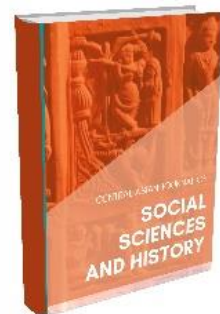




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State Economic Development Programs in 2017-2023 and Privatization Results Therein

Shokhista Khasanova

Samarkand State University named after Sharof Rashidov

Abstract:

This article analyzes the reforms implemented in the field of privatization of state property in the Republic of Uzbekistan after 2017 and their results.

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In recent years, systematic reforms have been implemented in our country in order to create a favorable investment environment and ensure the rights and legal interests of private property owners. At the same time, the delay in the transition to market mechanisms in some industries and large enterprises, where the state share is preserved, is enough to increase the competitiveness of new types of products, introduce advanced technologies, increase labor productivity, and create new jobs with the active involvement of private capital. there were obstacles. At the same time, analytical and comparative figures about the progress of privatization processes in the conditions of New Uzbekistan and its results were also included in the Addresses of the President of the Republic of Uzbekistan Sh.M. Mirziyoyev to the Oliy Majlis.

In the Address of the President of the Republic of Uzbekistan to the Oliy Majlis on December 29, 2020, the following thoughts related to privatization were expressed. In 2021, 32 large enterprises and industries of high economic importance will be transformed. Wide implementation of digital technologies in the activities of banks was set as a priority. In 2021, "Sanoatkurilishbank", "Asaka Bank", "Ipoteka Bank", "Aloqa Bank", "Turon Bank" and "Kishloq Kurilish Bank" were prepared for privatization. The state stake in at least one major bank has been completely sold to strategic investors.

In this regard, negotiations were held with leading European banks.

In 2022, "Fergana Azot" and "Dehkanabad Potash" factories, "Coca-Cola" enterprise, "Bildirsoy" and "Chorvoq" resorts, "Ichan Qala" and "Hayat Regency" hotels, "Capital" It was noted that the state share in 83 large enterprises in the business complex, alcohol, oil and other industries will be put up for sale. In general, as a result of these measures, the number of state-owned enterprises will be reduced by at least 3 times in the next two years*.

On January 28, 2022, the decree of the President of the Republic of Uzbekistan No. PF-60 "On the development strategy of the new Uzbekistan for 2022-2026" was announced. According to the 27th goal of this decree: in order to strengthen the existing financial opportunities in the country's economy, it is considered as one of the main tasks to increase the turnover of funds in the stock market from 200 million US dollars to 7 billion US dollars in the next years. It envisaged the gradual liberalization of capital circulation in the country's financial life and the privatization of large enterprises and their shares (shares), including through the stock exchange. In the following years, the privatization of enterprises in the field of chemistry through the rapid implementation of privatization, including the privatization of "Ferganazot" JSC and "Dehkanabad Potash Plant" JSC in 2022-2023 in cooperation with the International Finance Corporation†.

In order to gradually liberalize the movement of capital in our country, it is planned to involve foreign investors and international financial institutions in the process of privatization of state-owned enterprises. In order to privatize large enterprises through the stock exchange, in 2022-2023, the government developed separate "roadmaps" aimed at the privatization of 23 large enterprises based on the primary and secondary public placement of their securities on the stock exchange‡. Involvement of international experts in privatization processes; public placement of shares of enterprises in local and foreign stock exchanges was envisaged.

At the same time, in the Address of 2022, the head of state paid special attention to the implementation of free market mechanisms in the country based on the protection of the Constitution, ensuring healthy competition and inviolability of private property, and developing the business sector. In his speeches, the head of state said, "In such a situation, no matter how difficult it is, we will resolutely continue economic reforms, fully mobilize our domestic capabilities, and further support the private sector. For this, first of all, we will speed up reforms to improve the business environment"§.

It is also worth noting that a number of targeted projects are being implemented to further increase the efficiency of the measures implemented in our country regarding the privatization of state property and to ensure its effectiveness. These events, in turn, are constantly supported by the responsible state agencies for the projects carried out by privatized enterprises. Also, in order to ensure further development and coordination of the activities of competent state bodies in the implementation of tasks:

* Ўзбекистон Республикаси Президентининг 2020-йилги Олий Мажлисига Мурожаатномаси. <https://president.uz/uz/lists/view/4057>

† Ўзбекистон Республикаси Президентининг 2022-йил 28-январда "2022 - 2026 йилларга мўлжалланган янги Ўзбекистоннинг тараққиёт стратегияси тўғрисида"ги ПФ-60-сонли фармони. <https://lex.uz/ru/docs/5841063>.

‡ O'sha joyda.

§ Ўзбекистон Республикаси Президентининг 2022-йилги Олий Мажлисига Мурожаатномаси. <https://president.uz/uz/lists/view/5774>.

2. The structure of the special commission aimed at improving and increasing the effectiveness of the State Committee for Assistance to Privatized Enterprises and Development of Competition of the Republic of Uzbekistan is of particular importance, and it has the following main tasks:

Continuous support of enterprises privatized as a result of privatization of state property in the Republic of Uzbekistan and increasing their competitive tolerance, effectively organizing the activities of state economic committees;

Implementation of the register of privatized enterprises in the Republic of Uzbekistan, timely implementation of measures, control of their full implementation, effective analysis of ongoing monitoring activities.

to create long-term "roadmaps" aimed at effective organization of the activities of privatized enterprises and to create systematic mechanisms for their implementation, as well as to implement the priority measures specified in the "roadmaps", higher state agencies coordination of effective activities was envisaged.

Carrying out work in a planned manner, positively solving the issues of legislation and financial management in the field of business activity. It consists in teaching the issues of entrepreneurial activity throughout the republic, and through this, introducing modern innovative systems into the field, organizing training courses for managers of privatized enterprises and production and technical staff.

Issuing announcements to the State Commission for Privatization and Coordination of Privatization Processes about the sale of state assets without announcing the initial price and selling based on the best among at least 2 offers, international consulting, Decree No. PF-6167 on February 11, 2021 "On further accelerating the privatization of state assets" in order to introduce modern methods of privatization of state assets involving audit and investment consultants, investment banks and other specialized companies was announced^{**}.

On the basis of this decree, the involvement of professional organizations in privatization is carried out by the State Asset Management Agency or the investment company "UzAssets" based on the selection of the best proposals. In this case, it was determined that the contracts concluded with them will not be required to be examined. The State Commission for Privatization of State Assets and Coordination of Privatization Processes is empowered to issue announcements on the sale of state assets without announcing the initial price and to sell based on the best among at least 2 offers^{††}.

The goals of implementing structural changes in our republic are as follows: achieving economic independence based on the production of import-substituting and export-competitive products; change product types, improve its quality and reduce production costs per product unit; elimination of the one-sided orientation of the national economy aimed at the production of raw materials; continuously increasing the well-being of the population on the basis of balanced and sustainable development of

^{**} Ўзбекистон Республикаси Қонун ҳужжатлари тўплами. "Давлат активларини хусусийлаштириш жараёнларини янада жадаллаштириш тўғрисида". (Электрон ресурс.). <https://lex.uz/ru/docs/5283486>.

^{††} <https://lex.uz/ru/docs/5283486>.

the economy; further development and improvement of the branch structure of the economy, territorial proportions. In the effective organization of privatization activities in our country and its regions, it is necessary to take into account the interrelationships between events and processes. In this case, the use of multi-level econometric models of the factors affecting the change of the privatization activity of the republic's regions makes it possible to increase the effectiveness of these processes.

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5. <https://lex.uz/ru/docs/5283486>.