic phenomenon of entrepreneurship is the ability to create new opportunities from the very fact of change. By staying ahead of the existing market, the entrepreneur has the chance to use this advantage to generate excess profits for some time as a result of the leap in productivity. This ability is characteristic only of the economically active population, which is not squeezed into the tight framework of bureaucratic requirements.

A characteristic feature of a modern economically developed state is profound transformations in the service sector. The active growth of the public service sector contributes to the activation of the human

factor, the role of which has increased immeasurably in the context of complex technological processes and problems being solved by society at present.

The potential possibilities of the consumer service are varied and wide. However, the degree of their disclosure depends on the socio-economic situation of a given time, in particular, on the level of effective demand and the subjective tastes of customers and consumers. These potential opportunities are most fully revealed in market conditions, when any form of monopoly is eliminated, and the quality of service is increased by competition among producers and interested control by consumers.

In order for small businesses to fulfill their socio-economic objectives, it is necessary to increase the viability and sustainability of small businesses. This, in turn, becomes possible only as a result of a set of targeted measures to support small businesses.

Household services are potentially the most suitable area for mass small businesses: they have a short production cycle and a correspondingly high rate of capital turnover. Considering the heterogeneous composition of small consumer service enterprises, it is advisable, in our opinion, to distinguish the smallest - with the number of employees up to 15 people, small - from 15 to 50 people, and small - from 50 to 100 people.

Small business is a special organizational and legal form of social production; adapted to market conditions, prerequisites for growth, which are determined by the state of development of productive forces and production relations.

Small business can become an important basis with the help of which a turn towards positive economic processes, the real formation of the market, the restoration of abandoned industries, the development of new resources, the creation of new jobs, etc. will be carried out . One of the factors hindering the formation of a civilized market in Uzbekistan is the lack of an effective mechanism for the development of small businesses. Meanwhile, supporting and stimulating small capital and preventing its spontaneous washout from production require active efforts on the part of the state.

It is necessary to take into account that the very logic of creating a market economy presupposes a “bottom-up” movement - from the interest of an entrepreneur to the centralized formation of a market infrastructure (tax, credit policies of banks, exchanges, conditions of privatization and demonopolization), an organized structure of “market” management that serves and realizing this interest.

V. CONCLUSION/RECOMMENDATIONS

The foregoing allows us to conclude that sustainable, that is, irreversible economic and social development of small businesses is possible only if there are necessary and sufficient conditions (prerequisites) for such development.

Underestimating small businesses and ignoring their economic and social opportunities during reform reforms can be qualified as a major, strategic miscalculation, fraught with numerous economic negatives.

Analysis of the “legal field” will reveal the main shortcomings of the regulatory framework from the point of view of entrepreneurship:

- Legislation lags behind practice;
- Inconsistency of various legislative and regulatory acts;

- The possibility of different interpretations of legislative provisions;
- Impossibility of implementing the most important provisions of adopted laws;
- Poor information about adopted laws.

The development of consumer services in Uzbekistan is justified by the role of this sector of the economy, as the most acceptable and prepared for the organization of small businesses of a mass nature using the tools of a program-targeted approach, developing the concept of state regulation and support for small businesses of the system of consumer services for the population, identifying the main factors hindering the development of small business in this system to increase the efficiency of government regulation and support for small businesses in the Republic of Uzbekistan.

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PROBLEMS OF DEVELOPMENT OF HOUSEHOLD SERVICES IN RURAL AREAS

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ABSTRACT

In this article, based on the fact that the current state of development of the sphere of consumer services in rural areas is one of the most pressing issues of our time, a number of socio-economic problems are considered, in particular, problems in the field of consumer services in our country, studied and analyzed, the author's scientific research, proposals and recommendations are described.

Key words: *service, service, household service, service, rural area, market economy*.

Enter.

At the current stage of the economic development of our country, the number and quality of services are increasing. The application of the experience of developed countries has led to an increase in the demand for services. This, in turn, brought about changes in the composition of the consumer market. As a result of the increase in the material well-being of certain layers of the population, a new category of consumers with their own requirements and needs for services has emerged. Affluent consumers are in great demand for a variety of services that improve their life comfort. For this reason, some service enterprises focus their activities on meeting these demands and needs of the population.

Analysis of literature on the topic.

V. Bobkov, A. Pochinok and other economists defined the concept of "well-being" as follows: well-being is the provision of material, social, cultural and spiritual resources necessary for life, that is, elements, services and conditions that satisfy human needs.

Therefore, even in rural conditions, changes in the well-being of the population cannot be imagined without state and civil society institutions and international living standards.

The standard of living of the population is considered the most important criterion for evaluating the effectiveness of the country's socio-economic policy, and its implementation is the main goal of society's development. First of all, the standard of living is characterized by the combination and interdependence of two components: the provision of material and non-material resources of the population and their level of consumption.

I. Hasanov, A. Eminov, reflecting on the extent to which increasing the income of families in villages is organized in the conditions of the market economy,

A. Kadirov "A number of social events are being implemented in our republic to ensure social equality. In particular, minimum wages and other payments were usually increased in advance, linked to changes in prices, which ensured that the population remained solvent and did not allow the standard of living to fall sharply. In this way, by increasing the minimum wage, the average wage and monetary income of the

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population has been increased," he says. A. Akobirova reminds that one of the main indicators of raising the standard of living of the population in the conditions of the market economy is a sufficient salary.

R.Karlibaeva, I.Danabaev express the opinion that the priority directions of rural infrastructure development should not only aim to raise the standard of living in villages, but also to develop all sectors and industries in the same direction.

In our opinion, in order to improve the standard of living and conditions of the population, it is necessary to seriously approach the issue of modeling in order to determine the level of consumption of the population in many ways, to assess the possibilities of their development, and to develop the perspectives of determining the forms and methods of meeting their needs.

In this regard, N. Mahmudov writes, "By taking a broader approach to the issue of socio-economic modeling of rural development and welfare, ensuring rural development and welfare is carried out on the basis of activities that are directly related to each other and have their own characteristics." According to him, the well-being of the life of the villagers depends on the effective organization and management of the production process there. The production process, in turn, is inextricably linked with the activities of the supply and service sectors with specific quantitative units.

Research methodology. Conclusions and proposals were formed as a result of the analysis of service and consumption process indicators by economic-mathematical methods during the implementation of the research. In addition, the method of analysis and synthesis was effectively used in the implementation of scientific research.

Analysis and results. The service sector, as a component of the economy, directly participates in the production of the country's gross domestic product. Currently, there are different opinions in the economic literature about the boundaries of the service sector. In particular, this field includes household services, passenger transport services, communication services, residential communal services, education, culture, sanatorium-health care, services with similar socio-economic functions in the field of law. The service sector is primarily a direct economic and social activity:

Ensuring the occurrence of such complex economic relations directly requires increasing the importance of private property in this area.

So, now the service sector will develop. Before we dwell on its perspective, let's dwell on the explanation of the meaning of this service word.

Because there are different views on the meaning of the word service. "Service is derived from the English word servise, which means providing household services to the population." In the Russian-Uzbek dictionary it is indicated as "servis - servis (service to the population, service)". It is described in the same way in other literature. It can be seen that the word "service" is compatible with the field of service and is similar to each other.

The decision of the Cabinet of Ministers of the Republic of Uzbekistan "On the program for the development of the service industry in 2016-2020" defined the main conceptual directions for the development of service and service industries in 2016-2020. Based on these, and based on the "2016-2020 program for the development of service and service industries in the Republic of Uzbekistan", the main conceptual directions of the development of services and service industry in our country, especially in the regions, are as follows will consist of:

- To increase the gross domestic product due to the development of the service sector, to increase its share in the republic's economy to 48.7%;
- Increase services in rural areas by 1.8 times by 2020;
- Development of engineering-communication, road transport infrastructure, creation of conditions for the rapid development of the service sector and structural changes due to the introduction of modern information and communication technologies in networks;
- Formation of a competitive environment, support for the development of small and private business entities;
- Expansion of various innovative services, new means of communication;
- To ensure the technical capabilities of the population to use telecommunication networks, to provide quality services based on them, to fully transition to digital systems of telephone communication and television, to increase the share of communication and information in the republic's economy to 2.5% by 2020;
- Development of financial services by introducing the latest electronic and payment technologies;
- Further development of high-tech services in the healthcare sector;
- To increase the level and quality of services of enterprises in this field in the international market in order to increase the export of services of our country;
- Comprehensive support for the training, retraining and upgrading of personnel working in the field of services and services.

The reforms implemented in the context of the transition to the digital economy should be focused on increasing the efficiency of the national economy. Development of the service sector, which is considered to be a component of it, improving the quality of service to the population and meeting its various requirements is one of the important directions.

The research shows that nowadays enterprises and organizations engaged in the field of service, household services, and individual entrepreneurs make a great contribution to the state economy.

In the last years of the 20th century, developed countries began to form ideas about global visions of future development. Based on the need to improve the standard of living of people in society, foreign and domestic scientists are scientifically paying more attention to providing people with an average way of life and reducing the difference in the material stratification of the population. Also, they are thinking more about the study of the issue of "quality of life" as the main goal of current socio-economic development.

Today, in determining the current and future measures of the socio-economic development of our country, it is necessary to take into account the impact of the global financial crisis, to formulate economic development programs in terms of the impact of these processes, and to implement them consistently. From this point of view, in the "concept of socio-economic complex development of the Republic of Uzbekistan until 2030" of President Sh. M. Mirziyoyev, "the service sector is becoming one of the leading sectors of the economy of the Republic of Uzbekistan." By the end of 2021, the share of services in the economy of the republic is 35.6 percent. The social orientation of services helps to create additional jobs, reduce costs, shorten the time of households providing services, and ensure the improvement of the quality of life of the

population. In recent times, the service sector has developed in favorable economic conditions. This includes:

- Implementation of branch programs of development in a number of sectors in the economy;
- Measures aimed at creating the legal and organizational basis for the activity of new market institutions (depository, insurance, audit activities, electronic government, electronic commerce, etc.);
- Relaxation of the state regulation of the services market due to the implementation of the Decrees of the President of the Republic of Uzbekistan and the Government's decisions on support of entrepreneurship, trade liberalization and support of commodity markets;
- Stimulation of demand and supply due to credit expansion;
- Effective social policy, increasing the cultural and educational level of the population, which requires the quality of the completeness of services, is one of the important tasks defined in improving the well-being of the population through the development of the household service sector.

Table 1 : **Creation of types of services in Uzbekistan in 2020-2022 (in billion soums)**

Indicators	**2021y.**	**2020compared to the year, %**	**2022 y.**	**2021compared to the year, %**	**2023 y.**	**2022compared to the year, %**
Total service volume	20082,7	121,3	28079,3	113,8	31785,8	114.0
Of which: trade and catering	3462,6	126,8	5007,1	111,2	5793,2	115,7
Transportation	6691,3	112,7	9366,3	106,2	10031,3	107,1
Communication and information	1388,1	140,1	1581,1	118,2	2039,6	129,0
Financial services (microcredit allocation services)	1423,4	132,2	2227,6	119,9	2731,0	122,6
Tourist tourism services	45,9	126,3	46,1	101,7	46,8	112,7
Hotel services	63,8	122,5	88,1	107,3	95,9	109,0
Utilities	2751,8	108,4	3862,1	101,8	3827,4	99,1
Household services	359,2	129,0	452,7	120,1	5513,7	121,8
Repair of cars and other equipment	183,7	139,2	262,1	121,3	326,1	124,4
Others	3712,9	130,6	5268,1	117,6	6348,0	120,5

***Source**: Compiled based on the information of the State Statistics Committee of the Republic of Uzbekistan.*

In 2023, transport services will have priority in the structure of services and will make up 32.0% of the total services. Also, trade and catering services accounted for 18.0 percent, communal services for 12.0

percent, financial services for 9.0 percent, and communication and information systems for 6.0 percent (Table 1).

In the current period, the socio-economic development of the countries of the world differs sharply from the previous stages in terms of its meaning and content. A new interpretation of economic growth requires modern, conceptual approaches in the world economy. In particular, effective activity in the service economy has been studied somewhat more widely than industrial activity, which is explained by the fact that primarily socially oriented activity is aimed at ensuring the standard and quality of life of the population in society.

In our opinion, the following can be distinguished in the content of effective activity characterized by the decision of the service economy:

- Business entities in the service economy first of all focus on increasing efficiency, i.e. more fully meeting the private (personal) requirements of customers. In the industrial economy, attention is focused on the maximum production of more products.
- The concept of utility in the service economy is the same as the character of the use of goods, and it determines how much the system of material products and services has improved. In the industrial economy, only the material side of the product is taken into account.
- In the service economy, the ability to constantly control and determine the attitude of the producer to satisfy the maximum needs of the consumer on the basis of quality is understood. In the industrial economy, the basis of quality is understood only as the ability of the operator to "do his job well".
- The management system is also changing in the service economy. Its main features are flexibility, quick decision-making, organizational aspect, free movement and transparency, while in the industrial economy, management has a "mechanical" nature, that is, it is determined by the step-by-step structure and their excessive regulation.
- In the service economy, the main focus is on the efficiency of the formation of the service system, and in the industrial economy, the main focus is on the transformation of raw materials into finished products.

For example, on average, there are 40 large household service enterprises per 100,000 people in our republic, while this indicator is 64 in urban areas and 26 in rural areas. According to the results of 2008, the volume of services provided to rural residents was only 26.8% of the services provided to the total population.

Therefore, in the near future, priority development of the service sector in rural areas is an urgent task.

The task of increasing the share of the service sector in the GDP to 48.7%, increasing the number of employees in the sector by 2 times compared to 2019 by the end of 2022, supporting the activities of providing new types of services, further developing small businesses in the sector, provided by priority development of information and telecommunication services, transport, finance, and tourism services.

The level of utilization of such a large opportunity is much less than the required situation. Another important aspect of this industry is that it is an important industry that helps to solve the problem of providing employment to the surplus labor force in the countryside. Because many traditional types of household services, which are attractive for private entrepreneurship, are not developing sufficiently both in the city and

in rural areas. Such a situation causes the consequences of employment problems related to demographic processes and "demographic pressure" in the rural areas of the region. Especially in rural areas, no effective measures are being taken to develop this industry.

Studies show that the main reason for the existence of the above situation is that, on the one hand, the number of workers on the list was reduced in exchange for ensuring the intensive development of the service sector due to the increase in labor productivity, and on the other hand, employment in the domestic service sector is considered to be the contribution of more individuals, that is, the majority of individuals engaged in domestic service, although they do not have a special permit or license. They often do not pay taxes on their income. This means that there is a high level of hidden employment in the sector.

Our research shows that the volume of general services in the services market has been increasing in recent years. This situation is related to the emergence and development of a number of new types of services on the market. In particular, in recent years, as a result of the development of communication and information, financial, advertising, legal, tourist and other types of services, it is possible to create new jobs in the service sector and ensure the employment of the able-bodied population.

Conclusions and suggestions: It can be concluded from the above that effective activity in the service economy is fundamentally different from effective activity in the traditional (industrial) economy, and it is more socially oriented.

Therefore, the development of the service economy in countries based on a developed market economy leads to a new understanding of social and economic development. In particular, not only the rate of quantitative growth, but also social indicators and indicators of quality of life are gaining the main importance in it. In such conditions, effective activity is understood as focusing on meeting the needs of society members, primarily socially oriented goals. In the industrial economy, more quantitative, economic and priority goals are envisaged.

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PROSPECTS OF USING INNOVATIVE AND CLUSTER METHODS IN ENSURING FOOD SAFETY BASED ON THE PROCESSING INDUSTRY IN UZBEKISTAN

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ABSTRACT

This article examines the state of ensuring food safety based on the processing industry in our country. In particular, the classification of the participants of the innovation cluster of the food industry and their mutual relations, the classification of the general necessary relations between the innovation clusters of the food industry and the main factors was analyzed. The experiences of foreign countries in the development of food safety industry policy were studied, and the model of ensuring food safety based on the innovative development of food industry clusters and directions for further development of the network were proposed.

Key words: *Food Industry, Food Safety, Processing Industry, Food Products, Food Raw Materials.*

Introduction

As mentioned in the previous chapters, the sustainable development of the food system in any country has a great impact not only on ensuring food security (economically), but also on its socio-economic and ecological development.

From this point of view, as well as the constant provision of high-quality (ecologically clean) products to the population's demand for food products, the food production (processing) industry is a strategic issue for countries.

In our opinion, food safety can be divided into two interrelated directions:

1. Economic security - constant supply of the population's demand for food products at a low cost and in the required amount;

2. Safety of human health - ensuring that the produced food products meet ecologically clean and veterinary-sanitary requirements.

Of course, the food safety food system, which combines these two directions, covers all the processes of "food raw materials - processing - cooking (preparation) - consumption".

In this regard, regulatory and legal frameworks have been developed in our country, based on established procedures, food safety and food processing quality control activities are organized and regulated.

In particular, the Law No. 483-I of the Republic of Uzbekistan dated August 30, 1997 "On the quality and safety of food products" was adopted. The law recognizes that "food product safety is compliance of food products with sanitary, veterinary, veterinary-sanitary, phytosanitary rules and regulations" [1].

At the same time, consistent reforms are being carried out in terms of economic security of food supply in the country, i.e., to ensure cheap, high-quality and complete food supply of the population, and to turn the industry into a profitable one by increasing the export of food products.

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In particular, the decision of the President of the Republic of Uzbekistan dated January 26, 2023 "On measures to establish the International Institute of Food Technology and Engineering" No. [2] was adopted, in which the following are defined among the main tasks and directions of activity of this institute:

- Development of education in areas such as production and processing technologies, market trends, safety and quality standards (codex), network management methods and product information;
- Such as practical and innovative research in the field of food technology and training of scientific and scientific-pedagogical personnel based on modern requirements.

The above reforms show that one of the main goals is to achieve high efficiency by increasing the role of the processing industry and its sustainable development based on the introduction of new methods of ensuring food safety in our country. It is especially appropriate to use innovative cluster methods.

Research methodology

Analytical comparison, logical and comparative analysis, grouping and expert evaluation methods were widely used in this research. Also, the research works of foreign and domestic scientists on the topic were widely studied and analytical conclusions were presented.

Analysis and results

World experience also shows that the use of innovative and cluster methods in ensuring food safety based on the processing industry is promising.

So what does "use of innovative and cluster-based approaches to food safety in the processing industry" include?

In this regard, according to China's experience, the following approaches should occupy a central place in the development of food safety industrial policy in the country (Figure 1)

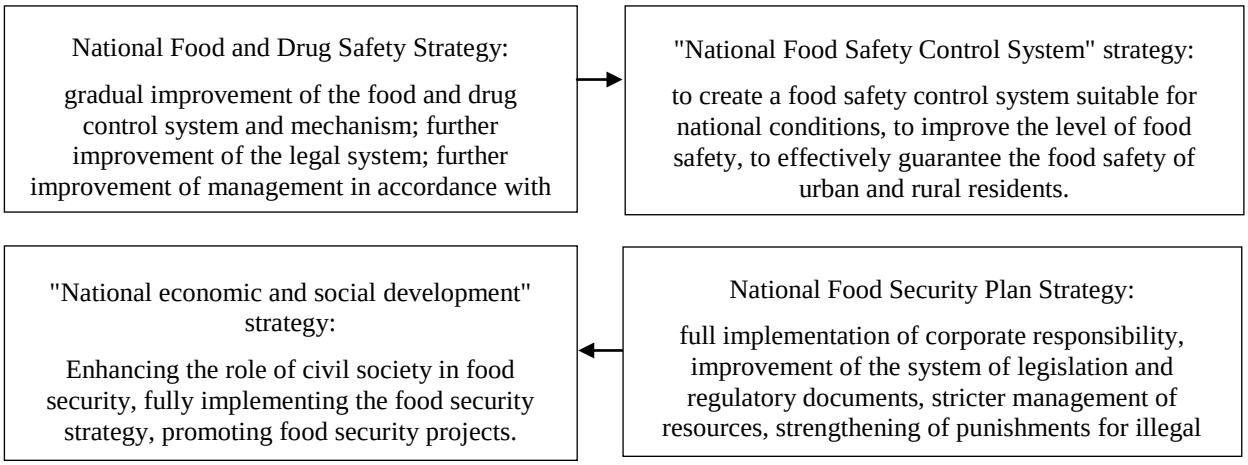

Figure 1. Food Safety Industry Policy Development Process (China's Experience) [3]

Also, in European countries, corporation, cooperation and cluster methods based on highly integrated and highly technological activities are widely used to ensure food safety.

