



# STRUCTURAL REFORMS IN THE DEVELOPMENT OF THE DIGITAL ECONOMY IN UZBEKISTAN

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## ABSTRACT

*The article examines the concept of the digital economy, definition of digital economy, technological developments specific to digital economy, development of digital economy, some indicators of communication and information, and state programs for the development of digital economy.*

**KEYWORDS:** *Digital economy, Digital technology, ICT (Information and Communication Technologies), Digital transformation, Electronic government. Cloud computing, Big data, Financial technology, Digital infrastructure*

## INTRODUCTION

Digital economy is rapidly entering the economy of many countries of the world today. Rapid development of digital technologies has led to the acceleration of the globalization of the economy. Their effective use in all spheres of the economy is becoming a popular demand today. Digital transformation is a fundamental tool for today's world that is rapidly changing.

**Digital Economy** is a business activity that is a virtual environment that creates products and services by providing accessibility for people and uses digital technologies every day to bring millions of links between people, businesses, devices, data and processes online. system. A wider range of economic activities is used as a key element in digitizing information and knowledge. It is used to collect, store and distribute data in digital form, cloud computing, big data, financial technology and other digital technologies, and social interaction to completely change the effect.

### **Advantages of digital economy are as follows:**

- In the context of digital economy, the cost of searching for products is dramatically reduced as online purchases of any information are easier than offline;

- Consumption of goods in the digital economy does not reduce demand and quality of other products;
- Costs of transportation and dissemination of information on products in digital economy are zero;
- With the help of digital technology, the consumer can easily learn the character. This creates one-to-one markets on its own;
- Digital technology makes it easy to create brand and reputation;
- Digital economies traditionally cross borders in electronic form.

## MATERIALS AND METHODS

The development of digital economy can have an impact on interstate business processes. Significant developments in the field of information and communication technologies can be seen in various fields of company's activity. There is an opportunity for online sales to sell their products worldwide. Companies that have small investment can develop and grow rapidly. The role of modern information technologies in the digital economy is enormous in increasing labor productivity and effectiveness in many sectors of the economy and reducing costs. Changes related to digital economy create the basis for new market rules for manufacturers and buyers. As a result, companies



need to look for new competition strategies and improve their competitiveness.

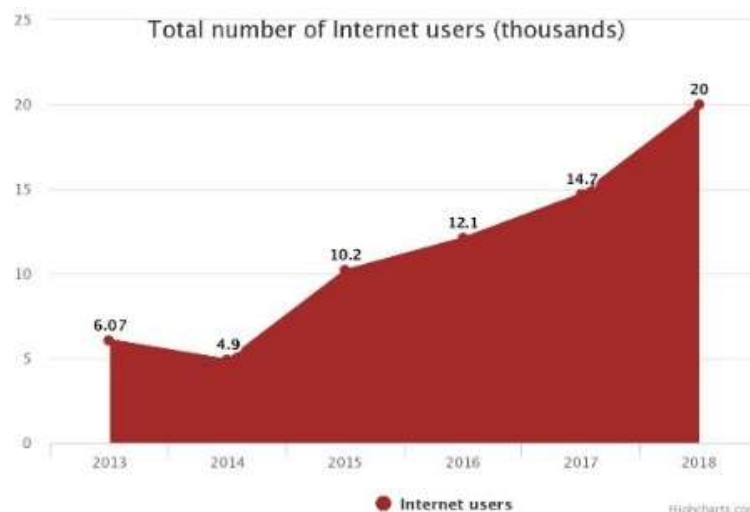
Over the past two years, consistent measures have been taken to develop digital economy in Uzbekistan, and e-commerce systems are being gradually introduced to government agencies and other organizations to provide e-document flow and services for individuals and legal entities. On December 28, 2018 the President of the Republic of Uzbekistan Shavkat Mirziyoyev addressed to the Oliy Majlis of the Republic of Uzbekistan. At the meeting, the Government was tasked to develop a Roadmap for transition to digital economy within 2 months. This is as follows: "We must design National Concept of Digital Economy which considers upgrade of all sectors of our economy with digital technologies. In this context, we need to introduce the Program "Uzbekistan Digital - 2030". Digital economy will facilitate at least 30 percent increase of GDP and significant reduction of corruption. It's being also proved by the analysis of reputed international organizations". [1] Analyzes by authoritative international organizations also confirm this. Therefore, it is necessary to carry out digital transformation in the economy, to develop national information technologies and to attract investments in this direction," said President Shavkat Mirziyoev.

