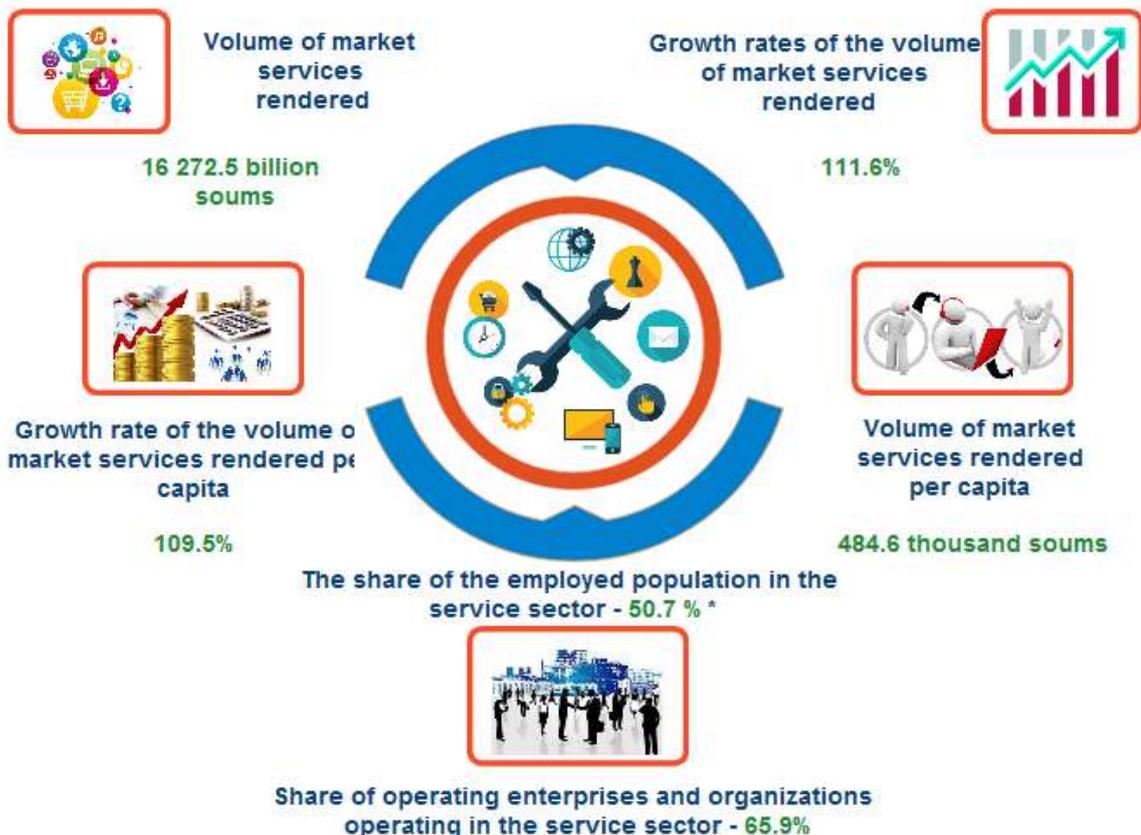


Development of the service sector in the Republic of Uzbekistan in January 2020

With the development of society, as well as the growth of productive forces, there is a certain development of the service sector. There is an increase in employment in this area, an increase in the technical equipment of labor, and the introduction of increasingly advanced technologies.

The role of the service sector in the modern economy is due to the fact that this sector forms the fundamental factors of economic growth, namely: new scientific knowledge, intellectual capital, information technology, financial services, consulting, etc.

Main indicators of the service sector for January 2020



^{*)} January-December 2019

The rapid growth of the service sector is due to the emergence of new activities and investment opportunities. Currently, the markets of credit and financial, information, telecommunications, medical, intellectual services and entertainment industries are developing rapidly.

Service sector — a summary generalizing category that includes reproduction of various types of services provided by enterprises, organizations, and individuals. This area is often referred to as a post-industrial economic structure because of its developed modern infrastructure.

This area covers international corporations, banks, airlines, computer centers, telecommunications, insurance, legal and consulting firms, state and non-governmental organizations, as well as non-profit organizations.