In addition, any processes related to food safety are organized based on high-level technologies and knowledge. In particular, there is a "Smart Agrifood Industry" project within the "European Cluster Collaboration Platform" platform.

Smart Agrifood Industry is an ongoing program of events in a virtual format that brings together leading experts in technological innovation in the agrifood sector [17].

This program showcases cross-functional innovations applied to food safety and quality control in food processing. The goal of this program is to address major global challenges in the agri-food sector, such as environmental impact and biodiversity loss, food optimization, as well as food quality and safety, based on high-level technologies.

In other words, "Smart Agrifood Industry" is the measures that promote the creation of innovation trends to solve today's problems facing tomorrow's industry.

It should be noted that the basis of today's clusters is the system called "Localization economies" first proposed by Alfred Marshall in 1890. In the 1990s, Michael Porter's "The Competitive Advantage of Nations" came to the attention of the general public. After that, there was an increased focus on defined clusters within countries as a source of national competitive advantage. Because this demonstration, supported by empirical data collected as a result of the study of national economies, brought clustering to the fore in national, regional and even local economic strategic planning [4].

Of course, after that, the cluster method began to be used in various areas of the economy, and scientific research works on its further development and improvement increased. Including the definitions expressing the essence of the cluster. In particular,

M. E. According to Porter, a cluster is a geographical grouping of interrelated enterprises representing the same industry, their specialized suppliers and service providers, enterprises operating in related and auxiliary industries, and social institutions and organizations [5].

M.A.K. According to Jallal et al., a cluster is an integrated form of interaction of enterprises in production, procurement, processing, sales, control, and the use of consulting services of scientific institutions, the purpose of which is to create innovations and put them into practice [6].

Thus, the development of the industrial cluster against the background of the knowledge economy of globalization has become a global economic phenomenon. Especially this specialized cluster has become popular in developed countries. Due to a number of clusters around the world, "Economic mosaics" have been formed [7]. In the same way, the organization of clusters in agriculture led to the creation of "Agro-Industry Clusters".

Agro-industry cluster is a system of mutual relations between agricultural producers, food and processing industry enterprises, state bodies, educational and scientific institutions, infrastructure organizations, which are territorially localized and united with a single purpose of activity, and at the same time have their own characteristics. [8].

In our opinion, the main features of such an integrated structure in the form of a "cluster" are as follows:

- Based on innovative direction;
- The presence of a synergistic effect.

Based on the main features of the "Cluster" method, it can be said that it is an innovative method of integration of interrelated enterprises under a single goal, another main feature of which is synergistic effect. That is, there is a high efficiency of organized "labor" (activity).

In addition, the following advantages of forming and using clusters should be recognized:

- Ensuring competitive advantage;
- Wide possibilities of attracting foreign investments [9];
- Increasing productivity;
- Increase in the possibility of reaching a new stage of development based on an innovative approach;
- Including reducing technological dependence.

It should be noted that the cluster method is based on the implementation of full-fledged innovations. Therefore, in the development of clusters, the innovative environment in the country is important, and in our opinion, it is appropriate that the main goals of innovative activity in the country cover the following:

- Diversification of existing products;
- Improving the quality of products (services);
- Reducing production costs of products (services) and losses (waste output) in this process;
- Increasing the efficiency of the production process and reducing time consumption;
- Creation of new trade markets (online trade) while maintaining traditional trade markets;
- Ensuring compliance of the innovation process with standards;
- Increasing the flexibility of the production process;
- Reduction of material costs and labor costs;
- Ensuring environmental safety.

Of course, based on the above goals, the following measures should be implemented in the innovative development of the food industry:

1) Establishment of new food industry enterprises based on modern digital (economical) technologies, modernization of existing ones and strengthening of local raw material base;

2) study of foreign experiences on improvement of small and medium-sized food processing and production enterprises along with food industry clusters and organize their effective use in the conditions of Uzbekistan;

3) Acceleration of providing necessary support by the state in the direction of modernization and capitalization of technologically outdated or "incapacitated" food enterprises;

4) Attracting investments, in particular, creating a favorable environment for foreign investors and creating additional opportunities for local investors, as well as comprehensive support for investment projects, etc.

In addition, adapting the socio-economic values of innovative industrial clusters to the regional value system is an integral part of the cluster development strategy. Because, in most cases, the main company of clusters has to choose between the strategy of acquiring additional structural enterprises and the strategy of individual development according to the priorities of the area where it is located. Such priorities include, first of all, social traditions, as well as innovative potential expressed by the availability of production, financial, labor and other resources for the successful development of the region [10].

Currently, clustering is one of the most effective ways to eliminate systemic problems and crisis processes in the economy.

Table 1 : **The structure of the innovative industrial cluster [11]**

Initial stage	The next stage	Cluster type	Type of enterprises at a certain stage
Core	Innovative infrastructure	Innovation cluster	Enterprises and organizations developing technologies (research institutes, universities)
Center	Industrial infrastructure	Industrial cluster	Enterprises that produce innovative products based on advanced technology
	Marketing infrastructure	Marketing cluster	Enterprises engaged in the sale of products manufactured on the basis of new technology
Periphery	Technological infrastructure	Technological cluster	Technologically related enterprises
	Institutional infrastructure	Institutional cluster	Enterprises, organizations and institutions in an institutional structure

The effective organization of the cluster depends on the activity of individual components of the cluster structure, therefore, a comprehensive approach is required [12].

Based on the above, the importance of using the cluster method in the food industry can be explained as follows.

Today, food products as a primary product intended for consumption occupy the main part of the daily purchases of the population on a global scale. That is why it is urgent to further improve the processing capabilities of food processing enterprises and increase their economic efficiency. Increasing the economic efficiency of food processing enterprises directly depends on the development of a modern cluster system [13].

In addition, the use of the cluster approach and its implementation in the food industry meet the following requirements of the world market [14]:

- Increase the level of international division of labor;
- Modern marketing concept is consumer oriented;

- Such as the limitation and shortage of energy resources and raw materials on a strategic scale for most of the countries.

Based on these requirements, food clusters implement the following activities in order to increase the level of competitiveness [15]:

First, the introduction of research and development, increasing the automation of production using resource-saving technologies;

Secondly, it is necessary to improve the use of new technologies and invest in the training and retraining of personnel who meet the requirements of the modern market.

At the same time, in most developing countries, especially in our country, there are a number of problems that seriously hinder the development of the food industry, including:

1) High cost of food production in agricultural enterprises and lack of efficiency;

2) The fact that existing capital funds in food industry enterprises are technologically outdated and fuel is not energy-efficient;

3) problems related to the mutual integration between food growing, manufacturing or processing enterprises and trade enterprises and logistics infrastructure (in particular, the quality of roads, fuel problems and high prices);

4) Problems related to rapid adaptability of food industry enterprises and adoption of innovative technologies (including lack of financial opportunities, lack of scientific approach, lack of qualified personnel);

5) Low institutional support or inefficient implementation of optimal organization and coordination of these measures by representatives of local authorities;

6) Lack of qualified personnel and insufficient qualification of existing personnel.

In our opinion, it is appropriate to use the cluster method effectively in solving these problems. However, this process should be organized on the basis of market principles and implemented on the basis of institutional support, as in the history of developed countries. Because, regardless of any economic system and any country, state reforms, along with existing natural and other resources, are of particular importance in its socio-economic development. In particular, it is known from the experience of Singapore, Japan, USA, Canada, China and European countries.

As part of the conducted research, the study of the competitive mechanisms of the effective functioning of cooperative integration structures (including clusters) showed that [16]:

- Analysis of export potential of enterprises, identification of competitive goods, possible markets of industrial products;
- Development of a program to adapt local enterprises to new conditions for rapid export development;
- Formation of export production zones under the most preferential regime in the policy of export promotion and import substitution. Solving this problem will largely depend on the state policy aimed at attracting investments and developing the real sector of the national economy.

In this regard, it is appropriate to consider the socio-economic measures and reforms of the state as an important factor in ensuring food safety based on increasing the efficiency of the food industry through the use of innovative cluster methods in the country.

Therefore, based on the opinions, it is possible to include institutional institutions, scientific research institutes, financial institutions, food industry enterprises, agricultural enterprises, trade enterprises and direct consumers as participants in the food industry innovation cluster, and their mutual relations can be expressed as follows (Figure 2).

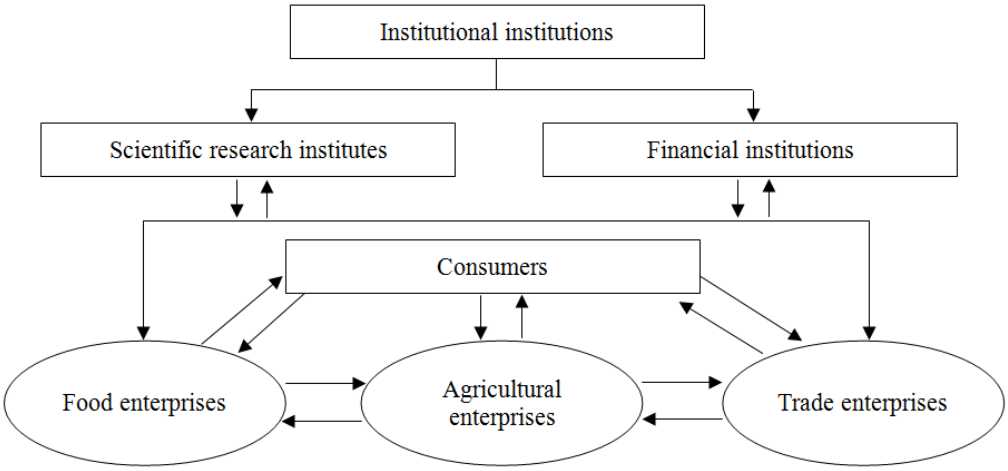

Figure 2. Participants of the food industry innovation cluster and their interactions[1]

It should be noted that innovations and clusters are one of the main factors of success of food industry enterprises. Because, in the previous period, the food industry was a slow-growing and low-profit sector. However, in recent years, the application of innovations and clusters in the food industry has led to its rapid development and becoming one of the most profitable sectors. Of course, in the development of the food industry, the increasing demand for food products around the world and, of course, the increasing price of these products are also important.

In our opinion, innovative approaches and innovative technologies are necessary for effective functioning of clusters in the food industry. Because only the use of innovations (technologies) ensures the dynamic development of food industry clusters and their competitiveness in domestic and foreign markets, and on this basis, their sustainable development.

Of course, in addition to the above-mentioned advantages, clusters also have a number of disadvantages:

- The absence of competitors in a particular cluster "eliminates" the need for continuous improvement of production and sales processes;
- Dependence of the overall results on each cluster participant.

Based on the above, it should be noted that the effective development of the food industry on the basis of clusters is a complex process, in which high results can be achieved through effective organization and optimal management.

[1]Compiled by the author.

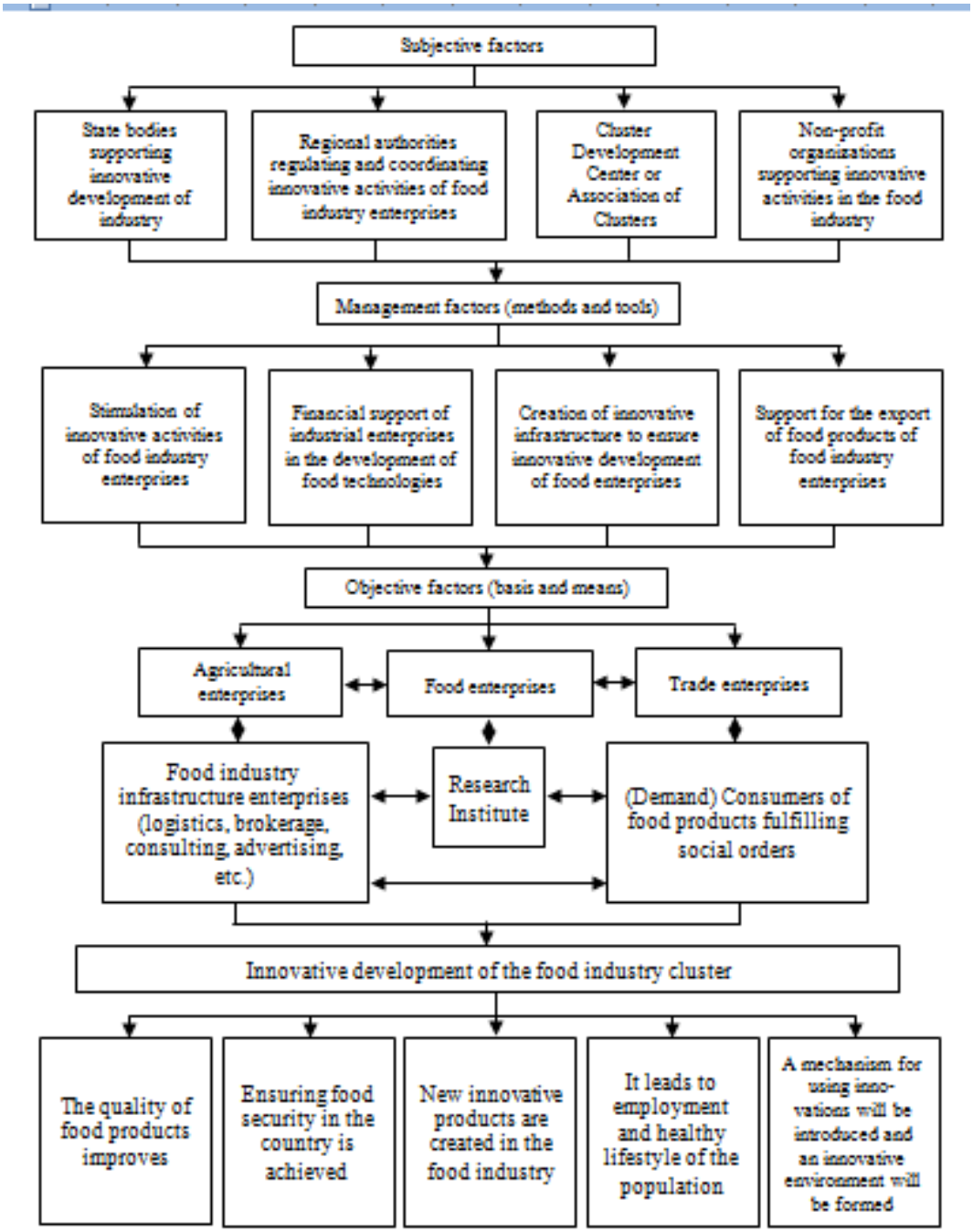

Figure 3. Model of ensuring food safety based on innovative development of food industry clusters[1]

[1]Author development.

The advantage of the proposed "Model of innovative development of food industry clusters" is that it covers all stages and factors of innovative development of food industry clusters. That is, subjective factors, management factors (methods and tools), objective factors (organizational basis and tools) and resulting processes are presented.

Conclusions

Of course, like all economic processes, ensuring food safety based on the innovative development of food industry clusters is a complex process, and the effective functioning of this mechanism also depends on:

- it is necessary to achieve innovative synergistic efficiency, which ensures the capitalization of produced knowledge, acquired skills and technologies, which is one of the specific characteristics of food industry clusters;
- Food industry clusters are highly flexible and effective structures, and it is necessary to introduce an effective mechanism of regional development based on stable relations between all cluster participants;
- It is the most effective form of development of economic integration in the country and it is an innovative cluster that ensures the increase of competitiveness of the economy. For this, it is necessary to create the necessary conditions for the rapid spread of new knowledge, scientific discoveries and inventions and their transformation into innovations;
- It is desirable to put food industry clusters as the main priority of economic activity in areas specialized in food production and to organize it efficiently.

In conclusion, world experience also shows that the use of innovative and cluster methods in ensuring food safety based on the processing industry is promising. In our opinion, the main characteristics of such an integrated structure in the form of a "cluster" are as follows: it is based on an innovative direction and the presence of synergistic effect.

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INNOVATIONS IN HR MANAGEMENT: THEORY AND PRACTICE OF APPLICATION

Khaydarova M.Sh[1], Rakhmonova T.[2]

ABSTRACT

In modern economic conditions, renewal, continuous improvements and innovationsare not only a way of development, but also a condition for the survival of economic systems.However, the main attention in this issue is paid to product and technologicalinnovations, while the pace of implementation of management innovations, whichinclude innovations in HR management (HRMI), lags significantly (the phenomenon ofthe difference in the growth rates of implementation of production and management innovations has received its ownname in innovation management - organizational lag). However,the significance of HRMI for the effectiveness of the implementation of product and technological innovationsturns out to be just as high (despite the more complex forecasting of their impact andefficiencies). The objectives of this article are to describe and classify modernapproaches to the application of innovations in HR Management (HRMI) and assess theirefficiencies.

The practical significance of the article's results lies in the fact that the described innovations in human resource management (HRMI) can be used to improve and develop economic systems, as well as to create algorithms for evaluating process efficiency. The article's results may be valuable for managers and organizational leaders when making decisions about implementing innovations in human resource management or when choosing alternative options for organizational development, in developing performance measurement systems for human resource management, and in making changes to human resource management systems. The article also contributes to the development of the scientific field of systematizing and evaluating organizational innovations.

Keywords: *Innovations, Human Resource Management, Efficiency, Evaluation, Human Resource Management Innovations, HRMI*

Any innovation implemented within an organization represents a complex process that affects many internal subsystems and has an indeterminate measure of implementation effectiveness. Currently, neither economic literature nor the legislative and regulatory framework provide universally accepted terminology in the field of innovation activities. Similarly, there are no universal indicators that allow for the evaluation of the effectiveness of any implemented or ongoing innovation. The definition of innovation, as stipulated by the International Standards in the Statistics of Science, Technology, and Innovation, is as follows: "Innovation is the outcome of innovative activity, embodied in the form of a new or improved product/technological process, introduced to the market, applied in production, or in a new approach to the provision of social services."[3]

[1] Tashkent State University of Economics, Uzbekistan

[2] Karshi State University, Uzbekistan

[3]Frascati Manual: Proposed Standard Practice for Surveys on Research and Experimental Development. – 6th ed. – OECD, 2002. – 256 p. – doi: 10.1787/9789264199040-en

The concept of intra-organizational innovation, therefore, essentially encompasses all products, processes, or approaches to social services that are new to a particular organization, regardless of whether they have been applied in other organizations. The goal of implementing any innovation is to improve the overall performance of the organization. As a result, the functioning of individual subsystems within the organization undergoes significant changes, while the activities of other subsystems are either partially affected or remain unchanged. HRMI are classified as managerial innovations with specific properties that influence the methods and possibilities for calculating their effectiveness.A managerial innovation is defined as any organized solution, system, procedure, or management method that significantly differs from the established practices within the organization and is being used by it for the first time.

The foundation for this article is contemporary domestic and international scientific literature, represented by the works of P. Drucker, N.P. Zavlin, E.A. Utkina, M. Armstrong, R. Dornbusch, S. Fischer, K.X. Abdurakhmanov, G.K.Abdurakhmanova, A.B. Khaitov, I.Bakirova, A.B.Irmatova, S.B. Gaibnazarov and others.

The main reason for the need to distinguish management innovations as a separate category of innovations is the sociality of innovations of this type, which determines the presence of a set of aspects specific to this type of innovation, which must be taken into account simultaneously when implementing and evaluating such an innovation. Such aspects include:

- Technical and economic;
- Organizational and economic;
- Legal;
- Socio-psychological;
- Pedagogical, etc.

The technical and economic effect in the sphere of management is achieved by reducing the labor intensity of performing procedures related to the direct implementation of management functions, including possible benefits from choosing the most cost-effective management methods. The economic effect in production arises as a result of the improvement in productivity and quality of labor associated with the implementation of a management innovation and being its indirect consequence.

The evaluation of the effectiveness of managerial innovations, therefore, requires consideration of both types of economic effects that arise. This poses certain difficulties due to the large number of non-production and production factors that these effects can influence, as well as the complexity of converting all components of economic effects into a unified measurement system to calculate the overall effect.

When assessing any managerial innovation, it is necessary to account for the synergistic effect. Managerial innovation primarily impacts the intangible aspects of a company's activities and is weakly linked to the financial outcomes of the organization's operations.

