

Current State of Use of Electronic Commerce Systems in Uzbekistan

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Abstract:

This article analyzes the current state of use of electronic commerce systems in Uzbekistan. Opinions about the role and importance of e-commerce in our country, its development stages, and future development opportunities are also presented. Also, the evaluation of its capabilities and the determination of development prospects are highlighted. In addition, the necessity of regulation of e-commerce relations of Uzbekistan, problems and shortcomings in this field were analyzed. The main issue of the author's research is the current state of use of e-commerce systems in Uzbekistan, the types of e-commerce systems and their place in the digital economy, and the ability to demonstrate and evaluate its performance indicators.

Keywords: E-commerce, e-market, e-commerce systems, digital economy, e-business, consumers, Internet, online trade.

INTRODUCTION

In the digital age, e-commerce has become an integral part of the lives of most people. Every year more and more people use the internet to buy goods and services. However, with the growth of e-commerce, disputes arise between sellers and buyers.

One of the main advantages of e-commerce is the ability to quickly and conveniently transfer transactions. However, this is a risk for unscrupulous sellers who cannot fulfill their obligations to the buyer. In these cases, it is necessary to have an effective dispute resolution mechanism that allows for quick and fair resolution of disputes between the parties. In the context of the development of Internet technologies and the growth of the volume of e-commerce, problems arise with the resolution of disputes between sellers and buyers.

All over the world, Information Technology is developing rapidly and is being introduced into all spheres of life. At the same time, trade in e-commerce, Internet sites and Markets is actively developing. It should be noted that e-commerce has become one of the most effective trading tools compared to traditional trading in terms of its fast sales and cost.

The development trend of e-commerce is also observed in Uzbekistan, according to which the decree of the president of the Republic of Uzbekistan dated May 14, 2018 “on measures for the rapid development of e-commerce” PQ-3724 was signed. The document approved the program for the development of e-commerce in the Republic of Uzbekistan for 2018-2021. The resolution noted problems and shortcomings that “prevent the creation of a full e-commerce market in the country and prevent the goods and services of domestic production enterprises from entering foreign markets without hindrance.” Today, tools such as Uzcard Click, MBank, SMS Payment are successfully used to pay for online services. People can shop online without leaving home, including: Mytech.uz, Esavdo.uz, Arbuz.uz, Gazeta.uz, Uzbekistan arka.uz, Av tech.uz, Uzbekistanmarket.uz, Bozor.uz etc. There were also options for buying food, clothing, household appliances, perfumes, household items and even furniture.

In recent years, there has been an increase in markets and Internet sites such as Zoodmall, grapes, Wildberries, Yandex and others. Thus, according to the international consulting company KPMG, the volume of the Uzbek market in 2021 amounted to \$ 168 million. It is estimated that the country's market is approaching an active growth stage, and by the end of this year its volume will be \$ 264 million, and by 2025 it will reach \$ 783 million¹

LITERATURE REVIEW

As a result of the development of digital iqisadiot, electron Commerce has emerged, and it is also developing today. To determine the impact of e-commerce on the world economy, to consider pressing issues in this area, first, we need to interpret such basic concepts as “e-commerce”, “e-business”.

Y.Nanehkaran argues that " e-commerce is a powerful innovation process that has radically changed human life, and e-commerce is also one of the main criteria of the information technology and communications revolution in the economic sphere" . J.Ritter argues that " e-commerce or e-commerce is a source of information for buying and selling goods and services on the Internet and comparing prices by Consumerist on the Internet platform and viewing the latest information"².

Or rather, e-commerce is a type of business that involves the purchase and sale of goods and services over the internet, as well as a type of trade that has cross-border characteristics and facilitates the retail export of a particular country. Thus, the invention of new telecommunication technologies and devices also contributed to the emergence of a modern type of trade, in which a lot of advantages were created for companies and consumers, but in other respects led to the emergence of some disadvantages and serious problems.

