
ECONOMIC IMPORTANCE OF INSURANCE

Raufov Quvonchbek Xusin o'g'li

Karshi engineering-economics institute

The student of the Faculty of Economics

***Abstract:** This article provides information about insurance , its application and types . Also, the essence of the insurance market of Uzbekistan and the law " On Insurance Activities " adopted in our republic is explained.*

***Key words :** Insurance , compulsory auto insurance , voluntary auto insurance , property insurance , travel insurance , insurance market, compulsory and voluntary insurance , " Insurance activities on" law.*

As the national insurance market of our country is developing day by day, we can say that the role of the state is very important in this. Today, the main financial goal of our state is the stable development of the economy, increasing the efficiency of social production and ensuring the level of well-being of society members. . In addition, in the course of reforms to further liberalize the economy in our country under the leadership of President Shavkat Mirziyoyev, special attention is paid to the development of the banking and financial system, leasing, auditing, insurance, engineering and other structures. , the role and importance of insurance activities in creating favorable conditions for business entities is considered very high.

Insurance - the establishment of targeted funds for the compensation of damages caused by natural disasters (earthquakes, floods, fires , etc.), various accidents and payment of other compensations, and from is a system of economic relations related to the use. The insurance system is an integral part of the economy, on the one hand, it provides social and economic guarantee , and on the other hand, it warns against various insurance risks through the mechanisms of voluntary contractual obligations and tariffs . includes protection of the interests of its clients as part of its services. At various stages

of socio-economic development, insurance was a reliable means of protecting the interests of citizens . The insurance fund is an important and unique link of the national economy reserve fund , it provides financial protection of the national economy from various accidents.

In Uzbekistan , there are types of insurance according to the needs of a person. Including: mandatory auto insurance , optional auto insurance , property insurance , life insurance , travel insurance , medical insurance, mortgage insurance , etc. In addition, insurance is carried out in mandatory and voluntary forms. . Compulsory insurance itself is divided into compulsory and compulsory state insurance . Both of them are introduced in accordance with legislation. In Uzbekistan , the types of compulsory insurance for passengers of public road, water, air, railway transport , civil liability of vehicle owners and others are established. Military personnel of the Ministries of Defense, Internal Affairs, Emergency Situations, National Security Service, State Border Guard, State Customs, State Tax Committees of the Republic of Uzbekistan are covered by compulsory state insurance and insurance for such types of insurance the fee (reward) is paid from the state budget .

Voluntary insurance types are carried out based on the mutual agreement of the parties participating in insurance relations and a written contract, the amount of insurance liability (insurance price), the amount of insurance premium (premium), in the event of an insurance event, until The sum of paid insurance money (insurance coverage , compensation) - the terms of the contract are agreed between the insurer and the insured parties .

The main indicators of the activity of insurance organizations in the republic of Uzbekistan for 2020-2021

	2020 –year (thousand)	2021 –year (thousand)	Share (%) 2020	Share (%) 2021

Total number of concluded contracts	5941.1	6841.1	—	—
Optional insurance	2503.2	2964.2	42.1	43.3
Compulsory insurance	3437.9	3877.1	57.9	56.7

We can see in the table above that the total number of voluntary and compulsory insurance contracts of republican insurance organizations for 2020 and 2021 and their corresponding shares (percentage) are described. The amount of insurance is significantly lower than the amount of compulsory insurance. We can take several reasons as the main reason for this. For example, gradual reforms of the insurance market are being carried out in Uzbekistan, that is, to developed countries relatively speaking, there was not much time before the insurance market appeared and developed in Uzbekistan. In addition, the majority of the population does not have sufficient literacy about insurance, its usefulness and its content. We can explain it because the concept (term) of insurance is a new concept for people in a field other than the economy, and it takes some time for the population to understand the meaning of the word. For this reason, in 2020 and 2021, the amount of voluntary insurance contracts was 16 and 13 percent less compared to mandatory insurance contracts. There is no exaggeration. Because the more individuals and legal entities voluntarily insure themselves, firstly, they reduce the risk they bear to a certain extent, and secondly, they contribute to the development of the country's economy. they did.

A new edition of the Law on Insurance Activities of the Republic of Uzbekistan was announced. This Law is based on experienced national practice and international principles in the field of insurance and includes 10 chapters and 72 articles. In particular, the new version of the Law on Insurance Activities, the Strategy of Actions on the Five Priority Areas of the Development of the Republic of Uzbekistan in 2017-2021, and the Order of the President of the Republic of Uzbekistan dated August 2,

2019 PQ-4412 it should be noted that it was developed and adopted in accordance with the decision no. The main purpose of the development of the law is to define the rules of action at the legal level and to create a single mechanism for managing relations in the field of insurance activity. is considered The Law on Insurance Activities was signed by the President of the Republic of Uzbekistan on November 23, 2021 and entered into force on February 25, 2022.

Conclusion: In conclusion, we can say that insurance is an important means of social protection, and it is also an important factor for the economic development of the state. Insurance is a great solution for them. Otherwise, if an enterprise or a citizen is not insured when faced with a crisis, it will be very difficult for them to get out of this situation. Insurance activity is developing in Uzbekistan as well as in the developed countries of the world. For this, a number of systematic reforms are being made and conditions are being created.

References:

1. Law of the Republic of Uzbekistan "On Insurance Activities".
- 2 . [Total life insurance : Logics of anticipatory control and actuarial governance in insurance technology](#) J Sadowski - Social Studies of Science, 2024 - journals.sagepub.com
- 3 . [Developing strategies to retain organizational insurers using a clustering technique: Evidence from the insurance industry](#) K Shahroodi , SA Darestani , S Soltani... - ... Forecasting and Social..., 2024 - Elsevier
4. [PROSPECTS FOR DIGITIZATION OF MANAGEMENT ACCOUNTING OR Farmonovich , son of RQ Khusin - Conferencea, 2023 - conferencea.org](#)