The analysis of scientific literature, including the aforementioned sources, shows that the majority of works primarily focus on narrowly specialized issues directly related to personnel management processes

and lack results with practical value for evaluating effectiveness. Studies addressing the evaluation of personnel management effectiveness and the effectiveness of innovations in personnel management predominantly do not differentiate between these categories. Moreover, it is important to note the actual absence of works that primarily aim to address the evaluation of the effectiveness of innovations in personnel management.

Overall, theoretical approaches to defining the effectiveness of innovations in human resource management can be classified according to two criteria.

Criterion 1: According to the Type of Calculated Effectiveness

- Economic effectiveness
- Social effectiveness

Economic effectiveness of innovations in human resource management is assessed as the resultant change in the company's financial indicators (profit, cost, etc.) expected or actualized after the implementation of the innovation in human resource management. This type of effectiveness is relatively under-researched in the theoretical literature. The primary obstacles to calculating this type of effectiveness are considered to be:

- The impossibility of translating changes in qualitative indicators into a monetary equivalent
- The difficulty of accounting for all consequences of the innovation implementation when determining the overall impact on financial results. Analyzing scientific concepts, two approaches to evaluating the economic effectiveness of human resource management can be identified.

The first approach suggests considering the entire organization's workforce as a single "aggregate" worker. The second approach involves differentiating labor by products and types of work. Social effectiveness of innovations in human resource management is viewed from the perspective of assessing the potential to achieve positive and eliminate negative (socially) changes within the organization, as well as attaining any goals not aimed at changing financial indicators.

Thus, positive changes associated with the implementation of innovations and measurable through the calculation of social effectiveness may include:

1. Providing personnel with a proper level and quality of life (favorable working conditions, decent wages, necessary social services, etc.);

2. Offering employees conditions that allow them to realize and develop their individual abilities;

3. Granting a degree of autonomy (decision-making opportunities, determining task methodologies, establishing work schedules and intensity, etc.);

4. Developing a positive socio-psychological climate (communication opportunities, information access, increasing the degree of conflict-free relationships with management and colleagues, etc.).

Social effectiveness of innovations in human resource management also considers the prevention of negative changes, including:

1. Damage caused by unfavorable working conditions (occupational diseases, workplace accidents, etc.);

2. Harm to individuals (due to intellectual and physical overloads and underloads, stressful situations, etc.).

Several authors, including G.K. Abdurakhmanov, note the positive social outcomes formed outside the organization as a component of the social effectiveness of implementing innovations in human resource management.

Such social outcomes may include:

1. Improvement of the organization's image;

2. Creation of new jobs;

3. Establishment of stable regional employment levels;

4. Enhancement of the safety of production results for consumers and reduction of negative environmental impacts.

Depending on the goals of the innovation implementation, social outcomes of improving the system and technology of human resource management are considered separately for each component of the human resource management system:

i. Subsystem of Personnel Planning and Personnel Marketing (improving the utilization of the organization's employee potential, achieving alignment between employees' individual abilities and interests and their job content, reducing negative consequences of employee layoffs, ensuring personnel stability, and enhancing the organization's favorable image);

ii. Subsystem of Recruitment and Personnel Accounting (hiring personnel who quickly adapt to the organization, justifying personnel decisions regarding staff movements);

iii. Subsystem of Working Conditions (compliance with psychophysiological, ergonomic, and aesthetic requirements, implementation of occupational safety and health standards, level of work humanization, reduction of negative environmental impact);

iv. Subsystem of Labor Relations (timely identification of problems in team relationships, raising ethical standards in relationships, positive influence on organizational culture, improvements in interaction mechanisms for resolving issues in social and labor relations);

v. Subsystem of Personnel Development (organizing employee adaptation, enhancing job content, improving professionalism and competitiveness of personnel, achieving alignment between employees' and managers' goals in career management);

vi. Subsystem of Motivation and Incentives (creating a link between work efficiency and remuneration, personal development of employees, creating conditions for managing business careers, professional advancement of personnel, improvements in the personnel motivation system);

vii. Subsystem of Social Development (increasing the level of satisfaction of personnel needs, fostering a favorable socio-psychological climate, positively impacting feedback with employees,

providing opportunities for employees to socialize outside of work and participate in public life, positive changes in employees' living conditions);

viii. Subsystem of Organizational Structure Development (improving the ability to restructure organizational structures in response to environmental changes, clear articulation of goals and objectives to support decision-making, ensuring clear definition of employees' rights and responsibilities);

ix. Subsystem of Legal Support (personnel decisions compliant with labor legislation, justification of personnel decisions, legal protection of employees);

x. Subsystem of Information Support (providing management with information necessary for managing the HR system, successful management of information quality, timeliness, and justification, equipping employees with technical tools).

Criterion 2: By Approach to Evaluating the Effectiveness of Innovations in Human Resource Management

Based on the analysis of scientific literature, two approaches to evaluating the effectiveness of innovations in human resource management can be identified:

Approach 1: The effectiveness of innovations in human resource management can be measured as the increase in the effectiveness of the entire HR management system or its individual subsystems. In this case, the effectiveness of an HR innovation is calculated as the difference between specific indicators used to evaluate the effectiveness of the HR system at reporting dates before and after the implementation of a particular innovation. The number of methods for calculating the effectiveness of HR innovations is quite large, as it is derived from the numerous methods for assessing the HR management system and its individual subsystems. The effectiveness of HR innovations is determined through the construction of econometric models that relate the company's final financial result (profit) to changes in specific HR management system indicators.

The most relevant work on this topic is the dissertation by M.A. Mitrofanova[1], where the author proposes the following methodology for evaluating the effectiveness of innovations in human resource management:

1. Conduct regular quantitative and qualitative assessments of HR management subsystems. The assessment method includes calculations (for quantitative indicators) and surveys (for obtaining qualitative indicators);

2. Convert the obtained qualitative results using a developed expert scoring system;

3. Develop an econometric model, where the endogenous variables represent changes in the obtained indicators, and the exogenous variable represents changes in the company's financial results;

4. Identify the quantitative relationship between changes in profit and changes in indicators reflecting the results of implementing innovations in human resource management.

[1]Alberg, V.F. (1993). *Formation of a Personnel Management System at an Enterprise Using Functional System Analysis: Organizational and Economic Aspect* (Ph.D. dissertation, Moscow).

Approach 2: The effectiveness of an innovation is determined by its impact on specific, predetermined indicators of the organization's success. In this case, the effectiveness of the innovation refers to the organization's achievement of its strategic and tactical goals—both at the organizational level and at the departmental level.

This approach is developed in the scientific works listed in Table 1.

The concept of evaluating the effectiveness of human resource management, as found in the works of both foreign and domestic authors, shares common features: it is proposed to determine the effectiveness of human resource management by comparing the costs and benefits of applying specific working methods in the HR management system.

The components of economic effectiveness in human resource management, according to L. Vodachek and O. Vodachkova, include:

1. Ratio (economic result/costs) as the central component of HR management, viewed as the determination of the degree of the organization's strategic goals.

2. Degree of achievement of long-term components of economic effectiveness in the HR management system, reflecting the contribution of employees to the company's activities and development in the long term, including:

- Stability, ensured by smoothly running personnel-related processes (succession planning, reliability in task performance without tension and conflicts within the team);
- Flexibility, indicating employees' ability to adapt their work to new conditions in response to changes (e.g., the ability to develop new solutions to emerging problems and implement them, actively participate in organizational changes, and be prepared for conflicts when necessary to implement innovative concepts).

It is impossible to achieve complete stability and flexibility simultaneously, so the task of HR management is to find a balance between them, considering the dynamic conditions.

Thus, methods of evaluating the effectiveness of HR innovations based on calculating changes in individual performance indicators of the HR management system as a whole carry the same drawbacks as the methods of evaluating the HR management system from which they are derived. It is also important to note that evaluating the effectiveness of the HR management system is typically a process based on assessing a significant number of factors through expert evaluations. Calculating innovation effectiveness by comparing expert evaluations from different time periods can lead to substantial distortion in the resulting assessment due to differences in the subjective views of the experts conducting the evaluation at different times.

In European countries, so-called "assessment centers" are common. These centers utilize experts and a specialized set of indicators to identify the potential abilities of management employees. When using such services, a company implementing an innovation conducts preliminary consultations with the assessment center experts. This allows for a qualitative preliminary measurement of the indicators, which are later compared with similar indicators calculated after the innovation has been implemented.

The national practice of evaluating the effectiveness of innovations in human resource management is still in its early stages, as evidenced by the limited amount of information available in open sources. This

information deficit is partly due to the relatively small number of implemented innovations in human resource management in our country.

Conducting applied research on HR management processes based on the comprehensive use of statistical methods has recently become challenging in Russia. This requires the availability of long-term time series with simultaneous comparability across individual time periods/dates. However, most Russian companies have relatively short operational histories and are not inclined to disclose data regarding their HR management systems.

Thus, the article examined modern approaches to defining, classifying, and evaluating the effectiveness of innovations in human resource management.

1. Innovations in human resource management are a type of managerial innovation, which implies their close connection with the social environment and the necessity of considering the synergistic effect when evaluating the results of implementing such innovations.

2. The scientific literature notes the existence of two main concepts underlying the evaluation of the effectiveness of human resource management, which are found in publications in this field:

- The effectiveness of human resource management is assessed from the perspective of the unity of management and production processes; according to survey participants, the direct contribution of human resource management to production efficiency cannot be measured and is not measured;
- The effectiveness of human resource management is assessed as the determination of the contribution of human resource management to the overall effectiveness of the organization's activities.

Quantitative evaluation of such a contribution is challenging because reporting indicators that would allow for regular measurement have not been developed.

Thus, most methodologies for evaluating the effectiveness of human resource management are based on the first concept, i.e., they assess not so much the contribution of the HR management system to production efficiency, but rather its qualitative impact on such efficiency.

Effectiveness at the company level as an integral indicator can be transformed into many others at lower levels, reflecting the performance of specific HR management systems/subsystems.

In practice, organizations encounter difficulties when evaluating the effectiveness of innovations in human resource management. Existing methods are perceived as ineffective in establishing causal relationships between the innovation and its final result. There is a need for indicators that clearly reflect the impact of the implemented innovation in HR management on the company's performance indicators or that clearly demonstrate the extent to which the organization has achieved its goals as a result of implementing such an innovation.

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THE ROLE, DEVELOPMENT AND PROSPECTS OF INSURANCE ORGANIZATIONS IN THE ECONOMY OF THE REPUBLIC OF UZBEKISTAN

Kuvatova Dinara[1]

ABSTRACT

The insurance sector plays a vital role in the economic landscape of the Republic of Uzbekistan, serving as a key mechanism for managing financial risks and promoting economic stability. This article provides an in-depth analysis of the development, current state, and future prospects of insurance organizations in Uzbekistan. The study examines how insurance contributes to economic growth through risk mitigation, capital accumulation, and its role in enhancing financial inclusiveness. Additionally, the article discusses the regulatory reforms, market challenges, and technological innovations reshaping the sector. Through a comprehensive review of economic policies and global trends, this article identifies potential pathways for the sustainable growth of the insurance industry in Uzbekistan, emphasizing the sector's strategic importance in the broader economic framework.

Keywords: *Insurance Sector, Economic Growth, Uzbekistan, Risk Management, Financial Stability, Capital Accumulation, Regulatory Reforms, Technological Innovations, Economic Policies, Sustainable Development, Financial Inclusiveness, Market Challenges..*

INTRODUCTION

The insurance sector is a cornerstone of financial stability and economic development, providing essential services that help manage risks, facilitate investment, and promote sustainable economic growth. In Uzbekistan, the role of insurance organizations has gained increasing prominence as the country continues its transition from a centrally planned economy to a more market-oriented system. This introduction explores the development, current state, and future prospects of the insurance sector in Uzbekistan, drawing on various sources to provide a comprehensive overview.

Historically, Uzbekistan's insurance market has been relatively underdeveloped compared to other financial sectors. During the Soviet era, insurance services were limited and primarily provided by state-run entities, focusing mainly on compulsory insurance policies. With the transition to a market economy in the early 1990s, the insurance sector began to expand, albeit slowly. Early reforms aimed at liberalizing the market and introducing private insurance companies were met with modest success due to a lack of regulatory framework and limited public awareness about insurance benefits (Muminov & Kamilov, 2018).

In recent years, however, there has been a concerted effort to modernize and expand the insurance industry. According to the Central Bank of Uzbekistan, the insurance market has seen steady growth, with an annual increase in total insurance premiums from 2018 to 2022 (Central Bank of Uzbekistan, 2023). This growth reflects broader economic reforms, including improvements in the regulatory environment and increased foreign investment.

Insurance organizations play a crucial role in managing financial risks and stabilizing economic activities. By pooling risks and providing financial protection against uncertainties, insurance companies help individuals and businesses mitigate the impacts of unforeseen events. This function is especially important

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in emerging economies like Uzbekistan, where economic activities are subject to higher levels of risk due to market volatility and environmental factors (Kozlov & Sokolov, 2021).

In Uzbekistan, insurance is particularly vital in sectors such as agriculture, infrastructure, and small and medium enterprises (SMEs). For instance, agricultural insurance helps protect farmers against losses from natural disasters, thereby stabilizing the agricultural sector and supporting food security. Similarly, insurance for infrastructure projects mitigates risks associated with large-scale investments, facilitating the development of critical infrastructure (Yusupov & Akhmedov, 2020).

Insurance organizations also contribute to economic development by acting as institutional investors. They channel premium income into various sectors of the economy, including real estate, infrastructure, and financial markets. This investment helps finance long-term projects and stimulates economic growth by providing capital for development (Shirinov & Mustafayev, 2022).

Despite the positive developments, the insurance sector in Uzbekistan faces several challenges. One major issue is the limited range of insurance products available in the market. Many insurance companies focus on traditional products, such as property and health insurance, while more specialized products, such as agricultural and environmental insurance, remain underdeveloped (Ismailov & Khodjaev, 2019).

Regulatory constraints also pose challenges to the sector's growth. Although there have been improvements in the regulatory framework, there are still gaps in enforcement and oversight. Inadequate regulations can lead to issues such as inadequate consumer protection and market instability (Nazarov & Khalilov, 2021).

Additionally, insurance penetration in Uzbekistan remains low compared to global standards. Many individuals and businesses are not fully aware of the benefits of insurance, which limits the market's potential. Increasing public awareness and trust in insurance products is essential for expanding the market (Mammadov & Aslanov, 2022).

The future of Uzbekistan's insurance sector looks promising, given the ongoing economic reforms and efforts to modernize the financial system. The government has prioritized the expansion of financial services, including insurance, as part of its broader economic strategy. Initiatives such as improving the regulatory framework, promoting financial inclusion, and adopting international best practices are expected to drive further growth in the sector (Guliev & Karimov, 2023).

Technological advancements also offer opportunities for enhancing the efficiency and reach of insurance services. The integration of digital technologies, such as online platforms and artificial intelligence, can help insurance companies offer innovative products, streamline operations, and improve customer service (Aliyev & Mukhamedov, 2021).

Insurance organizations play a critical role in Uzbekistan's economic development by providing risk management solutions and facilitating investment. While challenges remain, the ongoing reforms and technological advancements present opportunities for further growth and development in the sector. Understanding these dynamics is crucial for harnessing the full potential of the insurance industry to support Uzbekistan's economic transformation.

MATERIALS AND METHODS

The research conducted in this study aims to explore the role, development, and prospects of insurance organizations in the economy of the Republic of Uzbekistan. It adopts a mixed-methods approach that combines both qualitative and quantitative methods to provide a comprehensive understanding of the insurance sector's impact on the economy. The primary and secondary data collection methods, including literature review, statistical data analysis, and expert interviews, are utilized to provide an in-depth examination.

1. Data Collection Methods

1.1 Literature Review

A comprehensive literature review was conducted to gather relevant information on the theoretical framework of insurance organizations and their contribution to the economy. Key sources included academic papers, governmental reports, publications by insurance regulators such as the Ministry of Finance of Uzbekistan, and international studies by organizations such as the World Bank, International Monetary Fund (IMF), and the Organisation for Economic Co-operation and Development (OECD). These sources helped establish the historical development of insurance markets, regulatory frameworks, and their economic rolesistical Data Analysis** To assess the quantitative impact of insurance organizations on the economy of Uzbekistan, this study utilized publicly available statistical data from the State Committee of the Republic of Uzbekistan on Statistics, as well as the annual reports of major insurance companies operating in the country. The data included indicators such as total premium collections, insurance penetration rates, claim settlement ratios, insurance industry contribution to GDP, and growth trends in specific insurance segments such as life and non-life insurance .

This data was sing descriptive statistical tools to identify trends, correlations, and the overall performance of the insurance sector in relation to the national economy. Growth rates of insurance premium collections were analyzed over a ten-year period, allowing for insights into the expansion and challenges of the sector .

1.3 Expert Inter-depth interviews were conducted with professionals from insurance organizations, economists, and regulatory officials to gain insights into the current state, challenges, and future prospects of insurance in Uzbekistan. Experts were selected based on their experience in the insurance industry, academia, and government. The interviews focused on issues such as:

Regulatory frameworks and reforms in the insurance sector.

The impact of macroeconomic changes on the growth of the insurance industry.

The potential for digitalization and innovation in insurance services.

Challenges faced by insurance organizations in expanding their market base and delivering effective services.

These interviews provided qualitative insights that complemented the quantitative data, particularly in understanding how the insurance industry responds to economic policies and market dynamics .

2. Analytical Methods

A SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis was employed to assess the insurance sector in Uzbekistan. This tool was chosen due to its effectiveness in identifying both internal and external factors that affect the industry. The strengths of the sector, such as its growing penetration and regulatory improvements, were contrasted with weaknesses like low awareness and trust among the population. Opportunities such as digitalization, expanding middle class, and government initiatives were weighed against threats like economic volatility and underdeveloped infrastructure .

2.2 Comparative Analysis

A comparative an performed between the insurance markets of Uzbekistan and other emerging economies, particularly those within Central Asia and countries with a similar economic structure, such as Kazakhstan and Azerbaijan. This analysis provided insights into best practices, regulatory models, and innovations that could be applied to the Uzbek context. Additionally, comparisons with developed insurance markets helped identify potential areas for improvement and growth .

2.3 Economic Impact Assessment

An economic impact was carried out to determine the extent to which insurance organizations contribute to the overall economy. Key variables such as insurance premiums, claims payments, and employment generated by the insurance sector were used to estimate the direct and indirect economic benefits of the industry. The model used in this analysis draws upon existing economic studies on the financial sector's contribution to economic growth, with modifications tailored to the Uzbek context .

3. Sampling.

A purposive sampling method was used to select insurance companies for the study. The sample included both large state-owned and private insurance organizations, as well as smaller firms operating in niche markets. The selection criteria included market share, range of insurance products offered, and involvement in innovative practices such as digital insurance platforms. Interviews were conducted with managers and policymakers from these organizations to provide a balanced view of the industry's prospects.

4. Data Interpretation

The findings from the statistical analysis and expert interviews were synthesized to provide an overarching narrative of the insurance sector's development. Statistical results were interpreted alongside qualitative data from interviews to validate key trends and projections. The interpretive framework also included an analysis of policy initiatives from the Uzbek government, such as its financial inclusion and economic diversification strategies, to understand how they influence the insurance market .

5. Ethical Considerations

Ethical guidelines were strictly followed during data collection, particularly in the expert interview phase. Consent was obtained from all participants, and the anonymity of interviewees was maintained throughout the research. Additionally, data obtained from insurance companies were handled confidentially, and only aggregate results were published to prevent any potential misuse of sensitive information.

6. Limitations of the Study

One limitation of this study is the availability of historical data, as the insurance industry in Uzbekistan is still relatively young. Another limitation is the small sample size of expert interviews due to the restricted number of high-level professionals available for consultation. Finally, while comparative analysis was insightful, differences in economic structures and insurance regulatory environments limit the applicability of all best practices from other countries to Uzbekistan.

RESULTS AND DISCUSSION

1. Current State of Insurance Organizations in Uzbekistan

1.1 Growth in Premium Collections

The analysis of premium collection data from 2010 to 2022 reveals a steady increase in the volume of insurance premiums in Uzbekistan. According to the State Committee of the Republic of Uzbekistan on Statistics (2022), the total insurance premiums collected by the sector grew at an average annual rate of 12%, reflecting both the increasing penetration of insurance services and the expanding economic base. Life insurance premiums, in particular, saw the most significant growth, outpacing non-life insurance segments. This trend can be attributed to the growing middle class, rising awareness of financial security, and government efforts to promote life insurance as part of its broader financial inclusion strategy.

