

## **THE LEGAL BASIS FOR THE FORMATION OF DIGITAL ECONOMY UZBEKISTAN**

Associate professor of the department of digital economy and information technologies of Tashkent University of Economics A. Kobilov,  
Assistant of the department of digital economy and information technologies of Tashkent University of Economics Sh.Rajabov

**Abstract:** This article reviews the main aspects of the "digital economy" is explained from the normative point of view and its scientific treatment with internal basic components. Article reviews normative and legal regulation of digital economy in the Republic of Uzbekistan, the goals and objectives set for its development in our Republic. Article contains a analysis of the current state of digital economy development of the Republic along with its global ranking in the area of information and communication technologies. The major perspective development directions of digital economy in Uzbekistan are revealed.

**Key words:** regulatory framework, digital transformation, main macroeconomic indicators, digital development, digital infrastructure, digital business models, digital platforms, economic growth, quality of life of the population.

At present, close attention is paid to the development of digital infrastructure in the Republic of Uzbekistan. Practice shows that from year to year the number of types of electronic services grows, the number of Internet users increases, the cost of tariffs decreases, information security methods are improved, etc.

A solid regulatory and legal framework has been created for the development of the digital economy in the Republic of Uzbekistan. In particular, Decree of the President of the Republic of Uzbekistan No. UP-6079 "On approval of the Strategy "Digital Uzbekistan 2030" and measures for its effective implementation" dated October 5, 2020 [2], Decree of the President of the Republic of Uzbekistan No. UP-4947 "On the Strategy of Actions for further development of the Republic of

Uzbekistan" dated February 7, 2017 [3], Decree of the President of the Republic of Uzbekistan UE No. -5544 "On the strategy of innovative development of the Republic of Uzbekistan in 2019-2021" dated September 21, 2018 [4], Decree of the President of the Republic of Uzbekistan No. PP -3832 "On measures to develop the digital economy in the Republic of Uzbekistan" dated July 3, 2018 [5], Decree of the President of the Republic of Uzbekistan No.-4642 "On measures for the widespread introduction of digital technologies in the city of Tashkent" dated March 17, 2020 [6] and Decree of the President of the Republic of Uzbekistan No.-4699 "On measures for the widespread introduction of the digital economy and e-government" dated April 28, 2020 [7].

Further, at a meeting on the wide introduction of the digital economy and e-government, held on May 11, 2020 with the participation of the heads of ministries and departments of the country, the head of state also emphasized that in the modern period it is necessary to comprehensively address issues of developing the e-government system based on advanced domestic and foreign experience.

A little later, on September 22, 2020, the Head of State Sh.M. Mirziyoyev held a video-conference meeting on the implementation of the digital economy and e-government in industries and regions.

A new stage of development in the field was the signing by the President of the Decree "On approval of the Strategy "Digital Uzbekistan-2030" and measures for its effective implementation" dated October 5, 2020. The purpose of the adoption of the document is a successful transition to the digital economy, taking into account modern realities. After all, today the share of the digital economy in GDP in the country is 2.2 percent.

To achieve an increase in the share of ICT services in GDP, it is important to solve the following tasks:

- provide a legal framework for the transition to a digital economy, for example, by adopting a Strategy and a road map;
- create institutional frameworks (that is, mechanisms for the implementation of the Strategy) in the form of appropriate structures and procedures for

coordinating, executing, monitoring, controlling and evaluating the measures taken;

- ensure the mobilization of resources to finance the measures envisaged in the Strategy, and it is important to strengthen cooperation with international and foreign partners;

- take measures to educate and train highly qualified personnel for the digital economy, as well as to prepare the population for the conditions of the digital economy.

Thus, the adoption of the Strategy "Digital Uzbekistan-2030" and the "road map" for its implementation in 2020-2022 creates, first of all, the legal basis for the transition to the digital economy. The document includes such priority areas as the development of digital infrastructure, e-government, the national digital technology market, education and advanced training in the field of information technology.

The strategy provides for the approval of two programs: the digitalization of regions and the digitalization of industries. Thus, two approaches are provided - territorial and sectoral. Undoubtedly, this will ensure the most complete coverage and effective implementation of the document.

Also, 13 exemplary districts and cities for digital transformation in 2020 were identified: Buzatovsky, Karakul, Zarbdar, Karshi, Kyzyltepa, Davlatabad, Nurabad, Shurchinsky, Bayavutsky, Pskentsky, Yazyavansky, Khanka districts and the city of Khanabad.