**Information on active enterprises and organizations operating
in the service sector as of February 1, 2020**

(without farms and dekhkan farms)



Number of enterprises and
organizations operating
in the service sector

267 082

Share in their total
number

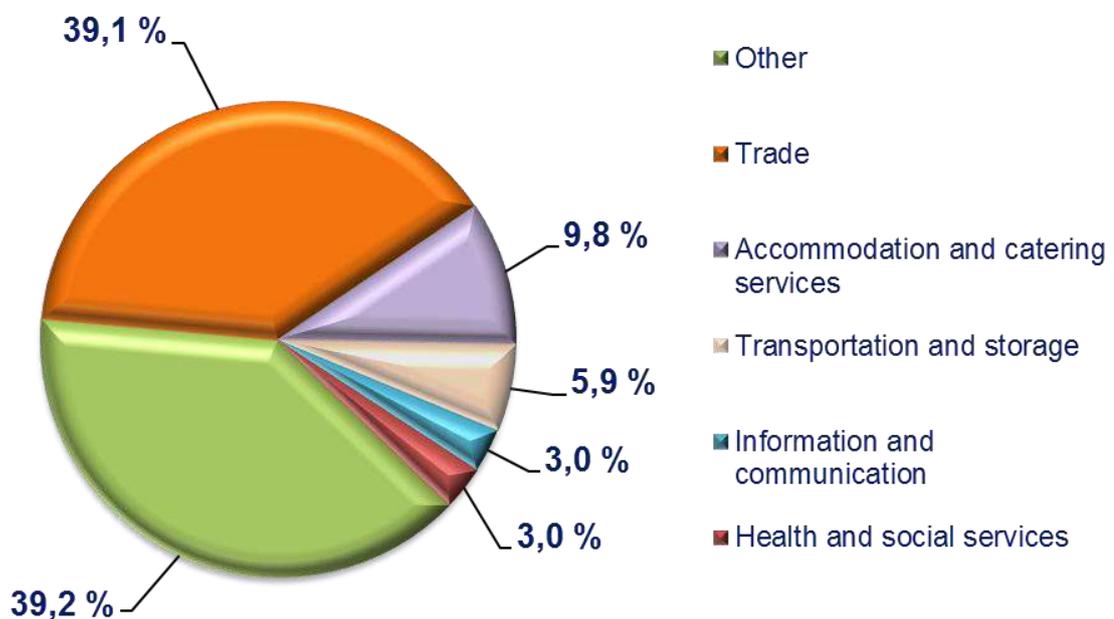
65.9 %

Growth rates compared to the
same period last year

120.6 %

As of February 1, 2020, the number of operating enterprises and organizations operating in the service sector in the republic reached 267.1 thousand units, or 65.9% of their total number. Compared to the same period in 2019, their growth increased by 20.6%.

Structure of operating enterprises and organizations in the service sector by type of economic activity as of February 1, 2020, %
(without farms and dekhkan farms)



In the structure of existing enterprises and organizations related to the service sector, their share in trading activities prevailed (39.1%).

The number of functioning enterprises and organizations providing accommodation and catering services was 9.8%.

The share of operating enterprises and organizations related to the service sector engaged in transportation and storage in their total number reached 5.9%.

The share of operating enterprises and organizations engaged in information activities and providing communication services is equal to 3.0%.

The share of operating enterprises and organizations that provide services in the health sector, as well as social services, amounted to 3.0%.

For information: as of February 1, 2019, 221.5 thousand enterprises and organizations were operating in the service sector.

In their overall structure, trade services accounted for 34.9%, accommodation and food - 9.3%, transportation and storage - 6.1%, information and communication - 3.2%, health and social services - 3.1%, other types - 43.4%.

Currently, the service sector is a complex, branched specific socio-economic system with various properties, functions, resources, connections, due to the nature of services, their purpose, the functioning of various activities and the characteristics of service processes.