Gr.Duncan has been given as follows: e – commerce is an involuntary form of business process in which the relationship between entities takes place electronically (using Internet technology). In the essence of this concept, the definition by scientists corresponds to the trends in the development of the internet network at that time. By the 1990s, the concept of internet trading had entered. U.S. scientists A. Summer and Gr.Duncan believes that electronic trading is the process of buying and

¹ Ma'lumotlar www.yumh.uz rasmiy veb-saytining https://yumh.uz/ru/news_detail/585 havolasidan olindi

²effrey B. Defining international electronic commerce [Int'l L. & Bus] Available at: <https://trends.rbc.ru/trends/industry/607fe4549a7947027eaffbe6>

selling goods or services in which the entire cycle of a business transaction or part of it takes place electronically³.

R.Mensel noted the positive effects of e-commerce, indicating that this type of trade is already manifested in all areas of business, from customer service to the development of new products. Elektorn is creating business processes based on new information and services such as commercial online advertising and marketing, online order acceptance, online service⁴.

Based on the above, we can highlight that e-commerce is one of the main features in the automation and transformation of traditional business practices in virtual space. In addition, the automation, that is, the digitization, of the existing operations that arise in this transformation increases the efficiency of the business. Including, the digitization of Commerce is simplifying regular work and serves to create favorable conditions for retail trade.

RESEARCH METHODOLOGY

In the course of the research, scientific research on the current state of application of e-commerce systems in Uzbekistan was studied. In the process of forming the article, methods of observation and selection, scientific-theoretical, empirical observation were used. The reliability of the results of the study is explained by the use of foreign and national statistical official sources used in the study.

ANALYSIS AND RESULTS

In recent years, e-commerce in Uzbekistan has become one of the main elements of the digital economy. According to statistics, the volume of e-commerce and retail trade in Uzbekistan is growing steadily. In particular, in 2022, the volume of e-commerce sales increased 1.8 times compared to 2021 and amounted to more than 10,886.8 billion soums. This is equivalent to more than 4% of total retail sales.

One of the important factors determining the future of e – commerce in Uzbekistan is the legislative regulation of the industry. An updated E-Commerce Act was passed in 2022. The law provides legal protection for both consumers and entrepreneurs, establishes the procedure for conducting electronic transactions and establishing liability for violations. Legislation and payment systems play a decisive role in creating a reliable and stable e-commerce ecosystem. They provide protection of the rights and interests of all participants in the process – both buyers and sellers.

In 2019, the payments and Payment Systems Act was passed, and this is serving the development of the fintech sector. Electronic payments have become an integral part of online commerce, providing convenience and security for consumers and businesses. Uzbekistan has several payment systems that facilitate online transactions.

According to the Tax Service Portal, there is a significant increase in the number of e-commerce entities. As of August 1 of this year, their number has grown to 159, including 52 electronic payment systems and 35 banking mobile applications, 72 online stores and shopping areas. From the beginning of the year to August 1, the amount of checks provided was 28,438.8 billion, of which 7.4 percent was provided by online stores and markets.

Some companies are actively developing several routes at the same time-these are fintech, marketers and logistics. Logistics and postal services are equally important in this success. Their expanded network allows goods to reach the extreme corners of the country and use e-commerce for those living in remote areas. For example, the national postal service has 14 territorial branches, 21 inter-district post offices, 143 territorial post offices, 1,804 post offices, and more than 1,414

³ Usmonova A. O'zbekistonda elektron tijoratning sohalarda rivojlanishi // Uzbek Scholar Journal, Volume- 21, October, 2023

⁴ Mansell R. Political. Economy, power and new media. – SAGE Publications London, 2004//Thousand Oaks, CA and New Delhi Vol6(1):96-105 DOI: 10.1177/1461444804039910 www.sagepublications.com

delivery points in cities and districts. This will create a convenient infrastructure for e-commerce in the country.

In addition, the entry of foreign markets into the Uzbek market allows domestic entrepreneurs to reach the world level and compete in world markets. In addition, Visa and Mastercard payment systems for e-commerce are also being actively introduced in Uzbekistan. This allows local entrepreneurs to accept payments from international customers and expand the boundaries of their business.

