

The Main Directions of Development of the Service Sector in the Insurance Market of Uzbekistan

Adilova Gulnur Djurabaevna

Ph.D., Assoc.

Tashkent Financial Institute

"Insurance and pension work" department

Abstract: *Improvement of agency activity, digitization of insurance services, monitoring of insurers' full fulfillment of their obligations to the insured in the development of the insurance market in Uzbekistan.*

Key words: *Insurance market, insurance service, insurance premium, insurance risk, insurance business, insurance broker, E-policy.*

INTRODUCTION

Due to the increasing demand for insurance services in the process of further liberalization and deepening of comprehensive economic and social reforms being carried out in Uzbekistan, it is important to further develop the service sector of insurance companies in order to encourage the use of insurance services by a wide segment of the population and economic entities through the development of the market of insurance services.

Insurance organizations are a powerful financial tool that plays an important role in ensuring social, economic and environmental security of the country. In developed countries, insurance represents a complex system that supports all areas of society's socio-economic life, the success of enterprise activity, economic stability and material well-being. Even in Uzbekistan, insurance is becoming an important integral part of the economy, which allows to reduce the level of uncertainty in the market economy relations in the activities of all spheres.

Therefore, digitalization of insurance services in accordance with the requirements of the current era is considered one of the important strategic tasks of insurance companies.

Currently, measures to support the activities of insurance organizations, as well as to protect the rights and legal interests of consumers in this area, and to provide them with quality service are being implemented consistently.

Taking this into account, extensive reforms are being carried out in the national economy of the country in order to raise the standard of living of the population and create favorable conditions in accordance with the "Strategy of Actions" on the five priority directions of the development of the Republic of Uzbekistan in 2017-2021. ¹In it, issues such as "expanding the volume and improving the quality of new types of insurance, leasing and other financial services" are set as a task. In addition, the decision PQ-4412 of August 2, 2019 "On measures to reform the insurance market of the

¹ Decree of the President of the Republic of Uzbekistan dated February 7, 2017 No. 4947 "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan"

Republic of Uzbekistan and ensure its rapid development" was ²adopted. Based on this decision, it is indicated that insurance companies should use digital technologies in providing services and develop new innovative insurance products.

In addition, in order to control that insurance companies fully fulfill their obligations to the insured, the Cabinet of Ministers of December 31, 2019 "On measures to organize the activities of the Insurance Market Development Agency under the Ministry of Finance of the Republic of Uzbekistan"³ Decision No. 1060 was adopted. Based on this decision, the main tasks of the Agency are:

the openness and transparency of the operation of the insurance market and the activities of its professional participants, including through the regular publication of statistical and financial indicators in the field of insurance activity;

solvency of insurers, establishment of mandatory regulations and requirements for the formation and use of insurance reserves, as well as development of recommendations for the organization of effective insurance activities;

supervision of legal documents in the field of insurance activity by professional participants of the insurance market;

is to organize cooperation in the field of insurance activities with similar structures of foreign countries, international financial institutions and other foreign organizations.

To date, the total in the insurance market of Uzbekistan 42 insurance organizations are operating, 34 of them provide services in the field of general insurance and 8 in the field of life insurance.

Table 1. Insurance premiums paid by insurance companies in Uzbekistan in the general insurance sector ⁴(in millions of soums).

in million soms

No	Number of insurance companies	Insurance payments
		06/30/2022
	General	427 588
1	"APEX INSURANCE" JSC	96 710
2	"KAPITAL INSURANCE" JSC	38 286
3	"MY-INSURANCE" JSC	36 337
4	"UZBEKINVEST" EISK JSC	33 923
5	"GROSS INSURANCE COMPANY" JSC	31 189
6	"UZAGROSUGURTA" JSC	23 473
7	"GUARANTEE INSURANCE COMPANY" JSC	22 209
8	"ALFA INVEST INSURANCE COMPANY"	20,855

² <https://lex.uz/docs/4459802> Decision of the President of the Republic of Uzbekistan No. PQ-4412 of August 2, 2019 "On measures to reform the insurance market of the Republic of Uzbekistan and ensure its rapid development"

³ <https://lex.uz/docs/4677911> Decision No. 1060 "On measures to organize the activities of the Insurance Market Development Agency under the Ministry of Finance of the Republic of Uzbekistan"

⁴The author's development based on the data of the annual report of insurance payments in the field of general insurance for the first half of 2022 of the Ministry of Finance of the Republic of Uzbekistan.

