



FOREIGN EXPERIENCE OF FREIGHT TRANSPORT SERVICES AND THEIR ANALYSIS

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ANNOTATION

The author of the article scientifically and theoretically substantiates the results of research on reforms in the field of transport in foreign countries and their models, methods of regulating urban passenger and freight transport in foreign countries.

KEY WORDS: *transport, freight transport, service, market, diversification, modernization, logistics.*

The process of globalization on a global scale necessitates the organization and development of all components of the productive forces, including vehicles, the quality of services provided by them on the basis of new innovative approaches. Indeed, without the formation and continuous improvement of the system of transport services and its infrastructure, which is environmentally friendly and highly cost-effective, it can be difficult to build a stable socio-economically developed society. That is, transport, as a primary means of directly influencing the rapid development of any social system, in turn is closely related to the quantitative and qualitative change of other types of productive forces.

We all know that cost-effective and high-quality transportation systems are essential for modern logistics. Their importance does not disappear even when the world economy is undergoing profound changes in terms of how, where and when goods are produced or distributed. Road transport services are a bridge between local, regional and global value chains. The World Bank's Road Freight Transport Services Reform also considers road transport to be an important economic sector at the national or regional level, stressed the need for continuous reform of services.

Currently, the growth of consumer and production requirements in the country requires more and more transport operators to provide safe and affordable quality transportation services. In particular, if we look at the statistics, as of July 1, 2020, 69,035 license sheets were issued for 66,164 vehicles. These figures indicate the high demand for road transport in the city, suburbs, intercity and international routes. In 2020, the total volume of cargo transportation in Uzbekistan amounted to 1.3 billion tons. This figure is 4.6% higher than in the corresponding period last year, and the total volume of freight turnover in transport reached 40.1 billion tons. However, there are a number of problems in the transport sector of Uzbekistan. This is due to the fact that the cargo stays at the border for a long time, different weight and size standards apply, checkpoints have limited working hours, and the quality of service on roads of international importance is low. Today, 6.4% of Uzbekistan's GDP is accounted for by transport services. Transport also accounts for 7.4% of total investment and 29.5% of services. By 2030, the volume of cargo handling in Uzbekistan is expected to reach 2.1 billion tons, and investment in the sector will reach \$ 1.9 billion. In this regard, in this article we have highlighted the need to study and analyze foreign experiences of freight services. Our research shows that the processes of modernization and diversification of the economy, in turn, in the system of social division of labor, the service sector has a tendency to grow faster than real industries, which in a sense is one of the laws of human development. Indeed, not only in industrially developed, but also in low and medium-sized developing countries, special attention is paid to the organization of service facilities and entities in all directions, ie to increase the role of the service sector in the country's economy. For example, "80 percent of the population employed in the US economy and 50-60 percent in the European Union work in the service sector. The share of services in the GDP of the United States, France, Denmark, Great Britain, Japan, Sweden, Germany and Austria



has reached 70-78%¹. World experience shows that in order to increase the efficiency of transport services, the development and implementation of a system of innovative measures in the following areas is a priority, namely: reduction of costs associated with the maintenance of transport (passenger, freight); further increase and full satisfaction of the demand for transport services on the basis of reduction of tolls; effective use of funds related to the renewal of transport fleets and the creation of favorable conditions for network workers; expansion of internal capacity, taking into account the benefits provided by local authorities and the decisions taken (increase in tolls, cancellation of benefits, etc.). The analysis shows that the methods of organizing public transport today are radically different in many developed countries, especially in cities². They differ in the extent to which national or local authorities use competition or other mechanisms to regulate the transport system, finance services, provide quality transportation, and take into account the form and type of ownership.

Our research shows that despite the existence of various forms of organization of urban transport activities in the provision of freight transport services, reforms in the field of transport in foreign countries have been carried out mainly using three models³. They are distinguished by the relationship between the market and administrative mechanisms in the regulation of the industry and the provision of transport services, namely:

- Administrative model of management (USA, Canada, Paris);
- Limited competition model (London, capitals of several Scandinavian countries);
- An impartial model of state control (UK, except London, Santiago-Chile).

In France, including Paris, there is almost no competition between the types of transport services in this area, as well as in the domestic network, as the provision of transport services is carried out by a local government enterprise. This is because payment for the services of a transportation company is made from two sources: tolls and budget subsidies. In the course of our study, we analyzed the methods of regulating urban passenger and freight transport in foreign countries and presented them in the table (see Table 1). Table 1.

