

DEVELOPMENT DIRECTIONS AND PROBLEMS OF THE INSURANCE MARKET OF UZBEKISTAN

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A B S T R A C T	K E Y W O R D S
<p>The insurance market of Uzbekistan has achieved significant growth in recent years under the influence of various factors such as economic reforms, increasing public awareness and favourable government policies. However, there are several problems that prevent the optimal development of the sector. This article aims to study the current situation of the insurance market of Uzbekistan, explore potential growth opportunities and solve important problems that require attention for the prosperity of the sector. Through this analysis, policymakers, industry stakeholders, and researchers can gain valuable insight into the necessary steps to ensure sustainable growth and remove barriers to Uzbekistan's insurance market.</p>	

1. Introduction:

The insurance market plays a crucial role in the economy by providing financial protection to individuals, businesses and government assets against unforeseen risks. The insurance industry in Uzbekistan has grown significantly over the past decade, reflecting the country's efforts to stabilize and modernize its economy. However, many problems remain, which limit the opportunities for further expansion and development of the sector.

2. The current state of the insurance market:

In this section, general information about the current state of the insurance market of Uzbekistan is given, the main indicators such as market size, penetration and density are highlighted. It also examines the market structure, including types of insurance products and key players operating in the sector.

3. Government policies and regulations:

The development of the insurance market relies heavily on favorable government policies and regulations. This section analyzes the current insurance laws and regulatory documents in Uzbekistan, evaluates their effectiveness in promoting market growth and protecting the interests of consumers. It also identifies potential policy improvements that could improve industry competitiveness and sustainability.

4. Opportunities for market development:

This section identifies potential growth opportunities in the insurance market of Uzbekistan. It discusses emerging sectors such as agriculture, healthcare and infrastructure development, where demand for insurance may increase. In addition, it explores opportunities for innovation and the integration of advanced technologies to expand the market and improve operational efficiency.

Potential growth opportunities in Uzbekistan's insurance market include:

Agriculture: Uzbekistan is famous for its agricultural sector, which contributes a lot to the country's economy. Insurance products designed to cover damage to crops, livestock and farm equipment help farmers reduce risks and protect their investments. As the agricultural sector continues to grow and modernize, the demand for insurance coverage is likely to increase.

Health Care: With a growing middle class and increased focus on health care, there is an opportunity in the insurance market to provide health insurance to individuals and families. Providing comprehensive health insurance plans and offering additional wellness and preventive services will help meet the growing demand for healthcare services in Uzbekistan.

Infrastructure Development: Construction projects such as important infrastructure, including roads, bridges, and energy facilities, are underway in Uzbekistan. Insurance solutions that cover construction risks, liability and property damage can play a critical role in supporting this development by protecting project owners, contractors and other stakeholders from the unexpected.

Innovation and technology integration: Embracing advanced technologies such as artificial intelligence, blockchain and big data analytics can expand market and improve operational efficiency in the insurance industry. Insurtech companies can develop innovative solutions that streamline processes, improve customer experience, and enable more accurate risk assessment and pricing.

By entering these developing sectors and mastering innovations, the insurance market of Uzbekistan can open untapped opportunities for development. However, it is essential that insurance companies adapt their products and services to meet the specific needs of these sectors and use technology to increase their capabilities and competitiveness.

5. Problems facing the insurance market:

A number of problems prevent the optimal development of the insurance sector in Uzbekistan. This section discusses important issues such as low awareness and understanding of insurance products, poor risk management practices among insurance companies, limited variety of products and lack of qualified insurance professionals. The analysis provides insight into the causes of these problems and their impact on industry development.

Low awareness and understanding of insurance products: One of the main problems in the insurance market of Uzbekistan is the low level of awareness and understanding of insurance products. Many people are not familiar with the concept of insurance or the benefits it can provide. Such lack of awareness leads to low demand for insurance products and restricts market growth.

Improper risk management practices in insurance companies: Insurance companies in Uzbekistan face difficulties in implementing effective risk management methods. This may be due to a variety of factors, including a lack of sophisticated risk assessment tools, insufficient data collection and analysis capabilities, and insufficient training and experience in risk management techniques. As a result, insurance companies may struggle to accurately calculate premiums, effectively manage claims and minimize potential risks, ultimately affecting their profitability and sustainability.

Limited product diversification: The insurance market in Uzbekistan is mainly focused on traditional insurance products such as life, health and property insurance. There is a lack of innovative and specialized insurance products that respond to customers' unique needs and emerging risks. This limited product diversification hinders market growth and innovation and reduces the ability of insurance companies to meet changing customer demands.

Lack of qualified insurance professionals: Uzbekistan has a shortage of qualified insurance professionals, including underwriters, claims adjusters, risk managers and sales agents. This shortage hinders the industry's ability to provide quality services, assess risks effectively, and develop customized insurance solutions. A shortage of skilled professionals also affects the development of local talent and expertise in the insurance industry, limiting opportunities for professional growth and knowledge transfer.

Impact on the growth of the industry: These problems in the insurance market have a great impact on the growth and development of the industry in Uzbekistan. Low awareness and understanding of insurance products limits the market potential as many potential customers do not perceive the value of insurance. Improper risk management methods can lead to financial losses for insurance companies and create instability in the market. Limited product diversification reduces the industry's ability to offer innovative solutions and meet diverse customer needs. The lack of qualified insurance professionals hinders the competitiveness of the industry and hinders the overall growth and development of the insurance sector in Uzbekistan. Addressing these challenges is critical to unlocking the industry's full potential and ensuring its long-term sustainability.

6. Recommendations for future development:

This section provides recommendations for policymakers, industry regulators, and stakeholders to ensure sustainable growth and address the challenges facing the insurance market in Uzbekistan. These recommendations may include measures to increase consumer education and awareness, strengthen risk management practices, encourage product diversification, and develop the human capital needed for a thriving insurance industry.

Summary:

In conclusion, it can be said that the insurance market of Uzbekistan has achieved significant growth under the influence of various factors. However, issues such as low awareness, limited product diversification and risks associated with inadequate risk management practices still hinder the optimal development of the industry. By solving these tasks and implementing the necessary reforms, Uzbekistan can open up the full potential of the insurance market, ensure stable growth, and contribute to the overall economic development of the country.

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