	JSC	
9	JSC "EUROASIA INSURANCE" JSC	18,910
10	"ALSCOM" JSC	14,964
11	JSC "ASKO-VOSTOK"	10 482
12	"SQB INSURANCE INSURANCE COMPANY" JSC	9,970
13	"GUARANTEE INSURANCE" JSC	9 604
14	"ASIA INSURANCE INSURANCE COMPANY" JSC	9 247
15	"IMKON SUGURT" JSC	7 394
16	"RAILWAY INSURANCE" JSC	6 277
17	"GLOBAL INSURANCE GROUP" JSC	5 225
18	JSC "INGO-UZBEKISTAN"	4 788
19	"KOKOR SUURTA" JSC	4 287
20	JSC "SEMURG INSURANCE"	4 033
21	"SHARQ-SUGURTA" JSC	3 767
22	"GARANT INSURANCE GROUP" JSC	3 014
23	"TRUST INSURANCE COMPANY" JSC	2 612
24	"MAN" JSC	2 311
25	"IMPEX-INSURANCE" JSC	1 550
26	"HALK SUGURTA" JSC	1 350
27	"PERFECT INSURANCE" JSC	1 265
28	"UNIVERSAL INSURANCE" JSC	1 251
29	"OMAD SUGURT" JSC	744
30	JSC "AZIMUTH INSURANCE COMPANY"	567
31	"ARIA INSURANCE ORGANIZATION" JSC	484
32	"DD GENERAL INSURANCE" JSC	418
33	"TRUST-INSURANCE" JSC	57
34	"UNIPOLIS" JSC	35

Table 2. Insurance payments paid by insurance companies in Uzbekistan in the field of life insurance ⁵(in millions of soums).

in million soms

⁵The author's development based on the data of the annual report of insurance payments in the field of general insurance for the first half of 2022 of the Ministry of Finance of the Republic of Uzbekistan.

Published under an exclusive license by open access journals under Volume: 3 Issue: 5 in May-2023

Copyright (c) 2023 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY). To view a copy of this license, visit <https://creativecommons.org/licenses/by/4.0/>

No	Number of insurance companies	Insurance premiums
		06/30/2022
General		725 759
1	"NEW LIFE INSURANCE COMPANY" JSC	307 270
2	"AGROS HAYOT" JSC	84 631
3	"KAFOLAT LIFE INSURANCE" JSC	79,860
4	"ALPHA LIFE INSURANCE" JSC	76 554
5	"EUROASIA LIFE INSURANCE" JSC	62,993
6	"APEX LIFE INSURANCE" JSC	56 506
7	"UZBEKINVEST LIFE INSURANCE COMPANY" JSC	47 159
8	"FAROVON INSURANCE" JSC	10,785

In the above tables, the insurance premiums paid from the general insurance sector and the insurance premiums received from the life insurance sector of 42 insurance companies are presented according to the 1st half-year report of 2022. It is important to bring the insurance activity as the main link of the market infrastructure to the development of the insurance company. Insurance companies act as institutional investors, which encourages the development of investment activities in the country.

The urgency of effectively organizing the practice of using new insurance services in the insurance market of Uzbekistan requires solving the following tasks and problems:

- research of extensive and intensive methods of development of insurance services market;

To provide a clear information environment for the improvement of insurance services, and to develop new insurance products to increase the effectiveness of insurance, as well as scientific and theoretical justification;

- Research and critical analysis of the negative and positive aspects of the country's economy in the introduction of innovative services in the insurance services market of Uzbekistan;

-Implementation of aspects that can be achieved by studying and applying the foreign experience of insurance companies in providing services;

A stable market of insurance services stimulates the development of the national economy.

In conclusion, it is important to protect our society's property and financial interests in everyday life, as well as insurance against various financial risks in the implementation of various activities and socio-economic programs.

Therefore, further development of the activities of insurance companies, loss of monopoly in the insurance market, increase of competitiveness depends on the insurance market development agency.

References:

1. Decision of the President of the Republic of Uzbekistan dated August 2, 2019 No. PQ-4412 "On measures to reform the insurance market of the Republic of Uzbekistan and ensure its rapid development"¹
2. Law of the Republic of Uzbekistan "On Insurance Activities". - "Khalk Sozi" newspaper, May 28, 2002.