Main indicators of service production



The volume of
services - 16 272.5
billion soums

Increase in volume -
2 821.7 billion soums

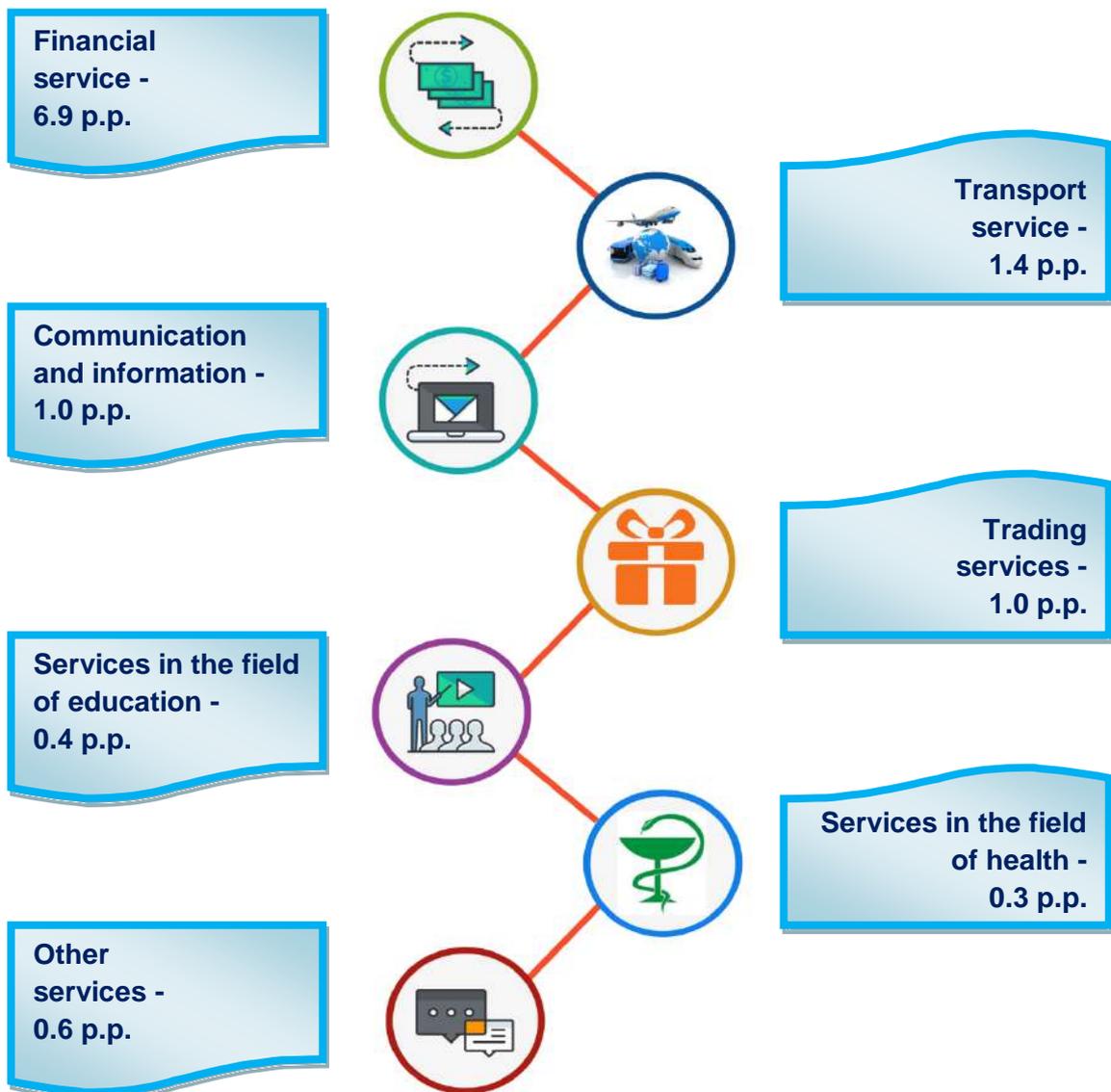
Growth rate -
111.6 %

According to preliminary data, the volume of market services rendered in January 2020 reached 16 272.5 billion soums, the nominal volume of which increased by 2 821.7 billion soums.

In comparable terms, compared with the same period last year, the growth rate was 111.6%.

