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STATE OF FINANCIAL RELATIONS IN THE PUBLIC PROCUREMENT SYSTEM

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ABSTRACT
This article describes the necessity of public procurement in the economic development of the country, the process of organizing public procurement, as well as ways to improve financial relations between the customer and the supplier.
KEYWORDS: *public procurement, budget customer, corporate customer, procurement system, financial relations.*

INTRODUCTION

State procurement constitutes the main part of the expenses incurred by state bodies for the performance of their functions, and is one of the important factors in the formation of favorable conditions for the stable development of the national economy and the investment flow. Public procurement is the process of purchasing goods, works and services necessary for the needs of public customers based on established procedures [1].

In addition, state procurement is considered an important tool for the effective distribution of investment potential and the creation of favorable conditions for the development of sectors of strategic importance for the state, as well as for conducting scientific research and involving its results in production processes. For this reason, problems related to the organization of public procurement are always considered urgent, and continuous and integrated measures are being implemented in all countries aimed at improving the public procurement system. A number of legal and regulatory documents on the organization and regulation of public procurement have been adopted in the Republic of Uzbekistan. Through these legal documents, their transparency is ensured through the efficient and targeted spending of the state budget expenditures as well as the funds of enterprises with a state share in the charter. In turn, the development of modern forms and procedures in the state procurement system is becoming a vital necessity. The improvement of public procurement is directly related to the creation of a perfect legal framework in this field, as well as its development in accordance with international experience.

METHODS

In order to determine the theoretical and practical aspects of the organization of foreign experiences of the organization and coordination of state procurement, systematic analysis, synthesis, economic-statistical, induction and deduction, grouping and comparative analysis methods were used during the research.

RESULTS

Government purchases are important in the development of the country's economy. The main reason for this is the redistribution of a significant part of the funds of the budget system through the state procurement system. Therefore, achieving the development of some sector of the economy through the regulation of state procurement is being used in the effective regulation of the economy in general. Rational organization of the public procurement system, improvement of the procurement process will serve to make public procurement more perfect, open and transparent. Thanks to the reforms carried out over the years, the state procurement system is expanding and developing year by year.

In the past, a unique system for organizing public procurement was formed in our country based on international experience and the requirements of economic reforms. In this, the main emphasis is on the effective use of budget funds, giving more privileges to small business entities in the procurement process, and the features of organizing the existing mechanism of the state procurement system in accordance with international standards.

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During 2023, a total of 253 trillion soums worth of government purchases were made, and the total purchases increased by almost 24% compared to the corresponding period of the previous year.

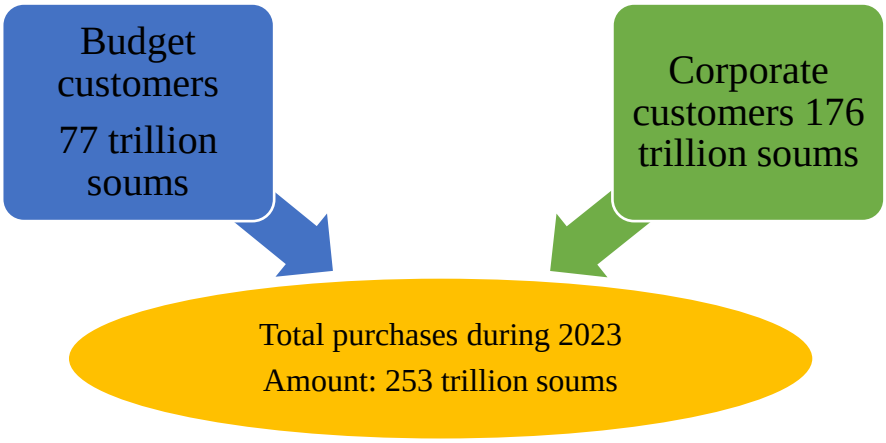


Figure 1. Purchases made by state customers [2]

Of this, the purchase of budget customers amounted to 77 trillion soums or 30%, which is 10.6% compared to the corresponding period of the previous year, and the purchase of enterprises with a state share of 50% or more was 176 trillion soums, or 70%, compared to the corresponding period of the previous year. increased by 7 percent.