Despite this growth, insurance penetration, measured as the ratio of total premiums to GDP, remains relatively low compared to global averages. As of 2021, Uzbekistan's insurance penetration rate stood at 0.35%, far behind developed markets like the United States (7.3%) and emerging markets like China (4.5%)dicates significant room for growth, especially as the country continues its economic modernization.

1.2 Employment and Contribution to GDP

Insurance organizations contribute to the creation of employment opportunities in Uzbekistan, particularly in urban centers. Employment in the insurance sector has grown alongside the expansion of services, with an increasing number of agents, actuaries, and risk analysts entering the market. According to data from the Ministry of Finance (2020), employment in the sector grew by 8% over the past five years, driven by the increasing demand for diversified insurance products .

Despihe overall contribution of the insurance sector to Uzbekistan's GDP remains small, at approximately 0.15%. However, the sector’s indirect contributions are more significant, as insurance organizations provide critical risk management services that support business continuity, investment, and economic growth. Studies have shown that the insurance industry acts as a shock absorber for the economy by providing financial security against natural disasters, health risks, and business disruptions .

2. Chalsurance Sector

2.1 Regulatory and Institutional Challenges

One of the key challenges identified in the study is the underdeveloped regulatory environment. Although the government has implemented several reforms aimed at improving the functioning of the insurance market, such as the "Law on Insurance Activities" (2019), there are still gaps in regulatory oversight. Many insurance firms operate with outdated practices, leading to inefficiencies and reduced consumer trust. The lack of digitalization in claims processing, policy management, and customer service further hampers the sector’s ability to compete with more modernized international markets .

Moreover, regulatory challenges enforcing mandatory insurance programs, such as third-party liability motor insurance. Compliance rates remain low, and enforcement mechanisms are weak. As a result, the potential for premium growth in these mandatory sectors remains untapped. Regulatory reforms that focus on enhancing transparency, strengthening enforcement, and encouraging innovation in insurance product offerings could help unlock further growth .

2.2 Public Awareness and Consumer Trareness and trust among the population are significant barriers to the further development of the insurance sector in Uzbekistan. According to a survey conducted by the Uzbekistan Insurance Association (2021), only 27% of the respondents had a comprehensive understanding of the role and benefits of insurance products. Mistrust of insurance organizations due to past claims disputes and a lack of transparency in policy terms have also contributed to the slow adoption of insurance .

The government and insurance companies have initiaional campaigns to increase public awareness, particularly targeting younger and more financially literate segments of the population. However, the effectiveness of these campaigns is limited by the lack of digital platforms that could facilitate broader engagement with potential consumers. International experience suggests that improving transparency, simplifying product offerings, and expanding access to insurance through digital channels are essential for building consumer trust .

2.3 Limited Product Diversification.

The government and insurance companies have initiated educational campaigns to increase public awareness, particularly targeting younger and more financially literate segments of the population. However, the effectiveness of these campaigns is limited by the lack of digital platforms that could facilitate broader engagement with potential consumers. International experience suggests that improving transparency, simplifying product offerings, and expanding access to insurance through digital channels are essential for building consumer trust .

2.3 Limited Product Diversification

While Uzbekistan’s insurance market has seen growth in standard life and health insurance segments, there is limited product diversification. Agricultural insurance, for example, is an underdeveloped area, despite agriculture being a key component of Uzbekistan's economy. Insurance products that cater to climate risks, crop failure, and natural disasters are either unavailable or insufficiently tailored to the needs of local farmers. This gap in product diversification represents a significant missed opportunity for both the insurance sector and the broader economy .

Furthermore, with the advent of new risks such as cybercrime and data breaches, there is growing demand for more specialized insurance products. Cyber insurance and coverage for emerging industries like renewable energy are areas that remain largely untapped. Expanding product lines to cover these areas could boost both premium growth and the sector’s contribution to the economy .

3. Prospects for Growth and Development

3.1 Digitalization and Innovation

One of the most promising prospects for the Uzbek insurance market is digital transformation. Digital technologies offer solutions to many of the operational challenges faced by insurance organizations, from

policy issuance to claims management. Implementing digital platforms for policy sales, automated claims processing, and customer service can significantly reduce operating costs and improve service efficiency. For example, China's insurance sector has seen significant growth in digital insurance, with online platforms accounting for a substantial portion of new policies.

Uzbekistan's government has recognized the importance of digitalization, as outlined in the 2020-2030 Digital Economy Development Strategy. This strategy emphasizes the adoption of digital technologies in all sectors, including insurance, to enhance service delivery, reduce costs, and broaden access to financial services. Insurance companies that invest in digital tools and partnerships with fintech firms are well-positioned to benefit from these trends.

3.2 Financial Inclusion and Insurance

The expansion of financial inclusion initiatives by the government also presents significant opportunities for the insurance sector. Uzbekistan has been working to broaden access to financial services, especially in rural and underserved areas, through the development of microfinance and mobile banking platforms. Incorporating microinsurance products tailored to low-income populations can help drive insurance penetration in these areas. Studies have shown that microinsurance can play a crucial role in poverty alleviation and economic resilience, particularly in emerging markets.

3.3 Government Initiatives and Policy Reforms

The government has introduced several initiatives to foster the development of the insurance market, including tax incentives for life insurance products and public-private partnerships in areas like health and agricultural insurance. The creation of a more favorable regulatory environment for insurers, as well as efforts to align domestic regulations with international best practices, will be essential for attracting foreign investment and enhancing the sector's competitiveness .

Internationally, insurance markets have flourished under robust public policy frameworks that encourage risk mitigation, financial stability, and innovation. For Uzbekistan to realize the full potential of its insurance industry, continued reforms aimed at regulatory modernization, consumer protection, and market liberalization will be necessary.

The analysis reveals that the insurance sector in Uzbekistan, while showing promising growth, faces several key challenges, including low public awareness, limited product offerings, and regulatory weaknesses. The sector's contribution to the national economy remains small, but its indirect effects, such as providing financial security and promoting business continuity, are significant.

There is substantial room for growth, particularly through digitalization and product diversification. As Uzbekistan continues to modernize its economy, the insurance sector has the potential to play a more prominent role in economic development by offering innovative products that address new risks, enhancing consumer trust through transparency, and leveraging technology to expand its reach.

Government policy will continue to be a key determinant of the sector's future trajectory, with recent reforms laying the groundwork for future expansion. However, realizing the sector's full potential will require sustained efforts from both policymakers and industry leaders to address existing challenges and capitalize on emerging opportunities.

CONCLUSION

The role of insurance organizations in the economy of Uzbekistan is becoming increasingly significant as the country continues to modernize and diversify its economic landscape. Over the past decade, Uzbekistan has made notable progress in the development of its insurance market, with growth in premium collections, expansion of life and health insurance segments, and a gradual rise in employment opportunities within the sector. However, despite these advances, the insurance industry in Uzbekistan is still at an early stage of development, contributing only a small fraction to the overall GDP and remaining underutilized compared to global standards.

Several challenges currently hinder the full realization of the potential of insurance organizations in Uzbekistan. Among the most pressing issues are the underdeveloped regulatory framework, low public awareness, limited product offerings, and a lack of digitalization. These factors have stifled the growth of the insurance sector and limited its ability to fully support risk mitigation and economic resilience. Strengthening the regulatory environment, enhancing transparency, and improving enforcement of mandatory insurance programs are critical steps for further development.

Public trust and awareness remain crucial obstacles that need to be addressed to encourage wider adoption of insurance services. This can be achieved through improved consumer education, streamlined claims processes, and digitalization of insurance services. Furthermore, diversification of insurance products, especially in areas such as agricultural insurance, cyber insurance, and coverage for emerging risks like climate change, is essential to meeting the evolving needs of the population and the economy. This product diversification can help reduce economic vulnerabilities and offer financial protection in key sectors that drive Uzbekistan’s economy.

Looking forward, the prospects for Uzbekistan’s insurance sector are promising. The adoption of digital technologies presents one of the most significant opportunities for transformation. The introduction of digital platforms for policy issuance, claims management, and customer interaction can drastically improve service delivery, reduce costs, and enhance overall efficiency. Additionally, government initiatives to promote financial inclusion and expand access to insurance in rural areas through microinsurance programs provide a pathway to increased penetration of insurance services in underserved regions.

The potential for growth also lies in the integration of insurance with broader economic policies, including public-private partnerships in sectors like health, agriculture, and infrastructure development. By aligning insurance services with national development goals, the government can help create a more robust insurance sector that not only contributes directly to GDP but also indirectly supports economic stability and growth by providing essential financial protection to individuals and businesses.

In conclusion, while the insurance sector in Uzbekistan has demonstrated strong growth and plays a crucial role in providing risk management solutions, its current contribution to the economy remains modest. Addressing regulatory, operational, and consumer-related challenges will be key to unlocking the sector’s full potential. The prospects for development are favorable, with opportunities for digital innovation, product diversification, and expanded financial inclusion. With concerted efforts from both policymakers and industry stakeholders, the insurance market in Uzbekistan can evolve into a more dynamic and integral component of the national economy, contributing to economic stability, growth, and resilience in the face of future challenges.

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MODEL OF ECONOMIC DEVELOPMENT OF RAILWAY TRANSPORT IN UZBEKISTAN

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ABSTRACT

In this article, the main directions defining the development of the organizational and economic foundations of the railway transport system,the main tasks of the economic development of the railway transport system,the volume of transportation of certain types of cargo in railway transport andTrends in the indicators of railway transport in Uzbekistan and the volume of transportation of certain types of cargo in railway transport andThe volume of investments involved in the activities of JSC "Uzbekistan Railways" was analyzed, the most important conditions for the structural reform of railway transport were indicated, the problems studied according to the results of the analysis were systematized, at the same time, the railway The principles of strategic integration of transport and the development model of the railway transport system, as well as directions of economic development consisting of six stages, are proposed..

keywords: *The Organizational And Economic Basis Of The Railway Transport System,Imitativemodel, Cargo Delivery, Transport Logistics System, Hierarchy Of Tasks, Transport Complex, Transport-Expedition, Transit Potential, Intermodal And Multimodal Types Of Transport, Services Market, Railway Transport Infrastructure,Main Directions, Logistic Concept Simulation Model.*

INTRODUCTION

The stable development of international economic relations is mainly determined by transport activities. The length of transport routes in the world is 50 million. Stabilization was noted at the level of more than a kilometer. According to the World Bank, today "the international transport market is estimated at 2.2 trillion (6.8% of GDP)". In most countries of the world, the share of transport in the GDP is 4-9 percent, in employment of the population 3-7 percent [1]. On the one hand, the transport system reflects the level of development of the national economy, and on the other hand, the level of security of the country.

In the world, extensive scientific research is being conducted on the effective development of the transport system. In particular,economic development of the railway transport systempositive effects of the development of the railway transport network have been noted in the studies conducted on the formation of economic approaches that ensure the effective development of the railway transport system, a comprehensive approach to the issues, however, the direction and extent of these effects are still unknown. no comprehensive opinion has been formed. Based on this,economic development of the railway transport systemdetermines the need to conduct additional research.

Special attention is being paid to rapid development of transport communications as an important branch of economy in our country. In this regard,In the Development Strategy of New Uzbekistan in 2022-2026, "development of the market and infrastructure of transport and logistics services, the level of electrification of the railway infrastructure to 60% and the rapid development of the highway network, "green corridors" for foreign trade in the field of transport " and priority tasks such as expansion of transit opportunities and

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increase of transit cargo volume to 15 million tons” [2]. The President of the Republic of Uzbekistan stated in his Address to the Oliy Majlis that "We need to develop the transport and logistics sector in order to deliver our products to the domestic and foreign markets and reduce the cost of goods" [3].This, in turn, represents the feasibility of conducting scientific research on the effective use of the country's transport-transit potential and modern delivery technologies, as well as the improvement of the economic development model of the railway transport system.

ANALYSIS OF LITERATURE ON THE SUBJECT

The theoretical and methodological foundations of the development of the railway transport system are reflected in the scientific research of a number of local and foreign scientists. According to the English economist Anthony Venables, the transport complex is a set of national economic networks specialized in meeting the needs of social production for transporting goods and passengers [4].

According to D. Bauersox, he paid special attention to the problems of organizing multimodal and intermodal cargo transportation, including the issues of economic efficiency and advantage of cargo transportation compared to traditional methods. At the same time, the author specifically mentions the transport system, which includes transport networks, vehicles and transport companies [5].

According to the scientists of our country, G. Samadov, A. Zoxidov, A. Gulamov and M. Ravshanov, "the transport system is a complex of transport facilities and infrastructures that are interconnected in the process of delivering goods and passengers to their destination, i.e. "The management system of all types of transport is understood in order to effectively manage interrelated transport sectors, labor resources and the country's economy" [6].

RESEARCH METHODOLOGY

Effective development of the railway transport systemThe results of the scientific research of national and foreign scientists, who were engaged in the analysis of the problems, served to evaluate the theoretical and methodological basis of this study and the system in terms of both quantity and quality. In the preparation of the article, abstract and analytical observation, comparative and factor analysis, indicative, selective observation, comparison, economic-statistical, induction and deduction, indicative, selective observation, comparison, correlation and regression analysis, economic-mathematical modeling, isikawa diagram, etc. methods used.

ANALYSIS AND RESULTS

The transport complex, which performs the main "blood circulation" function, is of particular importance in the effective development of the economy of world countries. An efficient transport system optimizes the movement of goods and products in the domestic market, as well as increases the economic competitiveness of the country in foreign trade, and provides an opportunity to accelerate the processes of integration into the world market. In general, the large-scale development of the country and the high speed of interregional economic relations are directly dependent on the effective operation of the transport infrastructure in a broad sense [7].

Railway companies are preoccupied with the implementation of current interests over the future interests of the industry and society. This indicates the need to introduce targeted approaches to the effective development of the railway transport system and to develop a general model that covers the entire organizational and economic system and substantiates its important features theoretically and

methodologically [8]. Today, the problem of developing a new strategy and model of state regulation of railway transport based on the concept of reciprocal activity of all participants in the transport market is urgent.

Assessing the role of the railway network in the country's economy, determining the prospects for the development of the network, and conducting research on the study and forecasting of trends, the medium and long-term strategy of the railway network, today's policy It serves as a basis for determining the need for material and technical resources, labor force and financial development with direct impact and for developing its long-term strategy.

Therefore, studying the main performance indicators of the railway transport system, the stages of development of transport and logistics infrastructures, and developing recommendations for eliminating existing problems in the system is one of the main issues today. In Uzbekistan, 5.3% of the local freight volume and 92.5% of the transit volume are accounted for by railway transport [9].

The main commodities transported include coal, grain, oil, ore, mineral fertilizers and other bulk bulk and liquid cargoes. (Table 1). As can be seen from the data in the table, the main part of the cargo transported by railway transport is the products of the mining industry (coal, oil and oil products, ferrous and non-ferrous metals, ores).

Table 1 : Volume of transportation of certain types of cargo in railway transport[1] thousand tons

Indicators	2017	2018	2019	2020	2021	2022	2023
Coal	3 971.0	3 712.7	442.9	5 632.6	5 231.0	4 459.2	5 673.8
Oil and oil products	10,773.9	10,661.4	10,961.9	6 769.4	6 156.2	5 951.6	5 372.2
Black and non-ferrous metals	959.5	887.2	812.7	1 079.3	1 280.9	1 113.2	1 054.9
Chemical and mineral fertilizers	4 304.2	4 381.3	4 049.8	3 451.4	3 602.6	4 210.9	4 641.7
Construction goods	7 728.7	6 690.3	6 329.4	5 475.3	5 575.5	4 071.9	5 607.7
Cement	5 325.7	5 514.1	4 846.4	4 866.4	5 112.0	5 044.5	4 582.1
Wood products	46.3	21.2	18.9	27.1	31.2	19.7	23.0
Grains and grain products	1 266.9	1 269.6	1 662.4	1 737.1	1 645.2	1 898.6	2 000.4
Total	**34 376.2**	**33 137.8**	**29 124.4**	**29,038.6**	**28,634.6**	**26,769.6**	**28,955.8**

[1]Information on "Uzbekistan Railways" JSC. 2021.

The delay in the delivery of goods is explained by the fact that there are still problems at the stopping points of the rolling stock, this situation shows the need to improve the efficiency of the rolling stock in order to ensure the effective performance of the assigned tasks by the railway transport. Table 2 presents information describing the use of some types of workers, cargo, rolling stock in general use.

Table 2 : Indicators of railway transport in Uzbekistan[1]

Indicators	2018	2019	2020	2021	2022	2023
Locomotive productivity, gross tkm per day	947	1015	1056	1110	1190	1200
Freight car productivity, tkm net per day	30	30.4	30.8	31.1	32	32.2
Average speed of the freight train on the section, km-h	32	31	30.6	31.3	30	31
Technical speed of the freight train, km-h	39.3	39.7	40.4	40.7	41.1	41
Average cycle time of a freight car, per day	4.6	5.78	4.2	4.1	3.84	3.9

In the last fifteen years, the volume of cargo transportation has increased by 27% and the number of passengers has increased by 86%, but it can be observed that the inventory of mainline locomotives used in the transportation process has decreased by 18.2%. A decrease in the section speed of the freight train by 9.6% has led to a certain decrease in the capacity of the railway transport [10]. In 2016-2021, the technical and average speed of freight trains on the section is much lower than the specified speed, and in our opinion, the following factors have a negative effect on the speed of trains:

- Freight trains are late;
- Technical failures at stations;
- Increase in technological time standards for trains at stations;
- An increase in the standard of time spent on troubleshooting at the station;
- Adverse effects of working personnel related to the movement of freight trains.

In 2019, the volume of total investments in the transport system was 6%, which decreased by 2.5 times compared to 2009, the volume of investments involved in railway transport, the main artery of our country's economy, increased by 24% in 2014-2016 and increased by 24% in 2017-2019. and it decreased by 18% in years (Table 3).

Based on the results of the analysis, in 2021, foreign loans under the guarantee of the Republic of Uzbekistan took the main part of the investments attracted to JSC "Uzbekistan Railways" by approximately 40%, followed by private funds at 35% [11].

In our opinion, the following should be the main directions of attracting investments to the railway transport system:

- Development of new forms of cooperation with foreign transport and logistics companies;

[1]Information on "Uzbekistan Railways" JSC. 2021.

- Participation in investment projects by selling and renting assets of "Uzbekistan Railways" JSC, attracting real estate;

the use of public-private partnership mechanisms that allow to combine the forces of the state and business in the implementation of the tasks of the development of the country's railway network.

Table 3 : The volume of investments involved in the activities of JSC "Uzbekistan Railways".[1]million dollars

Project initiator and funding sources	Years					
	2018	**2019**	**2020**	**2021**	**2022**	**2023**
Community funds	379.28	386.77	251.40	252.99	212.05	205.64
Dalvat budget	109.88	85.11	61.64	72.92	66,28	68.04
Foreign loans under the guarantee of the Republic of Uzbekistan	212.12	133.61	126.86	81,91	126.55	226.99
Commercial bank loans	50.0	0.0	17.41	47.03	20.00	1.36
Foreign direct investment	0.0	12.60	29.78	61.48	53.66	51.25
To the funds of the Uzbek Republic Recovery and Development Fund	79.90	116.08	40,23	86.92	36.62	22.73
Total	**831.18**	**734.17**	**527.32**	**603.25**	**515.16**	**576.00**

The extensive nomenclature of transport-logistics services and their wide range of possible changes in quality, the impact they can have on the competitiveness of services and the value of spending, while other factors are important for the enterprise to provide logistics services to consumers. requires having a clear, specific strategy in the field of display. A comparative analysis of freight costs by types of transport is presented (Table 4).

At the same time, certain types of railway transport activities, i.e. infrastructure, trunk railway network services, power supply systems and devices, locomotive management, etc., have retained their monopolistic nature due to technological reasons. [14]. Reorganization of Uzbekistan's railway transport created initial conditions for quality management of this network and introduction of optimal market structure. The supply and demand factors influencing the passenger transport activity of railway transport were proposed below (Figure 1).

[1]Information on "Uzbekistan Railways" JSC. 2021.

