

Issues of Improving the Digital Economy in the Republic of Uzbekistan

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Abstract: *This article covers the importance and necessity of the digital economy in the Republic of Uzbekistan, issues of its improvement, and opinions about the obstacles encountered in them.*

Keywords: *digital economy, production, information technologies, digital industry, digital infrastructure, electronic document, electronic payments, single interactive portal of state services, information systems.*

Recently, the concept of "digital economy" has been used a lot. Indeed, in many developed countries, the digital economy has significantly influenced their development factors. The digital economy plays an important role in the life of society.

The concept of digital economy was defined relatively recently, in 1995 by Nicholas Negroponte, an American scientist from the University of Massachusetts. The scientist mentioned what changes may occur during the transition from the old economy to the new economy after the intensive development of information and communication technologies.

The digital economy is an economic activity in which the main factor in production and service is information in the form of numbers, with the help of processing a large amount of information and analyzing the result of this processing. It is to implement more effective solutions than the previous system in production, service, technologies, devices, storage, product delivery. In other words, the digital economy is an activity connected with the development of digital computer technologies in the provision of online services, electronic payments, Internet trade, crowdfunding and other types of industries. The growth of the digital economy is related to the growth of a number of markets directly related to digital and mobile technologies. At the current stage of technology development and the current state of the markets, the digital economy should be considered not as a goal, but as a means of increasing the efficiency of economic activity. The modern digital economy offers new business models and emphasizes the need to change governance mechanisms to reflect the changing reality.

Digital economy is developing in Uzbekistan, like other countries of the world. Many opportunities are created for ordinary people after the application of information technologies in our daily life.

The state is taking extensive measures to develop the digital sector of the economy, electronic document circulation systems are being introduced, electronic payments are developing, and the regulatory legal framework in the field of electronic commerce is being improved. In accordance with the goals of creating additional conditions for the development of the digital economy, as well as five priority areas of development of the Republic of Uzbekistan in 2017-2021, the following were adopted:

- Decree No. PQ3832 of July 3, 2018 "On measures to develop the digital economy in the Republic of Uzbekistan".
- Decree of the President of the Republic of Uzbekistan "On measures to further modernize the digital infrastructure for the purpose of developing the digital economy" dated November 21, 2018 PQ - No. 4022.
- PQ-3832 of the President of the Republic of Uzbekistan dated 07.03.03 "On measures to develop the digital economy in the Republic of Uzbekistan" and blockchain technologies with practical skills using modern information and communication technologies development and training of qualified personnel in their use. It has become clear that success in transforming the traditional economy into a digital economy is problematic without the training of qualified personnel. Therefore, at the initiative of the President of the Republic of Uzbekistan Sh.M. Based on Mirziyoyev's order No. PQ-3832 of July 3, 2018, a faculty of digital economy was opened at the Tashkent State University of Economics for the preparation of bachelors, and a master's degree program was opened for training qualified personnel in the field of digital economy at the Faculty of Economics and Business of the Samarkand State University. The "Digital Uzbekistan - 2030" Strategy was approved by the decree of the President on October 5, 2020, in which more than 280 projects on digitalization of management, production and logistics processes in the regions of our country and enterprises in the real sector of the economy are planned to be implemented in the next two years. In the near future, a goal was set to double the share of the digital economy in the country's gross domestic product. In addition, the complex program "Digital Tashkent" is being implemented, which envisages the launch of a geoportal integrated with more than 40 information systems, the creation of an information system for the management of public transport and communal infrastructure, digitization of the social sphere, and the subsequent implementation of this experience in other regions.

Regarding the rapid development of the digital industry in the republic, increasing the competitiveness of national economic sectors, as well as the implementation of the Strategy of Actions on the five priority directions of the development of the Republic of Uzbekistan in 2017-2021 in the "Year of Science, Enlightenment and Digital Economy Development" in order to ensure the implementation of tasks defined in the state program:

1. The "Digital Uzbekistan - 2030" strategy developed by the Ministry of Information Technologies and Communications Development with the participation of interested ministries and agencies, representatives of the business community and scientific circles, as well as foreign experts should be approved in accordance with Appendix 1.

The following:

Programs for digital transformation of regions in 2020-2022 in accordance with Annexes 2 - 14;

In 2020-2022, programs for digital transformation of networks should be approved in accordance with Annexes 15-21.

In this, within the framework of digital transformation of regions and industries in 2020-2022:

the level of Internet connection of settlements will be increased from 78% to 95% by increasing the number of broadband connection ports to 2.5 million, building 20,000 kilometers of optical fiber communication lines and developing mobile communication networks;

more than 400 information systems, electronic services and other software products will be introduced in various areas of socio-economic development of regions;

587,000 people, including 500,000 young people within the framework of the "One Million Programmer" project, will be trained in the basics of computer programming;

more than 280 information systems and software products for automation of management, production and logistics processes will be introduced in enterprises in the real sector of the economy;

In order to improve the digital literacy and skills of governors, state bodies and employees of the regions, to train them in information technologies and information security, appropriate higher education institutions will be attached, and 12 thousand of their employees will be trained in the field of information technologies.

Target indicators of the "Digital Uzbekistan - 2030" Strategy

Indicator name	Unit of measure	Current status	Goals over the years		
				2022	2030
The length of the fiber optic communication network built throughout the republic	thousand km	41	70	120	250
The level of coverage of the republic's territories with the high-speed Internet global information network	%	67	74	85	100
The level of provision of social objects with the high-speed Internet global information network	%	45	100	100	100
Level of provision of households with broadband Internet global information network	%	67	74	85	100
Level of coverage of settlements with a broadband mobile communication network	%	78	100	100	100
Performance index of the "E-Government Development Index" in the international ranking of e-government development	point (between 0-1)	0,66	0,70	0,75	0,86
The share of electronic public services provided through the Unified Interactive Public Services Portal compared to public	%	34	60	70	90

services provided by public service centers					
The share of e-government services that can be accessed using mobile devices compared to a single interactive government services portal	%	5	30	42	60
The share of transactional services provided through a single interactive public services portal	%	25	45	60	75
The share of large business entities that have implemented an enterprise resource management system (ERP).	%	20	40	65	100
Number of users of online banking services (legal entities and individuals)	million	10	15	17	20
The number of start-up projects included in the incubation and acceleration programs of the technology park of software products and information technologies	number	50	250	700	2 300
The number of admission quotas for higher education and secondary special education institutions for training personnel in the field of information technologies	thousand	7	12		

But it should also be noted that the digital economy in Uzbekistan is developing several times slower than the potential of Uzbekistan. That is, there is an opportunity, the necessary resources are available, but the development is very slow. As a reason for this, several obstacles to the development of the digital economy in Uzbekistan can be pointed out:

- monopoly in many fields;
- low internet speed and poor quality;
- extremely low level of computer literacy among citizens;
- the fact that legislation in the field of information technologies is behind the times;

- low information culture and information hygiene;
- lack of information technology specialists or their departure to other countries;
- information technology security is not good;

If the above-mentioned problems are solved step by step, systematically based on world experience, Uzbekistan can easily become one of the countries with a developed digital economy.

In conclusion, the development of the digital economy is the main factor that serves to build a democratic state in which the laws of the economically-socially, politically strong market economy are in full force, and to improve the business environment in the country, to create a wide range of convenience for business activities and to simplify its management, and to realize new innovative ideas. is of particular importance as it is one of the tools.

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