Implementation of Methods of Regulating Urban Passenger and Freight Transport in Foreign Countries.⁴

Policy direction	Measures	Country
Execution of transport services based on state property	Organization of the process of implementation of transport services based on the priority of state property	European countries, USA, Russia, Uzbekistan
Tariff setting	The tariff is set by the carrier	UK, except London
	The tariff is set by the customer	Stockholm, Copenhagen, London
Based on the specifics of taxation	Introduction of a city tax specific to the needs of urban passenger transport	France
	Collection of taxes to the local budget from transport enterprises for lighting of sidewalks and parking lots	Greece
	Preferential taxation of workers in the use of public transport	USA
	Taxation of commercial organizations, offices, buildings and structures located within a radius of 800 meters from the construction site of the metro station	USA (Los Angeles), Canada, Italy, Spain
	Direct financing of urban passenger transport for parking near commercial structures	Japan, Canada, Australia, USA, Germany and other countries
Taking into account the characteristics of funding	Annual approval of the Department of Transportation budget	USA, Russia, Uzbekistan
	Purchase of rolling stock at the expense of federal funds	USA

¹ T. Kadyrov "Approach to assessing the role of road transport in ensuring the competitiveness of the economy", "Market, money and credit" magazine, 2013 №11, p.38.

² V.A. Persianov and others "Economics of passenger transport" textbook: - M.: KNORUS, 2012. - 400 pages

³ V.A. Persianov "Foreign and domestic experience of urban passenger transport management in market conditions", textbook, GUU. - M., 2006. - 63 pages.

⁴ Erikhov, M.M. "Russian practice of management and financing of urban passenger transport in the light of foreign experience." Khabarovsk: FVGUPS, 2011 r. - 22 - 27 pages.



from the budget	Government assistance in investing in urban passenger transport	Europe
	Subsidizing urban passenger transport from the budget	Luxembourg, Rome, Berlin, Vienna, Helsinki, Stockholm, Lyon, Athens, Paris, Madrid, Lisbon, Copenhagen, Bern
Based on a variable tariff policy	Tickets valid for several hours, days, trips, groups	Europe, USA, Uzbekistan
	Transfer system	USA
	Pay a large fine for a ticketless trip	USA, Europe

However, due to the inclusion of investment costs in the tariff, the transport company buys the necessary equipment at its own expense and provides freight transport services on a contractual basis. They are concluded for a period of 5 years, which provides for the application of bonuses or penalties for non-compliance or non-compliance with the conditions set for the provision of transport services, in addition to budget subsidies.

World experience shows that the system of freight transport is characterized by both positive and negative aspects in the transition from an administrative model of management to limited competition and from state control to unbiased models. In particular, the positive results can be attributed to the fact that each city has its own model, which leads to a reduction in the amount of subsidies from the budget. For example, in London, 80% of subsidies were saved, in other cities of the UK - 100%, in Copenhagen and Stockholm - 30%. Today, these cities have the highest level of cost recovery from road toll revenue in Europe (more than 80% in the UK and around 50% in the Scandinavian countries). On the downside, at the same time in Paris (administrative model of management) the result is the opposite, 30%, which is one of the lowest in Europe.⁵

The organization of freight transport activities is based on the functions of local governments around the world. Local authorities are responsible for providing transport services to the population and are the customer of trips. Also, in the practice of foreign countries, forms and mechanisms are used, such as leasing, concessions or the creation of joint stock companies, and bus routes are attached to them by organizing tenders according to a clearly defined scheme. In general, world experience shows that there are four main forms of organization of transport activities: a) the institute of domestic (communal) carriers, which have the right to provide transport services in public transport; b) routing services on the basis of tender agreements and, c) forms of management of the route network on the basis of tender agreements, and d) forms based on the harmonization of the terms of the free market contract.

One of the most common manifestations of the organization of transport activities in many European countries is the institute of domestic carriers. They are communal property and occupy a leading position in the market, and the legal basis of these forms is considered separately in different directions.

The French law on freight transport is based on the principle of giving priority to the initiative of public authorities, and those engaged in public transport are given priority in the provision of passenger transport services. The government uses these services directly from internal carriers, i.e the right to assign them to a private transport company or utility company. In this case, the contract is executed on the basis of the transfer of authority to other transport service providers.