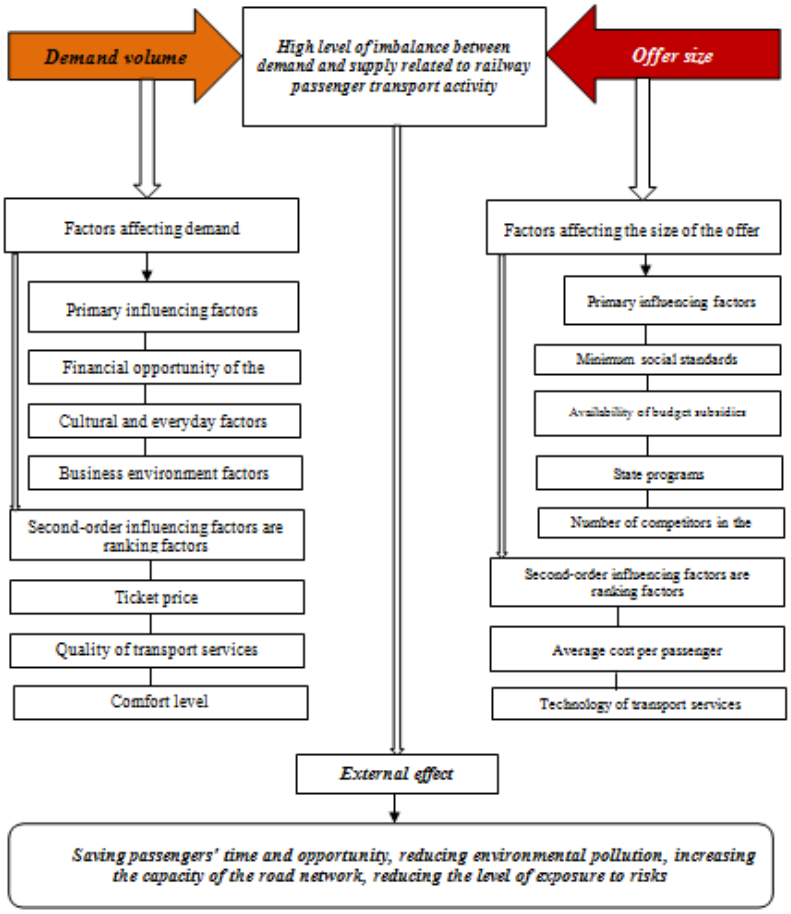

Figure 1.Supply and demand factors influencing the activity of railway passenger transportation[1]

CONCLUSIONS AND SUGGESTIONS

The proposed model of economic development of railway transport includes legal, managerial, financial-economic, environmental and innovative aspects aimed at ensuring a balance between the interests of the state, society and railway transport. The directions presented in the model of comprehensive development of railway transport ensure its stable and comprehensive development by strengthening insourcing and outsourcing integration, expanding strategic diversification, joining the world transport system.

Also, economic development of the railway transport systemit is appropriate to implement the following measures for:

- Changing the principles of setting tariffs and gradually transitioning to a new tariff system, reducing the number of correction coefficients, reducing the types of financing of railway transportation from all sides;
- Creation of a competitive environment in the field of railway cargo transportation by creating conditions for the establishment of private companies dedicated to freight transportation in railway transport,

[1]Author development.

which have their own locomotives and wagons;

- Increasing the speed and reliability of the transport and logistics system, increasing the share of electrified railways to 55% by 2030. For this, an average of 168 km of railways need to be supplied with electricity every year, and the amount of investments is 5.34 billion. should be a dollar. 1.2 billion to upgrade locomotives and wagons until 2030. dollar investment is required:
- In order to reduce the transportation costs of cargo transported in containers by 10 percent, it is necessary to increase container transportation by 25-30 percent;
- Increase the efficiency of the transport systemto expand the network of multimodal transport-logistics centers in the regions;
- Harmonizing the regulatory and legal basis, technical and technological regulations and standards of cargo transportation, intermodal and multimodal cargo transportation, logistics centers, transport-forwarding activities in accordance with international standards;
- Organization of an integrated information system to ensure the effectiveness of multimodal transportation;
- It is necessary to form a national network of customs logistics centers, to ensure that transport-logistics operations in them are at least at the level of 3PL.

Thus, the presented development model determines the solution to the problem of developing a scientifically based strategy for the development of railway transport in modern conditions. A model that provides comprehensive development leads to the development of market factors that allow to increase the strategic competitiveness of railway transport, reduce costs, improve the level of service and offer new services.

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INCREASING THE ECONOMIC EFFICIENCY OF PASSENGER SERVICES IN RAILWAY TRANSPORT

Abdulhamidova Gulhayo Isroiljonovna[1]

ABSTRACT

This article describes the main directions that determine the efficiency of the railway transport services, the relationship between the concepts of railway transport services, transport system and transport infrastructure and the main factors influencing the choice of mode of transport, suggestions for improvement are given.

Keywords: *Transport System, Railway Transport Services, Railway Transport, Transport-Logistics, Transit Transportation, Cargo Delivery, Hierarchy of Tasks, Transport Complex, Services In GDP, Transport Infrastructure.*

Introduction

The process of globalization of world integration processes requires increasing the economic efficiency of the transport complex and the transport service sector. Today, "the provision of transportation services as an important sector in the global distribution of labor accounts for 8% of the world's employed population, 15% of economic expenditures and 6% of the created gross product"1. This provides an opportunity to effectively organize transport services, create new jobs and develop the activities of related industries.[2]Providing railway transport services both quantitatively and qualitatively at international levels is of particular importance. In this process, the market of motor transport services took place as an important segment, "its share in the world gross domestic product was 6.8 percent".

A number of tasks have been defined in order to bring the field of transport services to a new level in our republic. The implementation of these tasks shows the need for excellent scientific research that creates a basis for the innovative development of transport services, including the economic justification of the existing transport services market, the formation of a regional cluster of transport services, and the development of the institutional foundations of this sector. Because of thisincrease the economic efficiency of transport servicesThe topic dedicated to the research of scientific foundations is considered relevant.

Analysis and results

Currently, the service sector is important not only in the economy of a particular country, but also in the entire world economy. In recent years, the share of services in the structure of the gross domestic product has been steadily growing, the number of employees in the service sector has also had positive dynamics, and international trade in services is actively developing.

Today, the service sector is one of the most important sectors of the economy. Positive results were achieved due to the implementation of the policy of state support and the promotion of the development of

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the service sector in our country. The decision of the Cabinet of Ministers of the Republic of Uzbekistan "On the program for the development of the service sector in 2016-2020" defines the priority directions and tasks of the development of the service sector of Uzbekistan, including:

increasing the gross domestic product due to the development of services, increasing its share in the economy to 48.7%;

By 2025, a 2.4-fold increase in services in rural areas;

- Creation of conditions for rapid development in the service sector, development of engineering, communication, automobile and transport infrastructure, implementation of structural changes due to introduction of modern information and communication technologies in networks;
- Formation of a competitive environment, support for the development of small and private business entities;
- Expansion of various innovative services, new communication facilities;
- To ensure the technical capabilities of the population for the telecommunication network, to provide high-quality services based on them, to ensure the transition to digital telephone communication and television systems, to increase the share of communication and information services in the republic's economy to 2.5% by 2025;
- Development of financial services with the introduction of modern electronic payment technologies;
- Further development of high-tech medical services[1].

All-round development of the service sector is an urgent issue of sustainable development of the economy, ensuring employment of the population and raising the standard of living of the population.

Today, a wide range of transport services leads to the development of international relations - the formation of the global economy by maintaining the increasing flow of cargo and passengers worldwide. Successes in the field of scientific and technical development, that is, mass introduction of innovations in various sectors of the economy, including transport services, have become a process.

Quality indicators of transport activity provide an opportunity to assess the quality of cargo and passenger delivery at the level of the network and individual types of transport. In a broad sense, operational quality indicators cover station, train operations and rolling stock repair and maintenance parameters. Performance indicators are suitable for all types of transport (Fig. 1.6). The operation of railway transport is explained by the indicators of the use of wagons and locomotives. Shipping indicators include four groups (Figure 1).

It is appropriate to evaluate the quality of station work, including cargo transportation, by a combination of quality indicators of their technical and loading and unloading operations. The technical and maneuvering work of the stations is represented by the quality of the work of receiving and sending rolling stock.

[1]Resolution No. 55 of the Cabinet of Ministers of the Republic of Uzbekistan dated February 26, 2016 "On the program for the development of the service sector in 2016-2020".

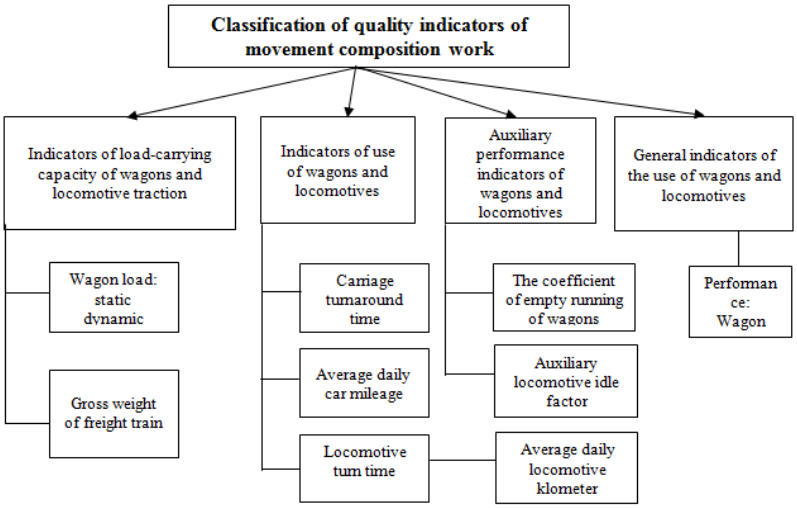

Figure 1. Classification of quality indicators of movement composition work[1]

This proportion of passenger transport and the structural changes that have occurred show that passenger transport is of great social importance and responds sensitively to economic changes in society. Based on the task of gradually increasing the economic potential and income of the population, it is possible to predict that the population will be more mobile in the future for various reasons (Figure 1.10).

It is important that the mandatory minimum amount paid is met in full on each trip. In turn, passengers have the following set of requirements (Table 1).

Table 1 : **Passenger requirements**[2]

Requirements	There is always and everywhere a need for social passenger transport, and there is no one who has not used the transport service even once.
	Ergonomic - the maximum compatibility of infrastructure with human needs according to income.
	Hygienic and physiological - providing passengers with water supply, sewage, nutrition and air ventilation system, etc.
	Aesthetics - transportation should be carried out in rolling stock with an external and internal structure that meets the requirements.
	Economic - the implementation of a variable tariff policy, that is, transportation prices are set at an acceptable level for the passenger depending on the level of comfort, speed and season.

It is desirable to organize a system of providing quality transport services to passengers based on these requirements, and this system should use all the possibilities of a single transport system, rather than a single type of transport. The conditions that form the basis of this system mean that it is necessary to ensure

[1]Systematized by the author based on the studied literature.

[2]Formed by the author based on the conducted research.

the passenger's ability to travel "door to door". In this case, it is advisable to use mixed passenger transport with the participation of several types of transport with one ticket.

In order to achieve the desired efficiency in terms of speed of passengers in railway transport, at least four types of passenger trains: express, express, passenger and local trains, as well as having a reasonable number of serviceable trains. necessary. For all trains of this category, it is desirable to set their commercial speeds and make a wide advertisement, and in compliance with them, the transport system will have not only a moral and moral responsibility, but also a financial responsibility.

For example, the speed for express trains should be 150-250 km/h, for high-speed trains - 90-150 km/h, for passenger trains - 60-90 km/h, and for local trains - at least 60 km/h. Such differentiated movement speeds can be set at different levels for road and air transport. But it is necessary to ensure their fulfillment, that is, that this type of transport guarantees a certain speed, which is comparable to the speed of another type of transport based on the passenger-hour price.

The problem of development and implementation of technological processes of transport with other sectors can be solved only by organizing all works in the quality groups of the integrated transport system. These quality groups have been described above, so it is appropriate to consider the most complex type of their implementation in practice from a technological and organizational point of view. In addition, many experts oppose the possibility of working in quality groups in this way, not directly, but indirectly.

Based on the above considerations, it can be concluded that a single technological process of guaranteed delivery can work successfully in the following cases, if:

stable operation of the product production enterprise is guaranteed, regardless of the level of smooth and orderly operation of the transport system;

- If there is a mutual agreement and interest of the parties in solving all the issues arising on the technology of cargo transportation;
- If the available technical means are used with high efficiency, taking into account the final results of the transportation process;
- If reasonable routes of transportation of goods are selected taking into account the requirements of customers and safe delivery, high technological culture is introduced;
- If modern logistics methods and forms of labor organization and transportation are taken into account.

In 2018-2023, according to the trends of expenses and revenues of JSC "Uzbekistan Temir Yollari" (Table 2), the change in expenses of JSC "Uzbekistan Temir Yollari" along with the income from freight transportation is not positive. the growth of heating system, electricity supply and other costs is also affected, the price of one unit of transport service shown in the last five years has not changed, this cost reduction mechanism is well underway indicates that it is not flexible.

Table 2 : **Costs and revenues of Uzbekistan Railways JSC in 2018-2023[1], billion soums**

No	Indicators	Years					
		2018	2019	2020	2021	2022	2023
1	**Shipping revenue**	**2 745.5**	**4 363.2**	**5 767.2**	**7 056.1**	**7 973.3**	**8 024.2**
1.1	Shipping	2 509.3	4 020.2	5 383.8	6 624.8	7 731.3	7 684.9
1.2	Passenger transportation	236.2	343.0	383.4	431.3	242.0	339.4
2	**Shipping costs**	**2 263.4**	**2 886.9**	**4 128.4**	**4 792.4**	**5 216.3**	**6 572.3**
2.1	Shipping	1 747.4	2 234.7	3 238.7	3 695.5	4 459.2	5 348.1
2.2	Passenger transportation	516.1	652.2	889.6	1 096.8	757.1	1 224.1

According to the given data, the income from passenger transportation is 339.2 billion soums, the total costs spent on it are 1,224.1 billion soums, and the amount of loss from passenger transportation is 884.7 billion soums. This situation indicates that a number of problems in passenger transportation are not being solved. It should be noted that passenger transportation has a negative impact on freight transportation on railways, in many cases it is necessary to wait for hours in order to pass passenger trains. in the market, which has a negative impact on the delivery time and the need for cargo owners to use other modes of transport, at the same time, it is to some extent hindering the increase of the country's logistics efficiency index.

Table 3 : **Passenger turnover by types of transport in 2012-2021[2], billion passenger km.**

No	Name	2012	2013	2014	2015	2016	2017	2019	2021	2023
1.	Railway	3.4	3.7	3.8	3.8	4.0	4.3	4.3	4.4	1.8
		Average growth of 4% per year							**-41%**	
2.	Car	78.2	83.3	88.9	95.0	99.7	117.7	121.6	124.1	113.8
		Average annual growth of 7.5%							**-9.2%**	
3.	The air is the way	7.0	7.2	7.0	6.8	6.7	7.5	8.8	11	3.0
		+2.8		-2.8%		+31.3%			**-72%**	
	Total	**88.6**	**94.2**	**99.7**	**105.6**	**110.3**	**129.5**	**133.8**	**139.5**	**118.6**
		Average annual growth of 7.1%							**-15%**	

[1]Information on "Uzbekistan Railways" JSC.

[2]Information of the State Statistics Committee of the Republic of Uzbekistan.

Improving the quality of passenger transport services is the main issue in the unified transport system. The following trends were observed in the analysis of the passenger transport carried out in the last 10 years. In 2012-2018, passenger traffic increased by an average of 4% per year, but in 2019-2023, due to the pandemic, this figure caused a decrease of 41%. In 2019-2023, the passenger traffic in road transport decreased by 9.2%, while the total passenger traffic increased by an average of 7.1% per year between 2012-2018, it decreased by 15% in 2019-2023 due to the pandemic was (Table 3).

Taking into account that the share of the railway in the total passenger traffic in the country in recent years is on average from 1.5 to 3.2 percent, the decrease of the share of the railway in the total passenger traffic has been observed over the years. In this regard, the share of railway transport in the total passenger turnover of developed countries is on average from 30 to 50 percent, and in this regard, it is necessary to dwell in detail on the activity of railway transport in this regard. According to the results of the above analysis, the directions that hinder the development of the railway transport network are transport-transit, transport-logistics, outdated tariff system, high level of obsolescence of the main means.

Conclusions

Thus, in order to prevent the above problems, it would be appropriate to define the following main conceptual directions:

1. The following measures should be implemented to reduce the rate of increase in the prices of transport services:

- Change the principles of setting tariffs and gradually transition to a new tariff system, reduce the number of correction coefficients, reduce the types of financing of railway transportation from all sides;
- Creation of a competitive environment in the field of railway cargo transportation by creating conditions for the establishment of private companies dedicated to freight transportation in railway transport, which have their own locomotives and wagons;
- Increase the speed and reliability of transport services, increase the share of railways supplied with electricity to 55% by 2030. For this purpose, it is necessary to provide electricity to 168 km of railway annually, and the amount of investments is 5.34 billion. should amount to dollars. 1.2 billion to upgrade locomotives and wagons until 2030. dollar investment is required:

2. Expansion of the network of multimodal transport-logistics centers in the regions to increase the economic efficiency of railway and road transport services through:

- Harmonizing the normative and legal basis, technical and technological regulations and standards of cargo transportation, intermodal and multimodal cargo transportation, logistics centers, transport-forwarding activities in accordance with international standards;
- Organization of an integrated information system to ensure the effectiveness of multimodal transportation;
- It is necessary to form a national network of customs logistics centers, to ensure that transport-logistics operations in them are at least at the level of 3PL.

Thus, increasing the economic efficiency of railway and road transport services will ensure the saving of

all production and material resources, the acceleration of production, the reduction of transport costs and the development of economic sectors.

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DEVELOPMENT PROSPECTS OF THE GAS INDUSTRY OF THE REPUBLIC OF UZBEKISTAN AND DOLZARB TASKS

Mukhubbek Ergashev[1]

ABSTRACT

The article describes the history of the oil and gas industry, its place in the economy of the Republic of Uzbekistan, the characteristics of oil products extracted from the fields, and the dynamics of growth. Also, proposals were made regarding the full use of national resources in the gas industry and the introduction of financial and technological opportunities to this sector.

Keywords: *Oil, Gas, Industry, Gas Fields, Natural Gas, Coal, Mining, Raw Materials.*

There are many hypotheses about the occurrence of oil and gas. These assumptions have continued since the 17th century. The oil and gas industry occupies a leading position in the fuel and energy complex of each country, and also determines its economic potential and economic stability.

The oil industry is the leading and heavy industry of the country. It includes exploration of oil and gas fields, drilling of mine wells, extraction of oil and gas mixed with oil, processing of oil gas, and sending oil through pipelines. More than 2,500 types of petroleum products are obtained from oil and gas, which are used both in industry and in everyday life. The development of the oil industry began with the transition to the mechanical drilling of oil wells (USA, in 1859). The first oil well in Russia was dug in Kuban in 1864, in Canada in 1862, in Venezuela in 1917, and in Iran in 1908. The first oil field in Uzbekistan was opened in 1904 (130 t of oil per day was obtained from a depth of 278 m in the Chimyon oil field in the Fargona Valley). In the same year, an oil refinery was commissioned at the railway station of Vannovsk (now Altiariq), and from that date, the oil industry appeared in Uzbekistan.

Thus, the above dates are recognized as the beginning of the oil industry. The development of the oil and gas industry includes 3 periods (stages).

First period. The period between 1864-1913 is considered. This was the period before the First World War, and the industry and the sciences that served it were almost undeveloped. Discovered gas and oil fields were exploited without relying on any scientific documents and information, and exploited fields remained undiscovered.

Second period. The period between 1913 and 1950 is considered. During this period, the 2 world wars left a deep mark on the history of mankind, and it has an impact on the oil and gas industry, its branches, as well as on the sciences of the field. From this period, the oil and gas industry began to develop with great strides.