## RESULT AND DISCUSSION

The draft resolution of the Cabinet of Ministers sets out the following directions in the development of digital economy in the Republic of Uzbekistan: [2]

- identification of the necessary information systems and resources of the state and economic bodies, local authorities in the field, implementation of software and electronic services;
- Creation of favorable conditions for attracting foreign investments in the country by organizing the digital economy, the information technology market in the country, including the technology parks and hockey-clubs based on public-private partnerships;
- coordination of modern telecommunication infrastructure, development of communication technologies and networks, introduction of modern telecommunication services;
- raising the digital economy through the introduction of electronic services in the field of public administration and economy, development of e-commerce and software market;
- Development of proposals for the development of the national Internet segment, organizational, material and technical support of digital media content;
- Development of "intelligent systems" for urban and regional infrastructure management, in particular residential and communal services, transport logistics, safe and "smart cities";
- Improving the system of training qualified personnel.

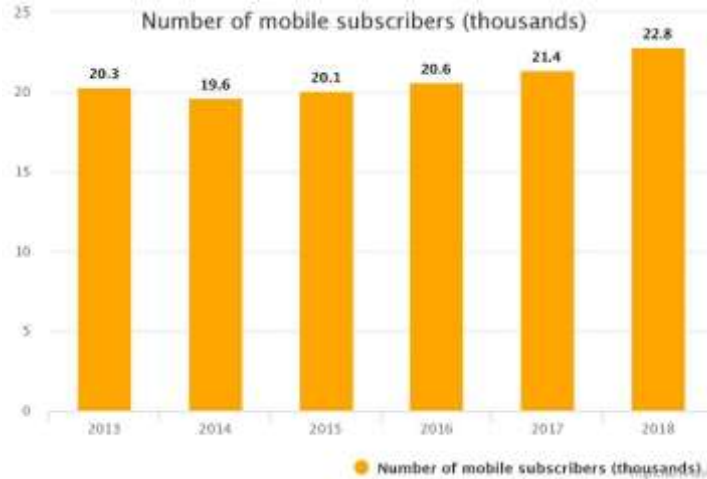
1-table.



Source: The official website of the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan, [www.mitc.uz](http://www.mitc.uz)

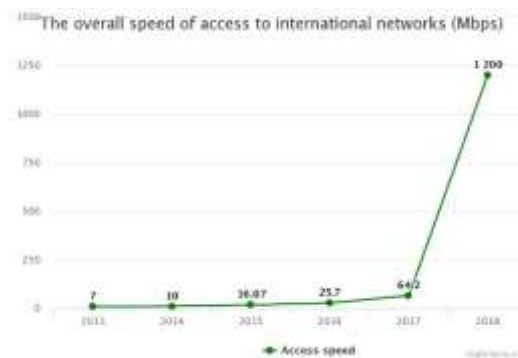


**2-graph**



Source: The official website of the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan, [www.mitc.uz](http://www.mitc.uz)

**3-graph**



Source: The official website of the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan, [www.mitc.uz](http://www.mitc.uz)

Digitalization began to be used not only in the economy but also in the system of public administration. The modern mechanisms of public-private partnerships aimed at improving the effectiveness of mutually beneficial cooperation in the implementation of socio-political and socio-economic development of the country have been introduced. Improvement of the "e-Government" system, enhancement of the quality and effectiveness of public services, and the possibility of using this service by the population and entrepreneurship are envisaged. Adoption of the Resolution of the President of the Republic of Uzbekistan from November 21, 2018 N PP-4022 "On Measures for Further Modernization of Digital Infrastructure for the Purpose of the Development of Digital Economy" creates conditions for the rapid development of digital economy, further improvement and use of public

administration expanding opportunities and using modern infrastructure. [3] According to the Resolution of the President of the Republic of Uzbekistan "On Measures for the Development of the Digital Economy in the Republic of Uzbekistan" dated July 3, 2018, the National Agency for Project Management under the President of the Republic of Uzbekistan shall introduce and develop a digital economy, and agreed to the agency's proposal to establish a digital economic support fund for the Digital Establishment in the form of government institutions. All this is a clear indication of the great attention being paid to the digital economy in our country.

**CONCLUSION**

In conclusion, for the development of the digital economy, which is the driving force of the innovative



economy in our country, it is necessary first of all to increase the speed in our country. In addition, increasing the knowledge and skills of working with computers and computer programs is one of the important factors in the development of digital economy. There are a number of practical tasks to be implemented. In particular, the creation of free computer courses, the development of electronic trading platforms, the improvement of the electronic document flow system, and provision of the population with more and more extensive information on innovative digital technologies (such as cryptocurrency, innovative forms of government services). Implementation of the above-mentioned instruments plays an important role in increasing the role of digital economy in the country, accelerating the exchange of information. The widespread use of households in the Internet also plays a key role in increasing the efficiency of the industry and industry, reducing the costs, decreasing the time and increasing the share of innovative technologies in the economy. Based on these reforms, the development of the digital economy creates a basis for our country to be ranked among the economically developed countries of the world.

## REFERENCES

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3. *Keshelava A V 2017 Introduction to digital economy (Moscow: VNIIGeosystem)*
4. *www.lex.uz*
5. *The official website of the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan, www.mitc.uz*