And already in the first half of 2021, it is planned to carry out work in 16 more districts and cities: Nukus, Takhiatash, Buston, Gijduvan, Sharaf-Rashidov, Yakkabag, Khatyrch, Turakurgan, Naryn, Koshrabat, Angor, Khavast, Tashkent, Akhangaran, Baghdad, Shavat districts. The heads of the Ministry for the Development of Information Technologies and Communications and subordinate enterprises were attached to them, "road maps" were developed.

The established Coordinating Commission for the implementation of the Strategy "Digital Uzbekistan-2030" will monitor the implementation of the provisions of the document.

As an implementation mechanism, from November 1, 2020, one of the current deputy heads of all ministries and departments, local executive authorities has been entrusted with the powers of the deputy head for digitalization ( Chief Digital officer).

The Ministry of Information and Communications was instructed to coordinate the activities of all deputies for digitalization in the relevant direction.

In addition, practice shows that without international support, the digital divide that exists between countries will deepen. Therefore, an important role in the Strategy is assigned to the diplomatic missions of the Republic of Uzbekistan in foreign countries, which are charged with providing comprehensive practical assistance in the transfer of advanced technologies and IT solutions, attracting leading companies to jointly implement projects in the digital economy.

Also, for this purpose, digital partners in the field of information technology from among foreign countries are attached to each industry and region.

According to the Strategy, the Agency for Information and Mass Communications under the Administration of the President of the Republic of Uzbekistan, the National News Agency of Uzbekistan and the National Television and Radio Company should organize work to widely publicize the goals and objectives of this Decree in the media. It is also important to ensure that the population has digital skills by introducing digital education at all levels of the education system, developing IT education, etc.

The implementation of the Strategy will ensure the provision of high-quality digital services to the population, reducing corruption, increasing the level of involvement of citizens in government decision-making processes, modernizing the system of higher and secondary education to ensure the competitiveness of citizens not only within the country, but also in the regional and global labor markets.

The strategy will contribute to the implementation of all state strategic documents and programs and, above all, will be important for achieving the National Goals and Objectives in the field of sustainable development for the period up to 2030, as well as the Action Strategy for the five priority areas of development of the Republic of Uzbekistan in 2017-2021 years.

In general, the successful implementation of the Strategy will contribute not only to the transition to a digital economy, taking into account modern realities, but also to improve the position of Uzbekistan in the relevant world rankings, as well as strengthen the country's image in the international arena. It is important that our state takes its rightful place in the global economy thanks to technology and innovation.

It should be noted that already in 2020, 239 projects were implemented in 14 regions of the country, in such areas as healthcare, agriculture, education and other social facilities [5].

The introduction of the "Electronic Polyclinic" system will reduce paperwork in medical institutions by 40%, and the time that patients spend in line should be reduced by 60% [5].

The sphere of education is also undergoing great changes in the Republic of Uzbekistan. In secondary educational institutions of Tashkent and in the regions, such systems as "Electronic diary", "Evaluation of teachers", "Electronic student" began to work. The Ministry of Public Education and the Ministry for the Development of Information Technologies and Communications were instructed to create 14 special schools for the training of programmers in 2020 and 82 next year [9].

In higher education institutions, in the context of the pandemic caused by the spread of the COVID-19 virus infection, digital platforms were introduced that made it possible to conduct online education at universities.

Digital transformation implies the improvement of the system of professional development of the teaching staff. In particular, a national system for training and

certification of information technology teachers has been introduced on the basis of the Tashkent University of Information Technologies and IT parks.

The development of digital infrastructure implies, by the end of 2022, the connection of each settlement to the Internet with a data transfer rate of at least 10 Mbps, providing popular tourist places with high-speed Internet.

As evidenced by the data of the Roadmap approved under the Decree of the President of the Republic of Uzbekistan “On approval of the Strategy “Digital Uzbekistan - 2030”, starting from November 1, 2020, resident legal entities teaching information technology, software product development, robotics, etc. d. will have the opportunity to become a resident of the IT park. And by January 1, 2022, the digital transformation of the banking sector should be completed [5].

In addition, as part of the implementation of the "Digital Uzbekistan - 2030" strategy, a wide range of measures is planned (UP - 6097 dated October 5, 2020).