Published under an exclusive license by open access journals under Volume: 3 Issue: 5 in May-2023

Copyright (c) 2023 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY). To view a copy of this license, visit <https://creativecommons.org/licenses/by/4.0/>

3. Shennaev KhM, Insurance market of Uzbekistan. Study guide. T., 2013.
4. Van Winssen, K. P. M., van Kleef, RC, & van de Ven, WP M. M. (2016). The demand for health insurance and behavioral economics. *The European Journal of Health Economics*, 17(6), 653-657. doi:10.1007/s10198-016-0776
5. Yakubova N.T. Efficiency in Business Processes in Insurance Activities //INTERNATIONAL JOURNAL OF BUSINESS DIPLOMACY AND ECONOMY. – 2023. – T. 2. – №. 5. – C. 44-48.
6. Yakubova N.T. Improvement of Business Processes in Insurance Activity in the Conditions of Innovative Development of the Economy //EUROPEAN JOURNAL OF BUSINESS STARTUPS AND OPEN SOCIETY. – 2023. – T. 3. – №. 5. – C. 88-91.
7. Makhkambaevich B. T., Tursunbaevna Y.N. About Some Questions Optimization Of Business Process In Insurance Activity Related To Global Trends //Solid State Technology. – 2020. – T. 63. – №. 4. – C. 5048-5058.
8. Yakubova N. TRADITIONS AND PROSPECTS OF DEVELOPMENT OF THE WORLD INSURANCE MARKET //International Finance and Accounting. – 2018. – T. 2018. – №. 4. – C. 36.
9. Yakubova N. T. THE ROLE OF INSURANCE BUSINESS IN INSURANCE ACTIVITY //Journal of Management Value & Ethics. – C. 111.
10. Yakubova N. T. RESEARCH PARK. – 2022.
11. Tursunbaeva Y. N. Improvement of methodological bases of business processes in insurance activity //SAARJ Journal on Banking & Insurance Research. – 2019. – T. 8. – №. 2. – C. 4-8.
12. Yakubova N. T. BIZNES JARAYONLARINI TAKOMILLASHTIRISH SUG‘URTA TASHKILOTI FAOLIYATI UZLUKSIZLIGINI TA’MINLASH OMILI //IJTIMOIY FANLARDA INNOVASIYA ONLAYN ILMIY JURNALI. – 2022. – T. 2. – №. 12. – C. 151-155.
13. Yakubova N.T. SUG‘URTA TASHKILOTLARIDA QO‘LLANILAYOTGAN BIZNES JARAYONLARINING TARKIBI VA USULLARI //IQTISODIYOT VA ZAMONAVIY TEXNOLOGIYA. – 2022. – T. 1. – №. 2. – C. 11-18.
14. Yakubova N.T. O‘ZBEKISTON SUG‘URTA TASHKILOTLARI FAOLIYATIDA BIZNES JARAYONLARI SAMARADORLIGINI OSHIRISH YO‘LLARI //BOSHQARUV VA ETIKA QOIDALARI ONLAYN ILMIY JURNALI. – 2022. – T. 2. – №. 12. – C. 109-113.
15. A.Y.Xolbaev 2021. INSURANCE AS A PROMISING MECHANISM OF INFORMATION PROTECTION. *Archive of Conferences*. (Dec. 2021), 39-40.
16. Kholboev A. INSURANCE INFORMATION RISKS (CYBER INSURANCE). *International Finance and Accounting*. 2021;2021(2):12.
17. Matiyazova S. R. THE PROCESS OF FORMATION OF INNOVATIVE ENVIRONMENT IN COMPETITIVE CONDITIONS IN THE INSURANCE MARKET //Oriental Journal of Economics, Finance and Management. – 2022. – T. 2. – №. 1. – C. 7-11.
18. Yuldashev O. T. Development prospects of investment insurance product “Unit-Linked” //International Finance and Accounting. – 2020. – T. 5. – C. 1.
19. Yuldashev O., Mirsultonov M. Insurance of financial risks: problems and solutions //International Finance and Accounting. – 2019. – T. 2019. – №. 2. – C. 29.
20. Yuldashev O. T. Ways of Development of Accumulative Life Insurance in Uzbekistan

Published under an exclusive license by open access journals under Volume: 3 Issue: 5 in May-2023

Copyright (c) 2023 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY). To view a copy of this license, visit <https://creativecommons.org/licenses/by/4.0/>