In 2022, the e-commerce market in Uzbekistan reached US \$ 311 million. This result is 5 times higher than in 2018, which confirms Uzbekistan's position as the fastest growing e-commerce market in Central Asia. The active development of e-commerce is due to many factors, including the transition of the population to an online mode, state initiatives supporting the industry and the emergence of players in the local market.

In 2023-2027, the average annual growth rate of the e-commerce market was estimated to be between 41.4% and 47.4%. Also, the study of the e-commerce market in Uzbekistan takes into account other aspects such as the main factors of market growth, opportunities, restrictions, key market participants and indicators of their effectiveness.⁵

The current situation in the field of e-commerce has a profound impact on the economic and social aspects of society. The main areas of development of this industry are the active growth of online trading, the increase in the volume of digital payments and the formation of new business models such as subscription and collective shopping platforms. At the same time, we are faced with a number of difficulties that we must pay special attention to and offer innovative solutions.

One of the main aspects is a limited understanding of the possibilities of the digital sphere between sellers, sellers and the population. The lack of awareness of e-commerce can have a huge impact on doing business in general and on the security of online transactions. In this regard, the introduction of a new version of the law of the Republic of Uzbekistan "on e-commerce", signed on September 29, 2022, was of particular importance. Changes in legislation will help create a favorable environment for the development of e-commerce, as well as focus on the effective regulation of this area with the help of legislative acts.

Another important aspect is the need to implement tax reform in the field of e-commerce. The development of online trading creates problems with the tax system, the maintenance of fiscal discipline and the regulation of financial transactions. Optimal taxation can create equal conditions for all market participants and stimulate e-commerce growth.

E-commerce is currently actively developing, but there are a number of complex problems. I list a few basic ones. It is necessary to increase the digital literacy of the population. Improving existing legislation. Optimal tax reform and introduction of innovative practices. As a result, it makes it possible to effectively solve emerging problems and form a landscape for the sustainable development of e-commerce in the Republic of Uzbekistan and beyond."

Conclusion

In conclusion, the development of e-commerce in Uzbekistan has a positive effect on the structure of the Uzbek labor market. First, the industrialization of high Information Technology will create thousands of new jobs.

Secondly, the stabilization of the economy of Uzbekistan, the increased competitiveness of goods and services and the simultaneous occurrence of e-commerce development will lead to an increase in our export opportunities.

⁵Ma'lumotlar www.kpmg.com rasmiy veb-saytining <https://kpmg.com/uz/ru/home/insights/2023/08/e-commerce-market.html> havolasidan olindi

Thirdly, e-commerce ensures an improvement in the standard of living of the population, the development of such areas as marketing, management.

In order to achieve these results in our country, we believe that it is advisable to eliminate the following problems:

First, it is necessary to deepen scientific research in the field of e-commerce. Scientific work, writing articles, creating specialized internet resources, organizing permanent forums and conferences, taking into account not only technical, but also economic and legal features of e-commerce in personnel training, one of the main problems –the shortage of qualified personnel, prevents.

Secondly, the development of competition in the field of providing telecommunications services. This leads to an increase in the quality of the service, a decrease in the price level and the creation of certain internet audiences for e-commerce.

From the buyer, to ensure that the favorable legal conditions for investing in the ICT sector are constantly available in the specified order.

Fourth, effective implementation of the on-line banking system throughout the Republic. This increases the opportunity for entrepreneurs engaged in wholesale and retail trade to freely trade through the internet with their goods and services. At the same time this also leads to significant changes in other areas of the banking industry.

It should be noted that the opportunities for the development of e-commerce in Uzbekistan are growing from year to year. Its development creates opportunities for our national producers to open new markets, find new customers. The chosen and current path to the development of e-commerce will make the Future Economy of Uzbekistan one of the leading representatives of the world market. The choice of the right way to solve the existing problems of e-commerce in Uzbekistan is reflected in the well-being of the people, the progress of our society, our economic development.

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