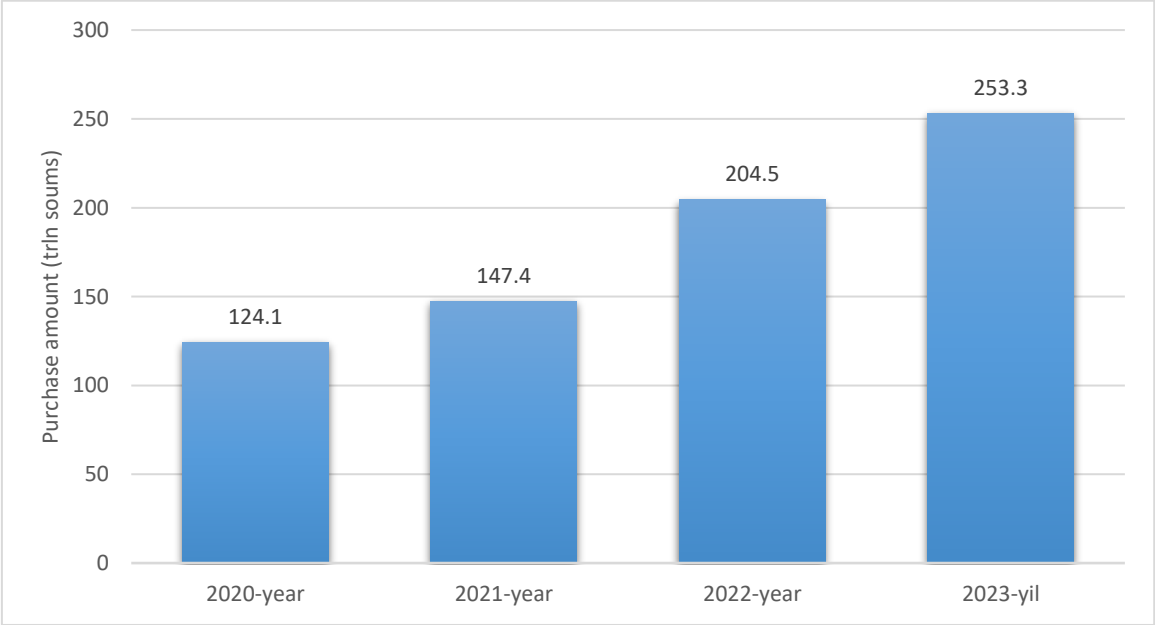


Figure 2. Purchases of state customers over the years [2]

State purchases In 2020, state purchases of 124.1 trillion soums were made. 147.4 trillion soums in 2021 (18.8% more than last year), 204.5 trillion soums in 2022 (38.8% more than last year), and 253.3 in 2023 trln. soum (23.8% more than last year) state purchases were made (Fig. 2).

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Table 1.
During 2023, state purchases made by state builders in the region[2]

Regions	Number of public purchases	Amount of public procurement (trln soums)	Share by Republic (%)
by Republic	**1 505 588**	**253,3**	**100**
Tashkent city	393 050	100,2	39,6
Namangan	70 561	4,6	1,8
Andijan	86 707	33,4	13,2
Ferghana	93 559	7,0	2,8
Tashkent region	140 910	37,4	14,8
Jizzakh	61 515	3,4	1,3
Samarkand	94 588	5,9	2,3
Sirdarya	50 966	2,1	0,8
Surkhandarya	90 620	5,4	2,1
Kashkadarya	83 000	9,0	3,6
Navoi	84 069	31,9	12,6
Bukhara	78 946	5,8	2,3
Khorezm	8 685	3,6	1,4
Karakalpakstan R.	95 412	3,6	1,4

From the above table, we can see that 1,505,588 contracts totaling 253.3 trillion soms have been implemented in the Republic since 2023. According to it, during 2023, the largest number of state purchases was made in the city of Tashkent, that is, 27% of the total state purchases (393,050), and the least was made by the Khorezm region with 8,685 purchases. The main reason for the change in the middle is that there are more budget and corporate tax collectors in the city of Tashkent than in the rest of the regions.

Table 2.
State purchases made between August 1-30, 2024 [2]

Types of PUBLIC PROCUREMENT	Number of Public Purchases	Amount of State Purchases (Billion Soums)
Electronic Store	81 539	925,6
An auction to lower the starting price	2 192	42,3
Choosing the Best Offers	4 727	3 584,3
Tender Sales	171	855,0

From the above table, we can see that in August 2024, state purchases worth 925.6 billion soums (81,539 items) were made in the electronic store. The main reason for this can be explained by the small amount of purchases made in the electronic store and the increased need of customers for this.

DISCUSSION

It is known that any national process is very important for the economic and social life of this country. The main reason for this is that depending on the result of the process, whether it is negative or positive, it has a large impact on the population living in the country, the economic mechanism of the state and its components. The process of public procurement is a huge and complex mechanism, and it is considered one of the important issues that it is properly organized and does not harm the country's economy, but brings high efficiency. For this reason, whatever macro-level process takes place, including public procurement, should be strengthened by legislation. It is the legislation that helps to improve the mechanism of public procurement, organize its control, and prevent unfair violations of the interests of public procurement subjects and deviations from the adopted laws.