21. Yuldashev, O. T. (2023). Ways of Development of Accumulative Life Insurance in Uzbekistan. *Central Asian Journal of Innovations on Tourism Management and Finance*, 4(1), 99-107. <https://doi.org/10.17605/OSF.IO/WPGBA>
22. More Citation Formats
23. Zakirkhodjaeva Sh. A. "Deepening of pension reforms and improvement of investment activities of transition economies." *Asian Journal of Multidimensional Research (AJMR)* 8.4 (2019): 249-254.
24. Hamrayeva F. THE ROLE OF COMPULSORY INSURANCE IN THE MODERN INSURANCE SYSTEM // *International Finance and Accounting* 2020 (1), 8
25. Shennaev K.M. Regulation of investment activities of insurers // *Asian Journal of Multidimensional Research (AJMR)*. – 2020. – Т. 9. – №. 11. – С. 55-59.
26. Shennaev K. M. The main directions of protection of insurance consumers in the current situation // *SAARJ Journal on Banking & Insurance Research*. – 2020. – Т. 9. – №. 6. – С. 32-37.
27. Носирова Г. Пути оптимизации инвестиционного портфеля страховых компаний Республики Узбекистан // *International Journal of Formal Education*. – 2023. – Т. 2. – №. 3. – С. 100-104.
28. Юлдашев, О. (2020). Особенности развития страхования жизни. *Экономика и Образование*, 1(5), 208–211.
29. Матиязова С. Р. Особенности организации исламского страхования // *Научный лидер*. – 2021. – №. 8. – С. 10.
30. Shennaev K. M., Matiyazova S. R. The Impact of the Covid-19 Pandemic on the Insurance Market // *International Journal of Psychosocial Rehabilitation*. – 2020. – Т. 24. – №. 4. – С. 6502-6509.
31. Sanobar M. Insurance agents development prospects case of insurance market of Uzbekistan // *ACADEMICIA: An International Multidisciplinary Research Journal*. – 2019. – Т. 9. – №. 4. – С. 156-162.
32. Matiyazova S. R. Activities and insurance brokers in Uzbekistan development features // *American Journal of Economics and Business Management*. – 2020. – Т. 3. – №. 2. – С. 9-16.
33. Rajabbayovna M. S. DIGITALIZATION OF ACTIVITIES OF INSURANCE INTERMEDIARIES IN THE PROVISION OF INSURANCE SERVICES // *JOURNAL OF ECONOMY, TOURISM AND SERVICE*. – 2023. – Т. 2. – №. 5. – С. 8-12.
34. Mavrulova N. A. Strategic development of the insurance services market in Uzbekistan // *American Journal of Economics and Business Management*. – 2020. – Т. 3. – №. 2. – С. 1-8.
35. Маврулова Н. А. ЎЗБЕКИСТОНДА ҚАЙТА СУҒУРТА БОЗОРИНИ ШАҚЛЛАНТИРИШ ВА ЖАДАЛ РИВОЖЛАНТИРИШНИНГ УСТУВОР ЙЎНАЛИШЛАРИ // *Экономика и финансы (Узбекистан)*. – 2020. – №. 1 (133). – С. 27-32.

36. Abdukhalilovna M. N. DIRECTIONS FOR THE DEVELOPMENT OF THE GENERAL INSURANCE INDUSTRY IN UZBEKISTAN //Gospodarka i Innowacje. – 2023. – Т. 34. – С. 229-236.
37. Закирходжаева Ш. А. ПЕРСПЕКТИВЫ РАЗВИТИЯ РЫНКА СТРАХОВЫХ УСЛУГ В РЕСПУБЛИКЕ УЗБЕКИСТАН //Central Asian Journal of Innovations on Tourism Management and Finance. – 2021. – Т. 2. – №. 5. – С. 5-14.
38. Закирходжаева Ш. А. ВЛИЯНИЕ ПАНДЕМИИ НА МИРОВОЙ СТРАХОВОЙ РЫНОК //Научный Лидер. – 2021. – №. 9. – С. 27-32.
39. Закирходжаева Ш. А. Чет элга чикувчи фукарларни суғурта қилиш амалиётини такомиллаштириш йўналишлари //Экономика и финансы (Узбекистан). – 2017. – №. 5. – С. 8-13.
40. Закирходжаева Ш. А. Суғурта ташкилотлари ва тижорат банкларининг ҳамкорлик йўналишларини ривожлантириш истиқболлари //Экономика и финансы (Узбекистан). – 2015. – №. 3. – С. 45-53.
41. Khotamov I. et al. world tendencies of development of the digital economy and insurance in Uzbekistan //Мамлакат иқтисодий хавфсизлигини таъминлашнинг устувор йўналишлари. – 2019. – С. 7-7.
42. Namrayeva F. THE IMPORTANCE OF MARKETING IN MUSEUM MANAGEMENT //European International Journal of Pedagogics. – 2023. – Т. 3. – №. 05. – С. 48-50.
43. Хамраева Ф. Ш. ПРЕИМУЩЕСТВА ЦИФРОВИЗАЦИИ ОБЯЗАТЕЛЬНЫХ СТРАХОВЫХ УСЛУГ //Journal of Intellectual Property and Human Rights. – 2023. – Т. 2. – №. 5. – С. 17-22.
44. https://inlibrary.uz/index.php/economy_education/article/view/5428
45. <https://raexpert.ru/researches/insurance/>
46. <https://habr.com/ru/companies/otus/articles/>