Third period. The period from 1950 to the present. By this time, the number of oil and gas producing countries exceeded 80. The oil and gas industry plays a key role in ensuring the economic freedom of every country. Minerals such as oil, gas, hydrocarbons, and coal are the main raw materials of the oil and gas industry. The oil and gas industry's raw material base generates more revenue than any other industry. The

[1] Independent Researcher.

composition of the raw material base of the oil and gas industry is a resource that is in constant high demand in the world economy. In economic theory, the paradox of resource abundance in countries with large reserves of natural resources is called the paradox of abundance. There are several reasons why it is called this. These are:

1. High volatility of income from the sale of resources in the global market;

2. Mining and agricultural raw materials were sold off

output with marginal returns and a small multiplier. If the income from the sale of raw materials is invested in the processing industry (sectors whose income increases and increases), this will lead to economic growth. If commodity revenues are invested abroad or spent on luxuries and consumer goods, the non-productive sectors of the economy lose long-term investment without maintaining a balance. An increase in the number of unemployed has formed, whose needs can be covered by subsidies from the export of raw materials. If subsidies are insufficient, domestic demand will decrease, if sufficient, imports will fall on goods because domestic production will suffer[1].

3. Lack of real incentive and real need for the development of the Canoat production network, because the income of raw materials can maintain a certain stable standard of living under the conditions of the current state system and the structure of the economy.

In 1993, the economist Richard Ayoadi, about the paradox of resource abundance, used the term "resource curse" in researching countries rich in natural resources, compared to countries with low economic growth rates and low natural reserves, who could not use this wealth for the development of the country's economy and did not show a rational approach to it. described.

Richard Ayoadi expressed his views on the opinion of J. Sachs that "natural resources do not bring advantages to countries, but attract those who are averse to it" in the 1980s. According to his research, he pointed out that the country's saturation with natural resources is actually the cause of the country's poor economic balance. Based on these views, in the case of the United Arab Emirates, no matter how high it is saturated with oil and gas resources, it is reasonable that the country's food industry is forced to import from foreign countries and its problem related to the development of the tourism industry can be solved by the construction of modern buildings and structures. solution found. That is, this country caused the shortage of food products to be solved through tourist transport. Architecture and construction industry served for this.

Resource abundance has been used specifically in relation to countries exhibiting a high growth rate of oil production resources, and it is specifically focused on the oil sector. The largest representatives of the countries rich in natural resources in the world are the USA, Russia, Australia, Spain, the Persian Gulf countries, Malaysia, Norway, Canada, and Lebanon.

The oil and gas industry occupies an important place in the country's economy. The Republic of Uzbekistan is a country with large natural carbohydrate resources.

Review of literature on the subject

A number of local and foreign economists have conducted research on the oil and gas industry and oil deposits in the earth's crust, and have formulated appropriate conclusions.

The problems of studying oil and gas accumulation in the earth's crust were given scientific conclusions in the scientific works of the French geologist D. L. Lone in 1893, the German scientist E. Blumer in 1929, the Russian scientist I. M. Gubkin in 1932 and others.

According to E.Blumer and I.M.Gubkin, "Oil gas is regionally distributed underground, oil deposits are located on the edges and foothills of mountain ranges, in gently folded areas of the earth, and in large depressions between mountains" [2]. According to their scientific predictions, not only mountain slopes and depressions, but also plains and platforms are noteworthy for oil search.

According to Sharkova AB, "effective state regulation of the oil and gas industry allows to ensure the increase in the volume of financing of state programs for the development of fuel and energy complex sectors, to control the fulfillment of obligations by companies for the supply of energy resources to consumers in the domestic market in the context of the need to mitigate fluctuations in demand and in the proposal, as well as ensuring the improvement of the quality of internal energy resources as a result of the renewal and modernization of the main means, as well as the rational use of natural resources and the use of an effective technological development mechanism in the economic activity of energy companies based on the introduction of the best available technologies"[3] .

A number of researchers and experts, including I.M. Gubkin, A.A. Bakirov, O.M. Akromkho'jaev, S.N. Nazarov, E.M. Abetov, N.Kh. Alimuhamedov, A.G. Babaev, N.B. Vassoevich, A.M. Gabrielyan, G.Kh. Dickenstein, G. Epifanov, Z.R. Zokirov, B.A. Kudryakov, F. Odilov, A. Kh. Rashidov, E. L. Rozhkov, O. A. Ryzhkov, V. V. Rubo, Sh. G'. Caidho'jaev, I. Sokolov, D. S. Sultonov, S. T. Tolipov, T. I. Ubaykhujaev, A. Kh. Khojimatov, M. Egamberdiev and other scientists contributed greatly [4].

According to R. T. Zakirov, "The oil and gas industry is one of the main branches of the national economy. It is difficult to assess the importance of oil in our lives, because without them we cannot imagine modern life [5] .

The development of the oil and gas industry based on market laws creates conditions for competition, which allows to increase the efficiency of production, transportation, processing, and most importantly, to provide consumers with natural gas continuously. It also allows attracting not only funds, but also investors with modern technologies and experience to the implementation of projects [6].

The gas industry is important in the economic development of Uzbekistan. In addition, it serves as the main raw material for the development of transport, electric energy, metallurgy, chemical industry, construction and a number of other industries [7].

Research methodology

The methodological basis of the research includes theoretical and practical approaches related to ensuring the stability of the financial situation of the gas industry. Analysis, grouping, and comparison methods were used as a systematic approach to the research object in the research process.

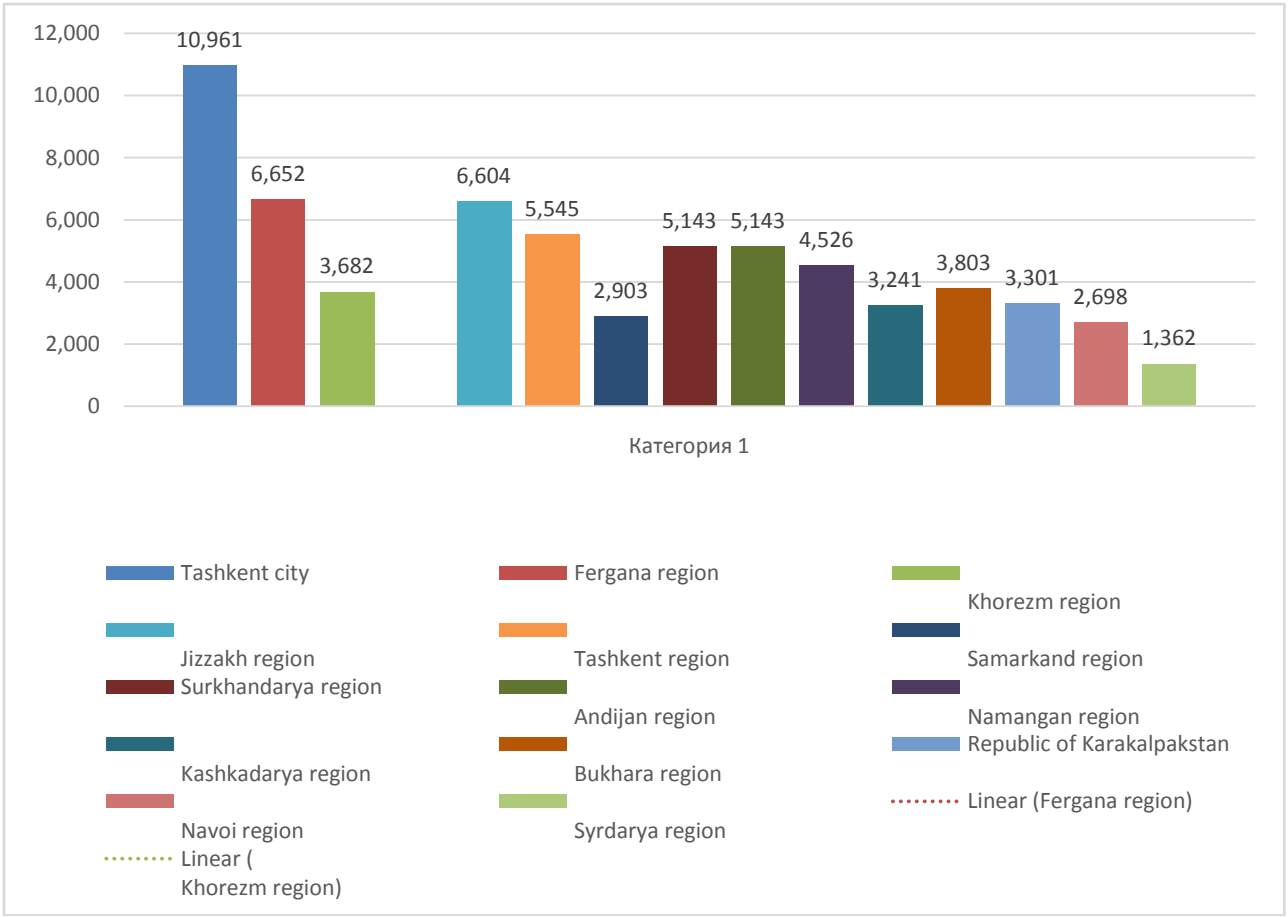
Result and discussion

Industry is a branch of production that includes the processing of raw materials, the exploitation of surface resources, production, and the creation of consumer goods.

A significant increase in the export earnings of the extractive industry will cause an additional inflow of foreign currency into the country, as a result of which it will serve to maintain the stability of the exchange

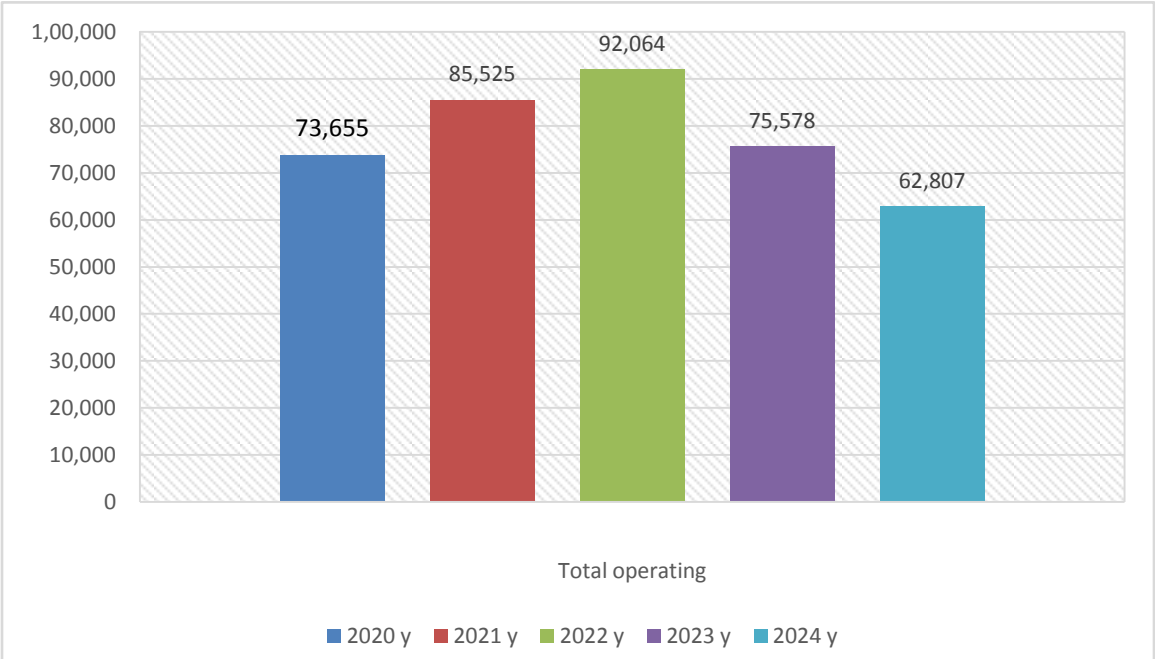
rate of the national currency. As a result, the competitiveness of products is weakened, which, in turn, has a negative impact on the export volume of products, and the level of unemployment in the country increases. As a result of the observed natural decline of GDP, the economic growth of the country will not develop. Ensuring the uniform development of production capacities in terms of territory, the theory of placing production in the proportional category of the economy is carried out on the basis of demographic, geographical and economic factors of production facilities. The oil and gas industry in our country is mainly developed in the Kashkadarya region, and its most productive mining area corresponds to the Kokdumalok area.

Today, the number of industrial enterprises in the Republic of Uzbekistan is 62.8 thousand. (Table 1) An integral part of the country's industry is the oil and gas industry. The oil and gas industry of Uzbekistan is one of the strategic sectors of the economy from the point of view of ensuring the country's energy security. Oil and gas reserves in Uzbekistan, their exploration and development allow to ensure energy security of the country. Natural gas is one of the main export resources of the country, while the extracted oil fully satisfies the domestic demand.



1- picture The number of industrial enterprises operating at the level of the republic[1]

[1]Compiled by the author based on statistical data.



Picture 2. Total number of enterprises operating in the Republic of Uzbekistan[1]

Compiled by the author based on statistical data.

Based on the data of the above table, the establishment of industrial enterprises in the economy of our country has a trend of growth in 3 years.

The mining industry is of particular importance in the industrial structure. The mining industry is a type of industry that includes the operation of open pits, the extraction of naturally occurring solid coal, ore, liquid oil, or gaseous natural gas. The volume of products produced by the enterprises of the mining industry and open-pit mining industry in January-March 2024 is 16.8 trillion. soums or its share in the volume of total produced industrial products corresponded to 10.1% (table 3).

[1]Compiled by the author based on statistical data.

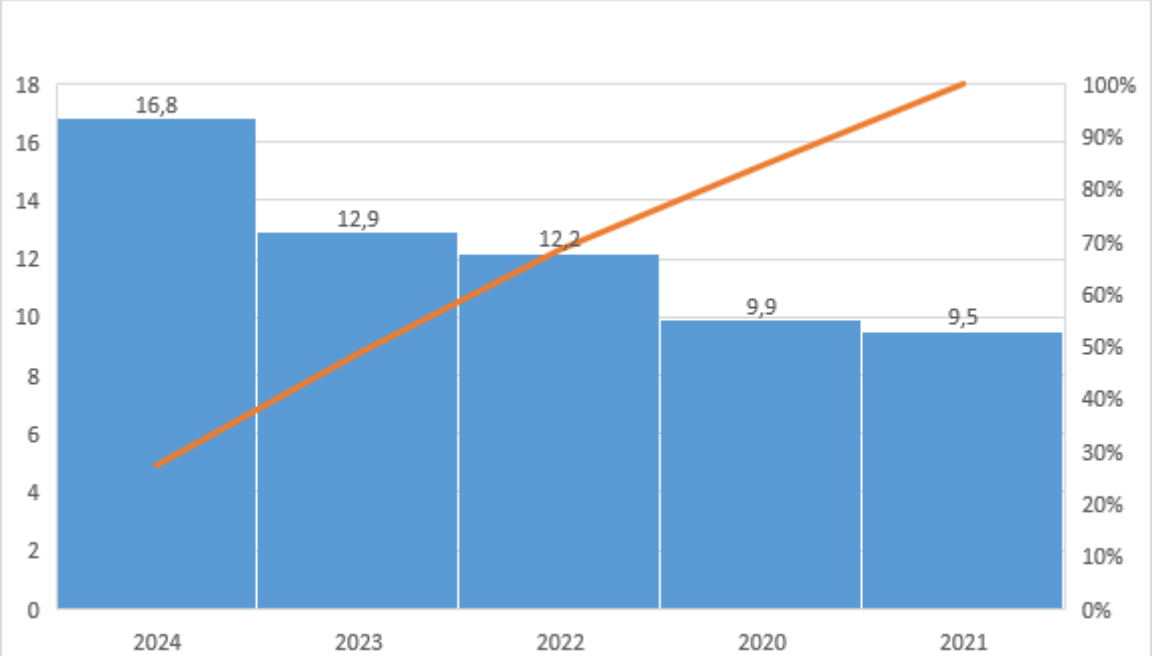


Figure 3. The volume of industrial production in the Republic of Uzbekistan[1]

Within the framework of the new qualitative stage of structural reforms on the formation of an innovative economy implemented in our country, special attention is being paid to the development of the oil and gas industry. Increasing the efficiency of existing assets in the oil and gas industry, creating a high-tech production base, increasing the production volume of hydrocarbon raw materials, and on the basis of it, the production of new finished products with added value, which are deeply processed, and the organization of delivery for export are being carried out consistently.

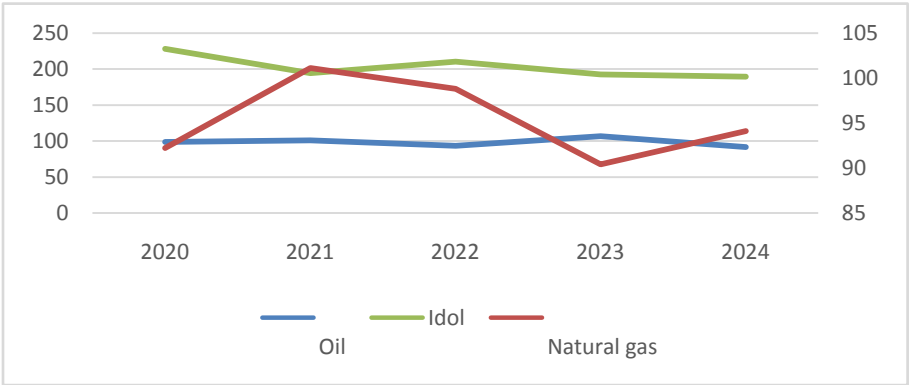


Figure 4. Dynamics of production of industrial products[1]

[1]Compiled by the author based on statistical data.

In the data of the table above, the industrial products of large industrial enterprises for the years 2020-2024 (January-March) are presented in % compared to the corresponding period of the previous year. According to it, natural gas production in 2020 was 92.2%, and in 2023 it was 90.4%. In 2024, production of gas and oil products decreased significantly. In the first quarter, gas production decreased by 5.9%, oil production by 6.5%. In the indicators of gas production in January-March 2024:

January – 3.99 billion cubic meters (4.31 billion cubic meters in the same period last year);

February – 3.71 billion cubic meters (3.85 billion cubic meters);

March – 3.89 billion cubic meters (4.16 billion cubic meters).

In 2022, gas production decreased from 53.8 billion to 51.67 billion cubic meters, or 4%, and in 2023, from 51.67 billion to 46.71 billion cubic meters, or 9.6%. Changes in the volume of natural gas production in the period 2017-2023:

2017 - 56 billion 417.6 million cubic meters;

2018 - 60 billion 396.5 million cubic meters;

2019 - 60 billion 537.5 million cubic meters;

2020 - 49 billion 736.2 million cubic meters;

2021 - 53 billion 802 million cubic meters;

2022 - 51 billion 678.4 million cubic meters;

2023 - 46 billion 710.3 million cubic meters.

Natural gas production in Uzbekistan has been steadily decreasing in recent years. In particular, in the period 2019-2023, this reduction was 22.8 percent. The decrease in domestic production is compensated by gas imports from Turkmenistan and Russia. Coal production in the first quarter amounted to 969 tons, a decrease of 20.2 tons or 2 percent compared to the same period last year.

Summary

The oil and gas industry is one of the leading sectors of our country's economy. Uzbekistan ranks among the world's leading natural gas producers. During the years of independence, fundamental changes were made in the oil and gas industry of our country. Our country has become a major exporter of gas, polyethylene and refined petroleum products. Special attention is being paid to the liberalization of the economy and the creation of a favorable investment environment that serves to further develop all its sectors, including the oil and gas network. Construction of new facilities, reconstruction and modernization of existing facilities in accordance with the requirements of the times are in full swing. Favorable conditions, opportunities and benefits are being created for increasing production efficiency, increasing the share of local products in the domestic market, expanding localization, and developing cooperative relations. Today, oil is refined in our country, gasoline, diesel fuel, fuel oil, petroleum oils, bitumen, jet kerosene are produced. Gas processing plants plan to further expand the production of liquefied gas and polyethylene.

[1]Compiled by the author based on statistical data.