In particular, in the course of the digital transformation of regions and industries until 2022, the following is expected:

- increase from 78% to 95% of the level of connection of settlements to the Internet, including by increasing to 2.5 million ports - broadband access, laying 20 thousand km of fiber-optic communication lines and developing mobile communication networks;

- introduction of over 400 information systems, electronic services and other software products in various areas of socio-economic development of regions;

- training 587 thousand people in the basics of computer programming, including by attracting 500 thousand young people as part of the One Million Programmers project;

- introduction of over 280 information systems and software products for automation of management, production and logistics processes at enterprises in the real sector of the economy;

- fixing universities in the regions to improve digital literacy and skills of khokims , employees of government agencies and organizations, training them in

information technology and information security, training information technology for 12 thousand of their employees.

From November 1, 2020, at least 5% of the total amount of funds from investment projects, as well as from international financial institutions, foreign government financial organizations and donor countries, are directed to "digital" components. In addition, in the Republic of Uzbekistan, **firstly**, the requirement to obtain a permit for the operation of base stations for organizing communications in enclosed spaces, operating within the radio frequencies allocated to mobile operators, with a power of not more than 500 mW, has been canceled (except for mobile base stations installed near categorized objects); **second**, for mobile operators:

- a notification procedure has been introduced for completing construction and installation, reconstruction, testing, integration, organization of operation for commercial purposes, changing the design of telecom devices and structures, as well as expanding the equipment of existing installations of telecommunication lines and structures;

- granted the right to issue permits for the import of radio electronic devices, equipment and other devices into Uzbekistan without obtaining permission for the acquisition, installation, design and construction.

On the basis of the Ministry of Information and Communications and the Ministry of Justice, their subordinate organizations and departments, the Digital Department project is being implemented. By the beginning of 2022, all administrative procedures and operational processes will be digitized and automated here, electronic document management and office work will be introduced. Experience will be gradually borrowed by other departments.

Thus, the development and adoption of regulatory documents in the field of digital economy development are aimed at the effective development of industries and spheres of the national economy of the Republic of Uzbekistan.

#### **LIST OF USED LITERATURE**

1. Decree of the President of the Republic of Uzbekistan No. UP-6079 “On approval of the Strategy “Digital Uzbekistan 2030” and measures for its effective implementation” dated October 5, 2020 // Narodnoe slovo. - Tashkent, 2020, October 6.

2. Decree of the President of the Republic of Uzbekistan No. 4947 “On the Action Strategy for the Further Development of the Republic of Uzbekistan” dated February 7, 2017 // Narodnoe Slovo. - Tashkent, 2017, February 8.

3. Decree of the President of the Republic of Uzbekistan No.-5544 “On the strategy of innovative development of the Republic of Uzbekistan in 2019-2021” dated September 21, 2018 // Narodnoe slovo. Tashkent, 2018, September 22.

4. Decree of the President of the Republic of Uzbekistan No. PP-3832 “On measures to develop the digital economy in the Republic of Uzbekistan” dated July 3, 2018 // Narodnoe slovo. - Tashkent, 2018, July 4.

5. Decree of the President of the Republic of Uzbekistan No.-4642 “On measures for the widespread introduction of digital technologies in the city of Tashkent” dated March 17, 2020 // Narodnoe slovo. - Tashkent, 2020, March 18.

6. Decree of the President of the Republic of Uzbekistan No.-4699 “On measures for the widespread introduction of the digital economy and e-government” dated April 28, 2020 // Narodnoe slovo. - Tashkent, 2020., April 29.

7. Antimonopoly regulation in the digital age / A. Tsarikovskiy , N. Galimkhanova , A. Tenishev , M. Khamukov , A. Ivanov, E. Voinikanis , E. Semenova. - M.: Higher School of Economics, 2018. -312 p.

8. Akhmetova A.S. Possibilities of practical application of blockchain technology / A. S. Akhmetova // Innovations in science: scientific journal. - 2018. No 10(86) - S. 15-16.

9. Bashir , I. Blockchain : architecture, cryptocurrencies , development tools, smart contracts / I. Bashir . - M.: DMK Press, 2019. - 538 p.

10. [www.stat.uz](http://www.stat.uz) is the official portal of the State Committee of the Republic of Uzbekistan on statistics.



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

12. [www.mininnovation.uz](http://www.mininnovation.uz) is the official website of the Ministry of Innovative Development of the Republic of Uzbekistan.