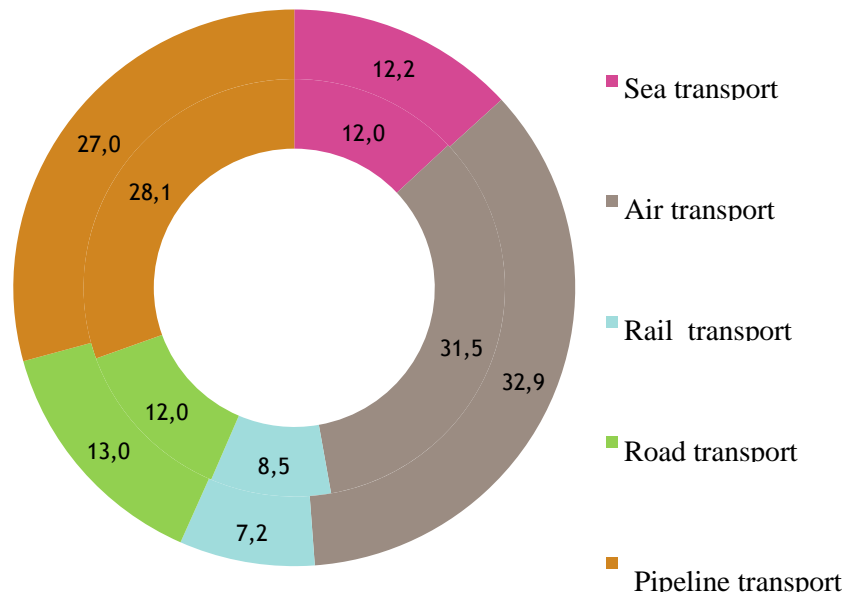
The German state law on freight transport is based on the principle of giving priority to market initiative and gives the right to provide transport services to any carrier in the transport services market. This right covers the procedures applicable to all stages of the system, starting from the permitting procedure and regulates the system of provision of transport services.

Analyzing the Russian experience, it should be noted that attracting investment in the transport sector involves the provision of transport services in the network of urban routes on the basis of public-private partnership. In the modern interpretation, public-private partnership is an institutional and organizational union between public and private business. Legally, the project includes a mutually beneficial lease agreement, ie a mixed agreement, which includes lease, contract and service agreements. The contract is not considered a financial lease because it does not contain elements of a contract of sale.

⁵ Churilov A.G. "Organizational and economic foundations of the formation of a competitive environment in the implementation of a municipal order for urban passenger bus transportation": author. dis. ... Cand. econom. Sciences: 08.00.05 / Churilov A.G. ; [Place of protection: Mosk. state car-road in-t (tech. un-t)]. - M., 2004 .-- 22 p.

If we turn our attention to the data in Table 2, the structure of exports of freight transport services in Russia is sea transport, air transport, rail transport, road transport and pipeline transport.

Table 2
Structure of exports of freight services in Russia (2017–2018, in percent)⁶



In 2018, the volume of freight services in Russia increased from 1.5% to 2.4% compared to 2017. Freight services contributed the largest share to this result. We can see that the volume of railway and pipeline freight services has been significantly reduced. (See Table 3)

Table 3
Dynamics of freight transport services in Russia (2014–2019, in percent)⁷

	2014	2015	2016	2017	2018	Jan-Aug 2019*
Transport - overall	-3,1	-1,4	0,7	1,5	2,4	1,1
Rail transport	-0,4	-3,4	-0,3	4,5	1,9	-1,2
Road transport	-3,9	-1,1	0,7	0,1	2,6	2,5
Pipeline transport	-1,6	-0,7	1,6	4,6	2,7	-0,8
Sea transport	-7,4	21,2	31,1	7,2	-12,8	-19,4
Water pipeline transport	-11,7	2,0	-2,9	0,5	-2,0	-14,7
Air transport	3,9	-17,5	9,2	14,1	-2,9	0,0

The results of our research show that the cost structure of freight services provided by road transport in Uzbekistan differs significantly from the system of indicators of developed countries. In particular, the share of fuel, depreciation costs, taxes and fees in the cost structure is several times higher, while the share of drivers' wages, which is the main source of incentives, is less than 3 times (Table 4).

⁶ Author's development based on analytical data of the Bank of Russia

⁷ Author's development based on analytical data of the Bank of Russia



Table 4.
Structure of the cost of road transport services⁸

№	Type of costs	Share in the cost of transportation services,%	
		Uzbekistan	European Union
1.	Fuel	37-40	16-20
2.	Lubricants	2-2,2	3
3.	Drivers' wages	15-16	52-55
4.	Tire costs	2-2,5	1-1,1
5.	Depreciation allowance	10-12	5-6
6.	Taxes and fees	6-7	2
7.	Other expenses	20-21	16

According to the analysis of the data in Table 4, the main types of transportation costs are accounted for by vehicle maintenance and fuel and lubricants. One of the main disadvantages of the composition of vehicles in the network is their disproportionate structure and average high age. One of the main reasons for the obsolescence of vehicles used in the regional road transport associations of the country is that they are not competitive in the market of road transport services.⁹ According to the data, today 85% of trucks have a high level of obsolescence and have been in operation for more than 15 years. Physical and mental wear and tear of cars leads to excessive maintenance and repair, as well as fuel costs. The share of trailers and semi-trailers with a carrying capacity of more than 16 tons is less than 10%, weakening the competitiveness of national transport companies, especially in long-distance and international transport.

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⁸ T.Qodirov. Scientific-electronic journal "Analysis of the state of development of the transport system and its role in economic growth", "Economy and Innovative Technologies". № 1, January-February, 2014. www.iqtisodiyot.uz

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