1. Based on the above-mentioned evidence, the full use of national resources in the gas industry and the introduction of financial and technological opportunities in this sector.
2. Directing the financial incomes resulting from the introduction of tariffs for natural gas consumed by the population at an increasing rate by the companies in the oil and gas sector only for the modernization of the main means of production and redistribution infrastructure facilities. It is necessary to ensure economic growth through this.
3. One of the main factors for the increase in demand in the market is the increase in the demand for natural gas by the population and industrial enterprises. Uzbekistan ranks 11th in the world in terms of natural gas production and 14th in terms of natural gas reserves. It is necessary to reduce the monopoly of natural gas in the country by establishing new definitions by the state and ensuring the participation of the private sector in the gas market. Price liberalization is a key tool in finding solutions to problems in the current system and promoting market-based mechanisms.
4. To achieve the development of the gas industry through the introduction of modern engineering solutions, applying world experience to the process of mutual settlement of industrial enterprises with large consumers and gas utilities. Through this service is achieved without the human factor.
5. Reduction of costs of delivery of natural and liquefied gas volumes. It is possible to increase the efficiency of consumption of fuel and energy resources and reduce losses in technological processes, to optimize procurement, transportation and storage costs, to optimize gas distribution points, to optimize the number of management and production personnel, and to optimize routes based on the most optimal solutions and other activities. .
6. Strengthening the personnel policy in the gas industry, increasing its scientific potential. Through this, it is possible to improve the skills of industry workers and ensure employment. Taking into account the need to strengthen the normative legal framework for gas supply with a law and code, develop a draft of the Law and code "On gas supply" in cooperation with the official ministry and law enforcement bodies.

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MAIN DIRECTIONS FOR ASSESSING THE FINANCIAL STABILITY OF HUDUDGAZ JSC

Khusanov Kahramon Nishonovich[1]

ABSTRACT

This article discusses the main factors for increasing the value of enterprises since they are an important goal of the national economy. In world practice, there is no unified approach to the factors influencing the increase in the value of an enterprise. Therefore, in order to increase the value of the enterprise, the formation and analysis of a system of indicators characterizing its financial stability, and measures to ensure financial stability were studied in detail.

Key words: *Sustainability, Economic Sustainability, Managing The Financial Stability Of An Enterprise, Assessing The Financial Stability Of An Enterprise, The Level Of Financial Stability Of An Enterprise, Liquidity, Profitability, Financial Instability.*

INTRODUCTION

The financial and economic state of an organization is the result of the interaction of all production factors and is directly dependent on how quickly funds invested in assets are converted into money.

Conducting an assessment and analysis of the financial and economic condition is an integral stage of its effective functioning, the relevance is expressed in particular in the definition of financial analysis, which is understood as a process consisting of processing information about the economic condition of a business entity, the financial results of its activities in the past to forecast possible future conditions and results

The oil and gas industry of Uzbekistan is the largest segment of the economy and is of the utmost strategic importance for the development of the entire economy of the republic. Despite the fact that instability is observed in the world energy market, which also affects the state of the oil and gas industry of the republic, the activities of oil and gas companies are characterized by predictability. At the same time, the deterioration of geological conditions for production and the growth of costs of extracted energy and mineral resources increase the risks of slowdown in industrial growth and a decrease in export revenues.[1] The main equipment in the gas supply system are gas distribution systems, developed mainly using energy-intensive technology. GDS are designed to supply gas to populated areas, industrial enterprises and other consumers in a given quantity with a certain pressure, the required degree of purification, odorization and accounting for gas consumption. [2]

LITERATURE REVIEW

The main objective of financial condition analysis is the prompt identification and elimination of shortcomings in the financial activities of an enterprise and the search for reserves for improving the financial condition of the organization and its solvency.

Thus, from the point of view of many authors, the financial state of a commercial organization is formed objectively in the structure of financial relations of an internal and external nature.

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Classifications of forms and types of analysis of economic activity are reflected in the works of such scientists as M. E. Grebneva, L. V. Dontsova, T. V. Epifanova, A. D. Sheremet, M. S. Ignatenko, V. V. Kirilenko, N. V. Klimova, V. A. Shchevyova, G. V. Savitskaya.

M. E. Grebneva: “Financial stability is understood as one of the main indicators that gives a general idea of the state of affairs in an organization, its solvency, financial discipline, stability of operations, and dependence on loans and credits.”[3]

A. D. Sheremet “Financial stability is the ability of an organization to maintain its existence and uninterrupted operation due to the availability of certain free funds and balanced financial flows.” [4]

Authors such as Shchevyeva V. A. and Popov A. V. say that “the financial stability of an enterprise is a set of economic and financial indicators of the enterprise that determine the possibility of obtaining maximum profit as a result of capital investment with minimal risk of investment.”[5]

As L.T. Gilyarovskaya points out, the concept of “Financial stability” of an organization is multifaceted; it is more multifaceted than the concepts of “solvency” and “creditworthiness”, since it includes an assessment of various aspects of the organization’s activities. [6]

Express analysis, or a general overview of the results of activities, is the first stage from which the analysis of the financial condition of the organization begins. This stage makes it possible to make a general analysis of the enterprise's activities, without revealing the internal essence of the factors that influenced the formation of some parameters, and also allows you to directly study the scale of production, its features. The most important sources of a general overview of the results of the organization's work are considered to be statistical and accounting reports [7].

RESEARCH METHODOLOGY

Currently, the gas distribution system is managed by Hududgazta'minot Joint-Stock Company, established in accordance with the Decree of the President of the Republic of Uzbekistan No. PP-4388 dated July 9, 2019 "On measures for stable provision of the economy and population with energy resources, financial recovery and improvement of the management system of the oil and gas industry" and the Decree of the President of the Republic of Uzbekistan No. UP-6010 dated June 18, 2020 "On additional measures to improve the mechanism for the sale of natural gas and electricity" on the basis of territorial gas supply branches of Uztransgaz JSC.

At the GRS, buildings should be provided with heating systems, ventilation, electrical devices, telephone and dispatch communication facilities, telemetry channel equipment and a telemetry system. The GRS should have a power supply line, electrochemical protection devices, gas control devices and a security alarm to prevent unauthorized interference by outsiders in the operation of the GRS. [8]

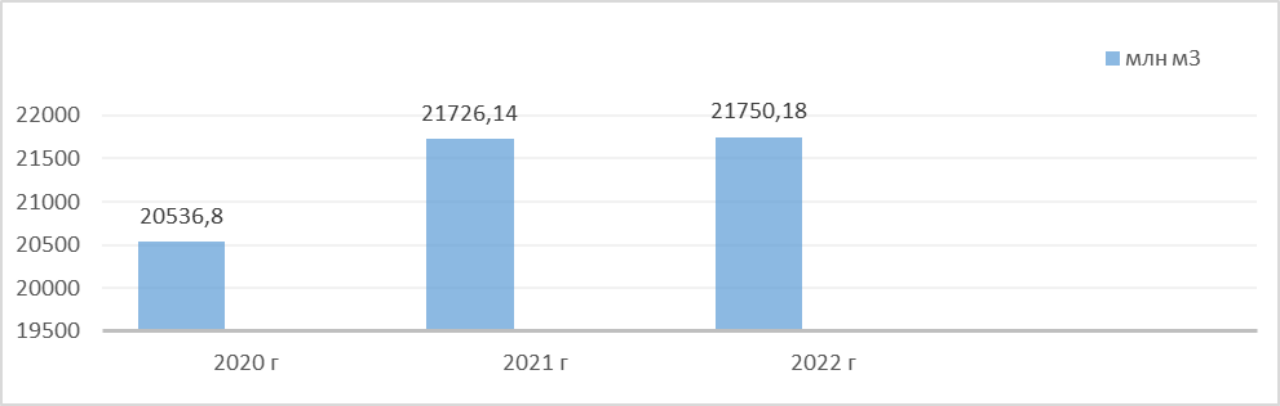
At present, the following functions have been assigned to JSC Hududgazta'minot by these acts:

- Operation of gas distribution networks and related equipment in compliance with regulatory requirements for safe operation;
- Purchase under a purchase and sale agreement of natural gas from JSC Uztransgaz - upon delivery through the main gas transportation system, as well as from natural gas producers - upon delivery directly to gas distribution networks at tariffs approved by the Interdepartmental Tariff Commission under the Cabinet of Ministers of the Republic of Uzbekistan, for its

subsequent sale to domestic consumers connected to gas distribution networks, including the population;

- Purchase, supply, storage and sale of liquefied gas to the population and social facilities.

The Company began independent accounting of the balance of consumed gas on July 1, 2020 in accordance with UP-6010 of June 18, 2020 "On additional measures to improve the mechanism for the sale of natural gas and electricity."



1-figure Actual consumption of natural gas by consumers of the republic through the gas distribution networks of JSC "Hududgazta'minot"[1]

State companyJSC "Hududgazta'minot"is responsible for the transportation and distribution of natural gas in Uzbekistan, serving approximately 7,671,600 consumers, 91,290 km of pipelines and 67,735 distribution points. Its main objectives include improving the quality of customer service and ensuring uninterrupted gas supplies regardless of weather conditions, while pursuing the goals of improving energy efficiency, reducing harmful emissions into the atmosphere and increasing the flow of environmentally friendly investments and technologies.

Below in the tableThe horizontal analysis of the balance sheet of JSC Hududgazta'minot was carried out by summarizing the data for 2020, 2021, 2022 (table 1).

Table 1 :Horizontal balance sheet analysis[2].

million sum

Indicators	**2020**	**2021**	**2022**
PASSIVE	**5323935**	**8329 536**	**12479 451**
Authorized capital	2646309	2 646 309	2645451

[1]ThisJSC"Hududgazta'minot"

2

Reserve capital	111265	133093	132570
Targeted receipts	77930	89252	106929
Retained earnings/loss	-310026	-1063101	863111
Long-term liabilities	569900	2148089	4716530
1 current obligations	2228558	43758951	5741083
ASSETS	**5323935**	**8329536**	**12479451**
Long-term assets	1750000	1768755	3471553
TMZ	1751499	4218839	5696492
Debtors	1637423	2191451	3223577
Cash	184690	136445	79894
Short-term investments and other assets	300	14 044	7 934

Table 1 "Dynamics of the Balance Sheet Passives" shows that such indicators as current liabilities and long-term liabilities have changed significantly in the Balance Sheet Passives from 2021 to 2022. In 2021, current liabilities and long-term liabilities amounted to 4,375.9 billion soums and 2,148.1 billion soums, respectively. In 2022, these indicators amounted to 5,741.1 billion soums and 4,716.5 billion soums, respectively. The increase in current liabilities is due to an increase in accounts payable to suppliers and customers, as well as short-term bank loans. The increase in long-term liabilities occurred due to an increase in long-term accounts payable to suppliers and customers, as well as the attraction of additional long-term loans.

If, according to the results of 2020 and 2021, the enterprise incurred losses in the amount of 469.7 billion and 665.5 billion soums, respectively, then according to the results of 2022, the enterprise achieved a net profit in the amount of 200.0 billion soums. This is due to the implementation of the projectautomated gas metering system, which involved the installation of more than three million smart gas meters in households across the country. The new devices have led to significant reductions in consumption due to increased user awareness, thereby bringing significant benefits to the national economy and reducing carbon emissions.

The balance sheet asset increased significantly from 2021 to 2022 for items such as long-term assets, inventories and accounts receivable.

Table 1 "Dynamics of Balance Sheet Assets" shows that the Company's asset size continued to grow in 2022. At the end of 2022, the volume of assets increased by 49.8% and amounted to 12,479.5 billion soums (+4,149.9 billion soums). Rapid growth is observed in the composition of long-term assets. The Company's long-term assets in 2022 increased by 96.3%, amounting to 3,471.6 billion soums (+1,702.8 billion soums). The growth of long-term assets was due to the growth of long-term accounts receivable. Also in 2022, there was an increase in inventory by 35.0% and amounted to 5,696.5 billion soums (+1,477.7 billion soums).

Table 2 : Financial results of JSC Hududgazta'minot for 2020-2022

Indicators		Years		
		2020	2021	2022
Net revenue from sales of products (goods, works and services)	010	5 629 890 077	9 202 178 438	10 364 211 773
Cost of sold products (goods, works and services)	020	4707211741	7691879730	8375438884
Gross profit (loss) from sales of products (goods, works and services) (010020)	030	922678335	1510298708	1988772889
Total period expenses (050+060+070+080)	040	1316185458	2012171955	**1481581512**
Costs of implementation	050	83111	208360	227232
Administrative expenses	060	153096769	209301487	261710567
Other operating expenses	070	1163005578	1802662108	1219643712
Expenses of the reporting period excluded from the taxable base in the future	080			
Other income from core activities	090	36124305	52987684	34765601
Profit (loss) from core activities (030-040+090)	100	-357382817	-448885563	541956978
Income from financial activities, total (120+130+140+150+160), including:	110	20209883	31218679	277201606
Dividend income	120			
Interest income	130	6307349	4080370	1764307
Income from long-term rent (leasing)	140			
Income from exchange rate differences	150	13902534	27138309	275437299
Other income from financial activities	160			
Expenses for financial activities (180+190+200+210), including:	170	78560 015	176355161	503595431
Interest expenses	180	19223607	90344651	152406496
Interest expenses on long-term leases (leasing)	190			
Losses from foreign exchange differences	200	59336408	86010510	351188935
Other expenses related to financial activities	210			

Profit (loss) from general business activities (100+110-170)	220	-415732950	-594022045	315563153
Extraordinary gains and losses	230	-1158178		
Profit (loss) before income tax (profit) (220+/-230)	240	-416891128	-594022045	315 563 153
Income tax (profit)	250	52752791	71452167	1 15 580 516
Other taxes and fees on profits	260	11445		
Net profit (loss) for the reporting period (240-250-251 -252-260)	270	-469655363	-665474212	199982638

The increase in the enterprise's loss for 2020-21 is due to the fact that, in contrast to tariffs for sold natural gas, prices for goods, works and services increased when selling natural gas to consumers. In addition, expenses in the form of interest for servicing borrowed funds increased significantly.

Despite the above factors, in 2022 the Company received a profit of 200.0 billion soums.

The main indicators (criteria) for assessing the economic condition of an enterprise are:

- Solvency or coverage ratio;
- Ratio of own working capital;
- Return on assets and expenses ratios;

Additional indicators may also be used to make a final decision:

- Debt to equity ratio;
- Fixed asset depreciation rate.

The coverage ratio (solvency) shows the payment capacity of the enterprise's short-term liabilities, assessed on the condition of not only timely settlements with debtors and favorable sales of finished products, but also other elements of current (working) assets. A decrease in the ratio indicates a decrease in the enterprise's payment capacity.

If the solvency ratio at the end of the reporting period has a value below 1.25, the enterprise is considered insolvent according to this indicator.

The ratio of own working capital characterizes the availability of the enterprise's own working capital, which is necessary for its financial stability and the balance of interests of the enterprise's owners and creditors.

If the ratio of own working capital at the end of the reporting period has a value of less than 0.2, then the enterprise is considered to be unsecured by own working capital according to this indicator.

The coefficients of return on expenses and assets show the level of profitability (loss) of the financial and economic activities of the enterprise.

If the profitability ratios for the reporting period are:

- Have a value below zero (minus indicator), then the enterprise is considered unprofitable;
- Have a value below 0.05, then the enterprise is considered low-profit (except for monopoly enterprises).

The ratio of own and short-term borrowed funds (current financial independence) determines the degree of security of return of short-term borrowed funds from own sources.

If the ratio of equity to short-term borrowed funds at the end of the reporting period has a value of less than 1, this indicates that the enterprise has financial risk.

The coefficient of depreciation of fixed assets characterizes the share of depreciation (wear and tear) of fixed assets over a period.

If the depreciation rate of fixed assets at the end of the period under review exceeds 0.5, the enterprise is characterized by significant depreciation of fixed assets.

Return on equity ratio, ROE - characterizes the efficiency of using not all of the capital (or assets) of an organization, but only that part of it that belongs to the owners of the enterprise. The higher the value, the better the organization works.

The main indicators for assessing the economic condition of the enterprise are presented in Table 4.

Table 4: System of indicators for assessing the economic condition of the enterprise JSC "Hududgazta'minot"

Name	**2020**	**2021**	**2022**
Total coverage ratio - solvency ratio (the ratio of current assets to short-term liabilities without overdue debt). A value of less than 1.25 is considered critical	1.50	1.19	1.57
debt-to-equity ratio (the ratio of the source of equity funds to short-term	1.13	0.41	0.35
liabilities without overdue debt). A value of less than 1 is considered critical.			
Ratio of own working capital (ratio of own funds directed to the formation of working capital to current assets). A value of less than 0.2 is considered critical	**0.33**	**0.16**	**0.17**
Return on assets ratio (the ratio of profit before taxes to the company's assets). A value below 0 is considered critical (unprofitable).	-0.10	-0.09	0.03
Cost-effectiveness level (the ratio of profit before taxes to total production costs). A value below 0 is considered critical (unprofitable).	-0.07	-0.06	0.03
Equipment depreciation coefficient (the ratio of the depreciation amount to the initial cost of fixed assets). A value above 0.5 is considered critical.	0.55	0.58	0.60

Additionally, the following table 5 provides liquidity ratios and financial stability indicators.

Table 5 : Liquidity ratios and indicators of financial stability of the enterprise

Name	Units measurements	2020	2021	2022
Liquidity ratios				
Total (current) liquidity ratio = Current assets/Current liabilities A value greater than 1.5 is considered normal	times	1.50	**1.19**	1.57
Medium-term (quick) liquidity ratio = (Money funds + KFV + AR up to 12 months) / Short-term liabilities A value in the range of 0.5-1.0 is considered normal	times	0.82	0.54	0.58
Absolute liquidity ratio = (Money + KFV) / Current liabilities A value in the range of 0.2-0.5 is considered normal	times	0.08	0.03	0.02
Financial stability indicators				
Autonomy ratio or financial independence ratio or financial independence ratio. In practice, the lower limit of the standard value of the	times	0.47	0.22	0.16
Total liabilities to total assets (Long-term liabilities + Current liabilities)/Total assets) Recommended values in the range of 0.2-0.5	times	0.53	0.78	0.84
Return on equity ratio				
Return on equity, ROE No standard. In general, the higher the value, the better the organization is performing.	%	-37.2	-30.7	10.5

Liquidity ratios are one of the key factors in determining the financial position of an enterprise, the higher the value, the less dependent the enterprise is on external borrowings in carrying out operational activities. The current liquidity ratio for 2022 has a value greater than the required norm.

Conclusions and suggestions.

Thus, based on the results of the assessment of the activities of JSC Hududgazta'minot, for 2020-2022, the following conclusions can be drawn:

1) revenue from product sales in 2022 increased by 54.32% compared to 2020, which is10 364 211 773sum. It should be noted that the increase is due to the increase in production volume. The gross income indicator also increased by 46.39%, i.e. by1 066 094 554sum.

2) the majority of the enterprise's assets are current assets;

3) all current assets, as well as part of the long-term assets of the enterprise, are formed from its own funds;

4) the enterprise in question has no long-term liabilities, which indicates the independence of the enterprise from external sources. The Company's long-term assets in 2022 increased by 96.3%, amounting to 3,471.6 billion soums (+1,702.8 billion soums). The growth of long-term assets was due to the growth of long-term accounts receivable. Also in 2022, there was an increase in inventory by 35.0% and amounted to 5,696.5 billion soums (+1,477.7 billion soums)

5) the balance of the enterprise is absolutely liquid. The value of current liquidity reflects the ability of the company to quickly sell assets at market value in order to pay off all current debts to creditors and counterparties

6) all indicators of liquidity and financial stability of the enterprise comply with established standards, while there is a noticeable trend towards improving their values compared to 2021;

7) the profit based on the results of the enterprise's activities tends to increase. Based on the results of 2022, the enterprise shows an increase in profit of 199,982,638 due to an increase in the number of manufactured products.

In general, the condition of JSC Hududgazta'minot is stable, except that in 2020, most of the company's indicators were noticeably reduced. However, in 2022, the company rehabilitated and gained momentum.

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THE IMPACT OF THE INCOME OF THE POPULATION ON THE QUALITY OF LIFE

Maylieva Sadokat Safayozovna[1]

ABSTRACT

This article notes a high level of correlation between the incomes of the population and indicators of quality of life, the share of the low-income population in the Republic of Uzbekistan (in percentage), the total incomes of the population of Uzbekistan in 2010-2023and tabular data on the real per capita income of the population of Uzbekistan for 2022-2023 by region are analyzed.

Keywords*: Income of The Population, Quality of Life, Socio-Economic Development, Quality of Life, Welfare of The Population, Consumer Spending.*

Introduction

Improving the quality of life of the population is important for every country and international organizations. In particular, the main goal of the economic reforms carried out in the Republic of Uzbekistan is to achieve stability and positive rates of economic development. It is worth saying that all aspects of social labor relations directly affect the lifestyle and income of the population. At the present stage of market relations, the standard of living of the population and income classification are the most urgent problems. A positive solution to these issues largely depends on the direction and speed of recent radical changes, as well as political stability in society.