The state procurement system is considered an important component of the economy, and according to the World Trade Organization, it accounts for 15-20 percent of the gross domestic product of many countries, therefore, the state procurement process must be strictly systematically controlled by the state.

Also, the importance of public procurement is based on the special role of the public sector in the socio-economic development of the country, and it is important to provide it with the necessary goods, services and works in a timely manner for its continuous and effective operation. Public procurement serves the same purpose. I think that

in the future, it is necessary to introduce mechanisms for the implementation of sales in the state procurement system, not only on the price criterion, but also on the basis of the future effect of the procurement, and it is appropriate to introduce this mechanism for the control of the treasury system;

Also, one of the main problems in the state procurement system is that the purchases of corporate customers are not included in the treasury execution system. In the future, it is necessary to increase the efficiency of the use of state funds by organizing and improving the state procurement system of state enterprises and organizations to be included in the treasury execution system.

It is advisable to introduce criteria that focus more on the quality of the product, rather than the price criterion, in the implementation of state procurement in budget organizations; It is necessary to develop a general, integrated policy for increasing energy and resource conservation in the national economy, including the creation of incentives and optimal distribution of costs and benefits among all participants of measures that increase energy and resource conservation.

In addition, the development of modern forms and procedures in the state procurement system has become a vital necessity. The improvement of public procurement is directly related to the creation of an excellent legal framework in this field, as well as its development in accordance with international experience.

In the period of innovative development of the economy, the development of programs and supplies for the implementation of state procurement and their use, reduction of the number of documents, transparency and transparency of the procurement process are the main criteria of the policy of the head of our state. The laws, documents and measures adopted in our country regarding the development of the public procurement sector remain the main factor in the development of the sector. It is desirable to increase the importance of measures taken in the current period, to improve the process of public procurement and corroborative procurement, and through this, to expand the opportunities for cooperation between the state and the private sector.

It is necessary to emphasize that the development of modern forms and procedures in the state procurement system has become a vital necessity due to the needs of the times. The improvement of public procurement is directly related to the creation of an excellent legal framework of this field and its development in accordance with international experience.

Like many countries in the world, the Republic of Uzbekistan is paying great attention to the reform of the public procurement system and electronic procurement.

The Internet, telecommunications and information technologies are playing the role of a catalyst for the rapid growth of e-commerce. The electronic trading system for government needs has emerged as a new variant of the electronic trading system in the United States, Mexico, Chile, Peru, and the European Union. That is, in the development of the B2B (business-to-business) sector, a new fragment - B2G (business-to-government) - has emerged. This, in turn, led to the further improvement of the necessary technical, technological and legal base. In countries such as Australia, Canada, and Saudi Arabia, as part of the program of modernization of state structures and with the transition to "electronic government" (e-government), a system of electronic organization of public procurement was introduced. That is, in the process of introducing the "electronic government" program, the modernization of the legal framework, preparation of the technical and technological ground, and then the infrastructure of the system of electronic organization of public procurement were implemented step by step. The implementation of this program attracted the attention of commercial structures that want to closely cooperate with the state in the new telecommunication environment, and led to an increase in the amount of investments in information technologies.

The government is adopting a number of documents aimed at ensuring the transparency of procurement processes, including the wide use of electronic procurement that limits the human factor in procurement.

In order to ensure the transparency of the state procurement system and to improve it further, to ensure the purposeful spending of the funds of corporate customers, including strategically important economic societies and enterprises, and to increase their effectiveness, to include a wide range of business entities in the state procurement process. in order to attract

In Uzbekistan, a number of works are being carried out on the reform of public finance and the improvement of the organization of public procurement. In particular, the electronic organization of public procurement is the main perspective direction.

As a result of the above analysis, the recommendations and suggestions on increasing and improving the effectiveness of attracting payments to the budget and state target funds correspond to the principles of deepening economic reforms, liberalization of the economy and modernization of the country today, and the activities of economic entities. serves sustainable development.

SUMMARY

As a conclusion from the above-mentioned definitions and those mentioned above, it can be said that public procurement is the purchase of goods (works, services) necessary for ensuring the functions and tasks of the state at the expense of state funds and loans. The socio-economic importance of public procurement is that it is a mechanism that ensures the timely supply of goods, services and works necessary for its continuous and effective operation, based on the special role of the public sector in the socio-economic development of the country.

Rational organization of the public procurement system, improvement of the procurement process will serve to make public procurement more perfect, open and transparent.

In conclusion, it should be noted that the development of modern forms and procedures in the state procurement system has become a vital necessity due to the needs of the times. The improvement of public procurement is directly related to the creation of a perfect legal base of this field and its development in accordance with international experience.

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