



**WAYS OF DEVELOPMENT OF INSURANCE MARKET GAINS ON COMPONENTS IN THE REGIONS
OF THE REPUBLIC OF UZBEKISTAN**

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ANNOTATION

This article outlines the features of competitive market insurance services in Uzbekistan, analyzed the activities of insurance companies, and addressed the issues of further development of the regional insurance market.

KEY WORDS: insurance, insurance services, accident insurance, medical insurance.

INTRODUCTION

One of the main conditions for the market development of the insurance market in the Republic of Uzbekistan is the formation and development of competitive environment on the ground. If we have a broader understanding of insurance activity, it is supposed to include social insurance, including insurance, long-term accumulative insurance, and mutual insurance.

Many analysts and analysts, who are analyzing trends in the insurance market, believe that the competitive environment in the country's regions is poor. Worst of all, insurance coverage in most rural areas is still carried out by the regional branch of the sole insurer - Uzagrosugurta state joint-stock insurance company. In fact, most of the district departments that are competing with him are not organized on the ground by most insurance companies. At the same time, this is entirely the case for all provinces.

The market of insurance services in the regional centers of the Republic of Uzbekistan has slightly developed and there is insufficient level of specialized insurance services of insurers in remote rural areas. This, in turn, impedes the smooth development of the regional insurance market.

The results of the research have shown that none of the Republic of Uzbekistan insurance companies are registered as legal entities. All existing insurance companies are registered in the capital city of Tashkent, which provide insurance services in the regions of the country through their respective branches and divisions.



RESEARCH BACKGROUND

It is noteworthy that in order to further develop the market of regional insurance services, it is desirable to create independent insurance institutions on the ground. To do this, it is desirable to set the minimum size of the charter capital, required for issuing licenses to the insurance companies in the regions at the level of 50% of the actual amount established in the Republic. As of March 1, 2019, for the insurers operating in the Republic of Uzbekistan, the minimum size of charter capital is set according to the type of activity (as of March 1, 2019 the rate of the Central Bank of the Republic of Uzbekistan: \$ 1,040.00 sums)

- for insurance companies operating in the general insurance industry - 7.5 billion Soum (US \$ 892.5 thousand);
- for insurance organizations operating in the life insurance market - UZS 10.0 bn (USD 1,190.0 thousand);
- on compulsory insurance - 15,0 billion sums (1 785,0 US dollars);
- on reinsurance - 30,0 billion soums (3 570,0 thousand US dollars).

In our opinion, the reduction of the demand for charter capital by 50.0%, depending on the type of activity for the insurance organizations established in the regions, is essential for the development of the region's insurance market.

One of the main conditions for the development of insurance market in the Republic of Uzbekistan is the expansion of sales channels of insurance policies and application of modern technologies of sale of insurance policies.

In Uzbekistan, the social protection system is one of the priorities of the state's economic policy.

MAIN PART

In order for insurance to play a specific role in this system, it is necessary to solve a number of problems.

First of all, about 60% of the population lives in rural areas. Moreover, according to available information, a considerable portion of the population, who need many children and those who are in need of social protection, is in the same area. In rural areas, the main source of income for people in need of social assistance is focused exclusively on pensions, which are financed from the state budget and off-budget Pension Fund. This necessitates finding ways to effectively use the insurance mechanism in the system of social protection of the population living in rural areas. Solving this problem is not an easy task. Because the insurance can not be carried out in any form or manner, it



remains a paid service. Thus, in our view, it is desirable to implement the following measures to cover the insured population with low solvency and social protection needs.

We offer tax exemptions for insurance companies that provide insurance services in this area to insure low-income and socially vulnerable populations, especially residents of rural areas. Of course, this offer has a temporary character and increases the standard of living, which can then be abolished.

Secondly, we know that all types of insurance are linked to some degree of social protection. Insurance services related to public health insurance are being discussed. Insurance services related to social protection of the population

Access to information on insurance activity through a wide range of population sources, in particular the Internet, has been expanded. Since 2009, insurance coverage has been published in our republic, regular publication of news on insurance market of Uzbekistan and its presence on the UzReport.com web site, availability of websites of all existing insurance companies, was a great deal. However, there is insufficient information on the insurance market and its development in the regions of the country. Moreover, most of the information is available in Russian and foreign languages. This also requires that more information about insurance activity and market in the regions be published in the state language. Additionally, it is necessary to add that in accordance with the Law "On Insurance Activity", insurance companies should publish their annual reports on the results of the fiscal year in the media. In practice, we have the opportunity to get acquainted with the financial reports of rare insurance companies through the press. Taking this into consideration, the specially authorized state body for the control and regulation of the insurance market - the Ministry of Finance of the Republic of Uzbekistan draws attention to this problem and establishes that all insurers must provide their financial statements in the form and in the manner prescribed by the authorized state body, through the Internet. This, in turn, serves as an important tool in strengthening the relationships and knowledge of the public in the regions of the country.

The urgent problem is the development of the system of training and advanced training of specialists in the field of insurance in the development of the market of insurance services in the regions of the Republic of Uzbekistan today. Currently, highly qualified bachelor and master degree specialists in the field of insurance are trained at Tashkent State University of Economics, Tashkent Financial Institute, and Banking and Finance Academy. The Samarkand Institute of Economics and Service has been set up to train such personnel. However, the amount of personnel training for this sector is far



behind the real needs of the insurance market. Therefore, it is necessary to radically revise the system of training of highly qualified personnel for higher education in the insurance industry.

We propose to expand the range and range of insurance services available in the market of regional insurance services.

We recommend revising the system of relationships between affiliates of insurance companies operating in the market of regional insurance services and their head offices located in Tashkent. The main reason for this is that the parent has significantly restricted the rights of its affiliates to provide insurance services, in particular for payment of insurance indemnities. In this regard, it is expedient for the branch to decide on the issue of independence, that is, the issue of reimbursement of damages caused by insurance events occurring on its territory.

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