In this regard, a number of decisions and decrees are being developed in our country in order to improve the quality of people's lives. In particular, on February 7, 2017, No. 140 “On the State Program for the implementation of the Action Strategy for the five priority areas of development of the Republic of Uzbekistan in the Year of communication with the People and human Interests in 2017 -2021” a resolution of the Cabinet of Ministers of the Republic of Uzbekistan was adopted. This decision defines systemic measures to increase the income of the population by increasing employment, developing entrepreneurship, and improving the social sphere. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 3 “On the Concept of support for non-governmental non-profit organizations in 2018-2022” (January 3, 2018) aims at the development of non-governmental non-profit organizations and an increase in the income of the population through their financial support. Resolution No. 355 “On the program of measures to be implemented in the field of employment and labor migration in 2017-2021” (June 14, 2017) focuses on increasing the incomes of the population by reducing unemployment, creating jobs, and regulating labor migration. Resolution No. 911 “On the introduction of a system of social support for families with poor housing conditions” (November 4, 2019) decision helps for the provision of material and non-material support to low-income families and improvement of their quality of life. These decisions of the Cabinet of Ministers include measures aimed at increasing the income of the population and the quality of life. Reforms in this regard are producing the desired results for improving people's quality of life.

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There are a number of decisions of the President of the Republic of Uzbekistan Sh.Mirziyoyev, aimed at improving the quality of life of the population, which include the following. Decree No.PF-4947 “On the Strategy of Actions in five priority areas of development of the Republic of Uzbekistan for 2017-2021” (February 7, 2017). In this Decree, in order to reform the “Development of the social sphere”, issues of social support for the population, improving the quality of medical services, further development of the education system, and job creation are identified.[1] Resolution No. PQ-3946 “On measures to further improve the quality of life in the Republic of Uzbekistan” (November 7, 2018). Based on this decision, a program was developed aimed at increasing the incomes of the population, especially poor families, providing remote rural areas with free digital systems, and improving the environmental environment. Decision No. PQ-4555 “On measures to implement the program for the construction and reconstruction of social facilities” (January 31, 2019). This decision provides for improving the quality of life of the population through the construction and reconstruction of residential buildings, schools, kindergartens, hospitals, cultural and educational facilities. The next decision is Decision PQ–4554 (dated February 5, 2019) “On measures to support youth and increase employment”. This decision is aimed at improving the knowledge and skills of the younger generation, combating unemployment, and increasing incomes by supporting entrepreneurship. The measures mentioned in these presidential decisions were aimed at improving the quality of life of the population, increasing incomes and protecting its interests.

In market economy, the state pursues an active socio-economic policy to ensure employment of the able-bodied population, eliminate unemployment and regulate the labor market because increasing the efficiency of using labor potential is an important source of development of the national economy, improving the standard of living of the population, joining the ranks of highly developed countries.

In order to provide comprehensive support to the population, the Decree of the President of the Republic of Uzbekistan dated 01.28.2022 No. PF-60 “On the Development Strategy of new Uzbekistan for 2022-2026”was issued. In particular, the 4th section of this strategy is defined under the title “Implementing fair social policy, human capital development”. Goals 37-70 are included in this section.[2]

These decisions and decrees create the basis for a prosperous life for the country's population.

A literary review.

When analyzing the total family income, the following indicators are calculated:

- Food expenses;
- Expenses for the purchase of non-food products;
- Expenses for household services, taxes, fees, payments;
- An increase in savings as a result of an increase in cash, deposits in savings banks, a growth in the number of livestock, poultry, etc.

[1]MirziyoyevSh.M. (2017). “Together we will build a free and prosperous, democratic country of Uzbekistan.” Message from the President of the Republic of Uzbekistan ShavkatMirziyoyev to the OliyMajlis.

[2]www.lex.uz

Statistical practice also calculates total income, including subsidies for education, health care and housing. These indicators are commonly used in international inspections.

One of the important negative social consequences of poverty is a decrease in the quality of life of citizens. The main reasons for this include:

1. Reduced income and solvency. In this condition, low incomes, employment and wages of the population, due to weak economic development, worsen the material security of citizens.

2. Lack of social services and infrastructure. The lack of high-quality education, healthcare, public utilities and housing conditions in poor regions reduces the quality of life of citizens.

3. Ecological problems. Inefficient use of natural resources and irrational environmental policies exacerbate environmental problems, which negatively affects the health of the population.

4. Poverty and social stratification. In this case, inequality of economic opportunities and incomes increases social inequality and leads to significant differences in the quality of life of citizens of different social groups. As a result, the overall quality of life, accommodation, education, health care and other similar indicators of the population deteriorate in the areas where there is regional poverty. Therefore, improving the quality of life of citizens by accelerating the economic development of regions and improving the quality of social services is an urgent task.

For this reason, the issue of the relationship between the income of the population and the quality of life in all regions is in the focus of attention of many researchers. In recent years, foreign and domestic scientists have been paying great attention to forecasting sustainable socio-economic development of the region. In particular, scientific works devoted to the study of the standard of living, indicators of quality and income of the population, problems and directions of its improvement was studied by such scientists from abroad as A. Marshall, J. B. Clark, J. Schumpeter, J. Keynes, P. Samuelson, R. Erenberg, A. Smith. Among the scientists of the CIS countries M. Kolosnisina, S. Roshin, T. Razumova, G. Poghosyan, L. Zhukov, B. Genkin, Gorelova N.A., Popasova O.A., Popov Yu.N., Shevchuk A.V. Radko S.G., Afanasyeva A.I., Salnikova L.V., Roik V.D., Averin A.N., Volgin N.A., Plaksa V.I., Gorelova A.V. carried out research on that topic. In their scientific works, the directions of improving the standard of living of the population, the income of the population and the factors influencing it are highlighted and analyzed.[1]

Abdurakhmanov K.H., Kholmominov Sh.R., Bakieva I.A., Kurbanov S.P., Abduramanov H.H., Arabov N.U., Kholmukhamedov M.M., Zokova N.K., Abakumova N.F., Podovalova R.Ya., Vakhobov A.B., Dzhumanova R.F., Dulyasova M.B. Khannanova T.R., Saidov K.S. conducted a study on the standard of living and income, the quality of life and its assessment in Uzbekistan.

In our region, A.Sadullaev, N.Fayzullaev, I.Otajanov conducted their scientific research related to the standard of living, demography and lifestyle of the population.

Research methodology. In this article, analysis, synthesis, economic method, logical analysis, inductive and deductive research methods are effectively used in order to clarify in detail the peculiarities of the impact of income on the quality of life.

[1]Dzhumanova R.F. The standard of living of the population: indicators and ways to improve it//Diss. abstract. - T. 2008.

Analysis and results.

The International System of Indicators reflecting the Quality of Life of the Population was first developed by the United Nations in 1978 and includes the following 12 main groups of indicators:

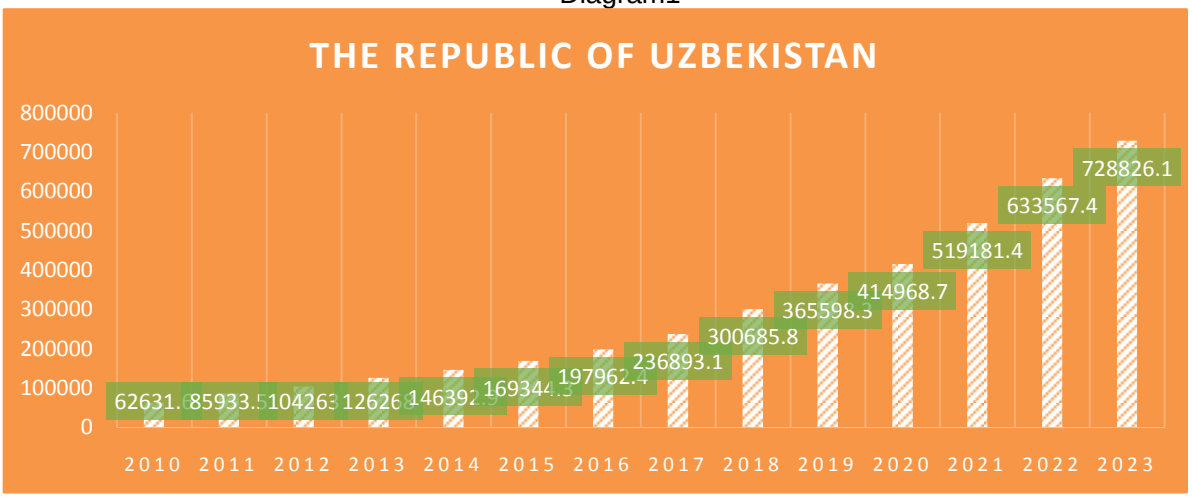
Demographic characteristics of the population (fertility, mortality, morbidity, life expectancy, etc.);
- Sanitary and hygienic living conditions;
- Food consumption;
- Provision of housing and durable goods (car, TV, refrigerator, etc.);
- Education and culture;
- Employment and working conditions;
- Income and expenses of the population;
- Cost of living and consumer prices;
- Vehicles;
- Organization of recreation, physical education and sports;
- Social security;
- Human freedom.

Each country will do its best to ensure that these indicators are at a high level. We can find out the evidence of this from the information in the following diagram.

The following diagram 1 analyzes the change in the total income of the population of the Republic of Uzbekistan in 2010-2023.

As can be seen from the data in this table, the total incomes of the population of Uzbekistan had a steady growth trend in the period 2010-2023. That is, in 2010, this figure was 62631.6 trillion soums, and in 2023 it reached 728826.1 trillion soums. During this period, the nominal value of income increased almost 9 times. If it is analyzed by the years, the total income of the population in 2015 amounted to 169,344.3 trillion soums, in 2020 - 414,968.7 trillion soums, in 2021 - 519,181.4 trillion soums, in 2022 - 633,567.4 trillion soums, in 2023 - 728,826.1 trillion soums.

Diagram1



The total income of the population of the Republic of Uzbekistan. 2010-2023[1]

[1]The author's work based on the data of the State Statistics Committee of the Republic of Uzbekistan

These indicators indicate the effectiveness of reforms in ensuring stable income growth of the population, despite the fact that the pace of economic growth in the country has decreased to some extent.

In general, in 2010-2023, this important socio-economic indicator had a steady growth trend and served to improve the quality of life of the population. However, in January-April 2024, the total income of the population had a decreasing tendency. This indicator is not yet a definitive indicator because by the end of 2024, the trend of growth in total incomes of the population is projected.

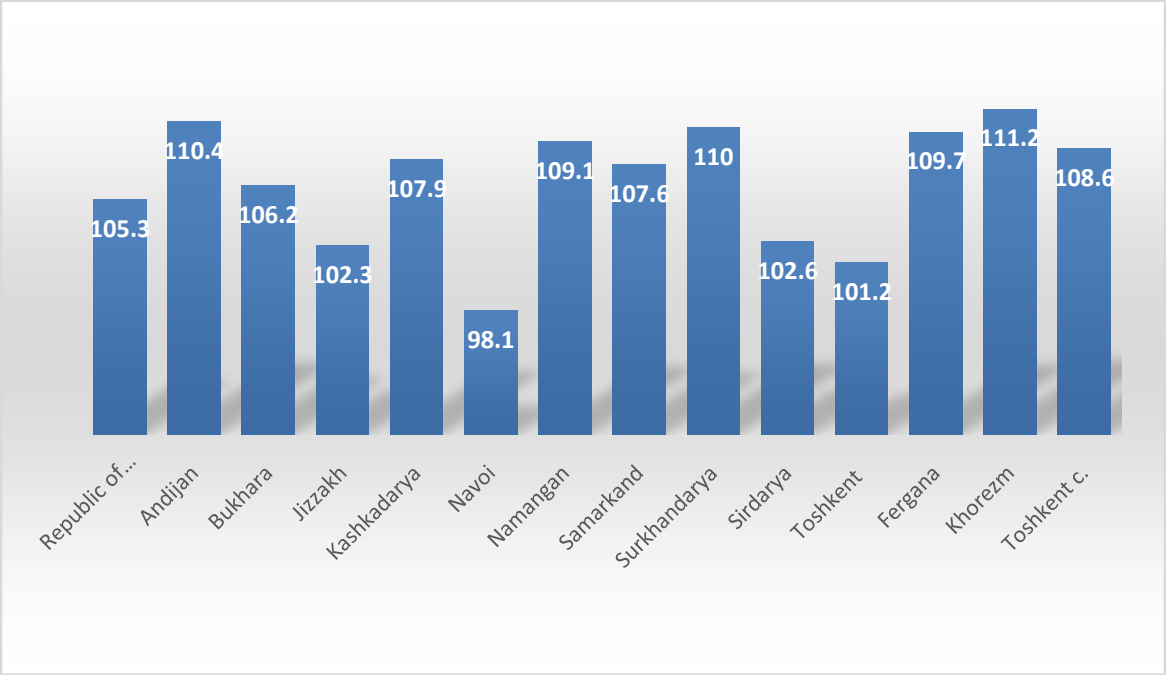
The data in the following Diagram 2 shows the real total income per capita of Uzbekistan in the territorial context in 2022. If we analyze, the highest figure was in the Khorezm region (111.2 thousand soums). At the same time, Andijan region (110.4 thousand soums) and Surkhandarya region (110 thousand soums) are distinguished as regions with a relatively high income level.

The lowest indicators correspond to Navoi (98.1 thousand soums), Tashkent (101.2 thousand soums) and Jizzakh (102.3 thousand soums) regions.

The real total income per capita in other regions remains in the range of 100-110 thousand soums.

These results reflect the problems of economic and socio-demographic instability between regions. Therefore, regular measures should be taken to eliminate these differences in the future.

Diagram2

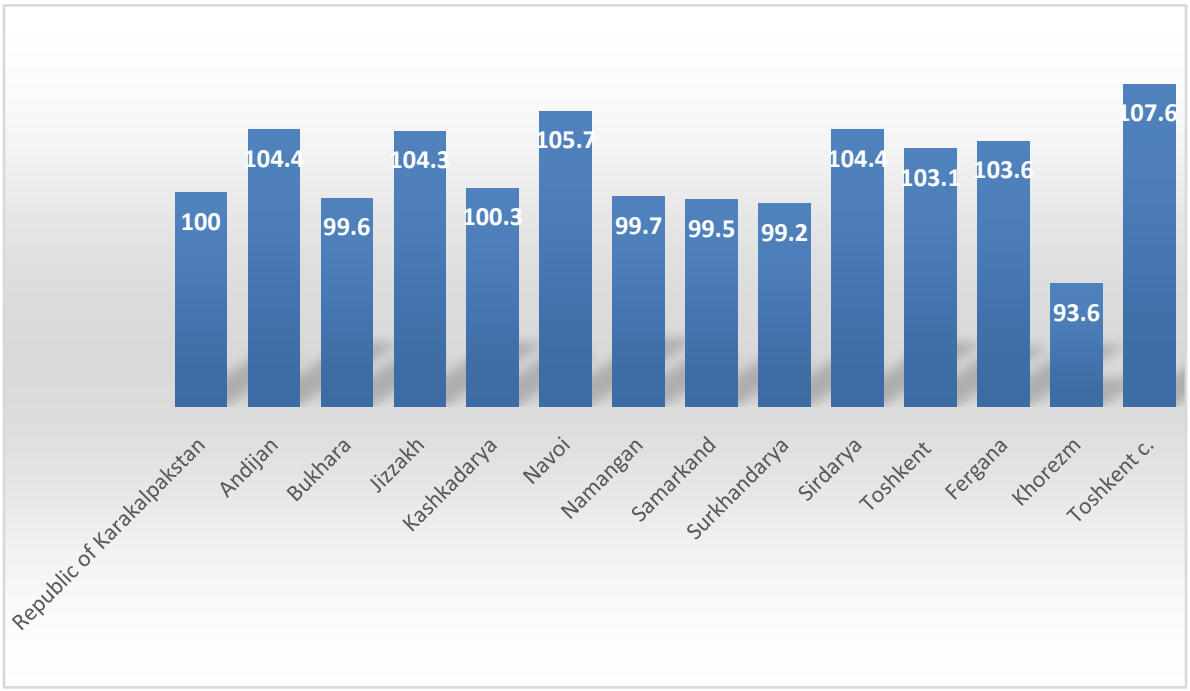


Real total income per capita in 2022 by region.[1]

[1]The author's work based on the data of the State Statistics Committee of the Republic of Uzbekistan

The data in the following Diagram 3 shows the real total per capita income of Uzbekistan in the territorial context in 2023.

Diagram3



Real total income per capita in 2023 by region[1]

That is, in 2023, the level of differences between regions in terms of real total income per capita in Uzbekistan is shown. From the above Diagram 3, it is known that the highest figure was in the city of Tashkent (107.6 thousand soums). Navoi region (105.7 thousand soums) and Andijan region (104.4 thousand soums) have relatively high incomes. Khorezm (93.6 thousand soums) and Surkhandarya (99.2 thousand soums) regions are the regions with the lowest income levels. The real total income per capita in other regions ranged from 99 to 108 thousand soums. If we compare these statistics, then in 2023, compared with 2022, per capita incomes in all regions increased by an average of 10.1%. This indicates that socio-economic reforms implemented taking into account the interests of the population are successfully continuing. However, since differences between regions persist, I consider it necessary to further reduce these differences and improve the standard of living of the population in different regions in the future. In this regard, fair cooperation between local governments, sectors and civil society institutions is important.

The following Table 1 shows the percentage of the poor population in the Republic of Uzbekistan.

According to this table, in 2001 the poor population of our country was 27.5 percent, and in 2005 this figure decreased by almost 3 percent.

[1]The author's work based on the data of the State Statistics Committee of the Republic of Uzbekistan

In 2010, 17.7 percent of the country's population were poor, and in 2015, because of deep reforms in the country, this figure fell to 5 percent.

Table 1 : The share of the poor population in the Republic of Uzbekistan, in %[1]

Indicator name	2001	2005	2010	2015	2020
Low-income population share	27.5	25.8	17.7	12.8	11.5

In 2020, the poor made up 11.5 percent of the country's population. From the results, we can see that the poverty rate has decreased by 16 percent compared to 2000. Such figures indicate that over the past 20 years, the income of the population has increased significantly in the country and economic conditions have improved. It is planned to completely eliminate this level of poverty by 2030. In this regard, a number of measures are being applied today.

Conclusions and suggestions.

In conclusion, it can be said that low incomes of the population can have a serious negative impact on the quality of life of the population. The following negative effects might be observed:

- Deterioration of living conditions. In this case, due to low incomes, the population cannot find enough money for housing, utilities, food, clothing, transport and other basic needs.
- Lack of access to quality education and medical services. Low incomes do not allow parents to place children in high-quality educational institutions and use high-quality medical services.
- Limitation of prevention and treatment options. In this case, since the population has low incomes, their opportunities for disease prevention and periodic treatment will be limited.
- Lack of adequate food, water and sanitation. In this case, poor families will have limited access to high-quality and adequate nutrition, purified water and sanitation.
- Lack of social infrastructure. Due to the lack of sufficient income, the provision of the population with social infrastructure (streets, rain systems, etc.) deteriorates.

As a result, the low income level of the population significantly worsens the quality of their life, which, in turn, has a negative impact on the pace of socio-economic development. Therefore, the elimination of poverty in the country, increasing the income of the population, and improving the quality of their lives are among the priorities.

In addition, there is a strong positive relationship between income and quality of life: an increase in income improves food security, health, education, housing, the environment, social services and security, and we can explain that this has a positive impact on improving all conditions, important aspects of quality of life. This shows that these industries significantly contribute to improve the quality of life with an increase in income. Based on this conclusion, I can make the following suggestions:

[1]The author's work based on the data of the State Statistics Committee of the Republic of Uzbekistan

1. In order to increase the income of the population, the state must implement an effective economic policy. The creation of jobs, measures to stimulate the population, the introduction of new forms of entrepreneurial activity, etc. are of great importance.

2. It is desirable to take more effective measures aimed at improving food safety, health and education. In this regard, cooperation between the state and the private sector is important.

3. It is necessary to implement more effective programs aimed at improving housing, environmental and social services. In this regard, fair cooperation between local authorities, local communities and civil society institutions is important.

If the above proposals are implemented, the positive impact of household incomes on the quality of life will further increase, which, in turn, will serve to improve living standards and well-being.

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