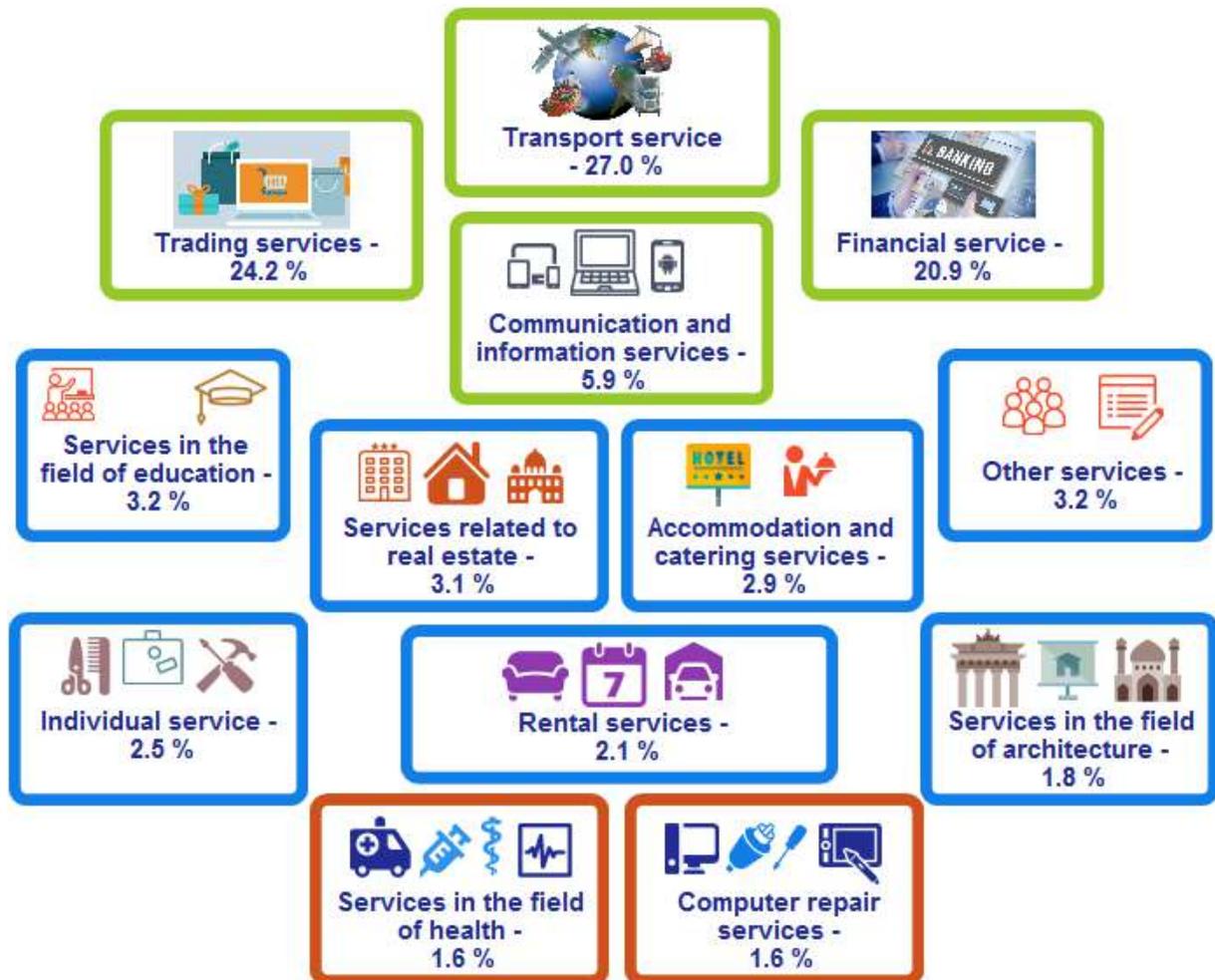
The main factor in the growth of the total volume of services rendered was the increase in financial services by 36.9% (a contribution to the increase in the total volume of services rendered was 6.9 points), transport services - by 5.8% (contribution to the growth - 1.4 points) trade services - by 4.3% (contribution to growth - 1.0 points), communication and information services - 19.2% (contribution to growth - 1.0 points), education services - by 13.8% (contribution to growth - 0.4 points), education services - by 13.8% (contribution to growth - 0.4 points).

Contribution by type of service to the increase in the total volume of market services rendered, percentage points



In the structure of market services rendered by type of economic activity, transport services account for the largest share. So, in January 2020, their share was 27.0%. At the same time, high indicators were noted for trade services (24.2%), financial services (20.9%), and communication and information services (5.9%).

Structure of services by type of economic activity, %
(January 2020)



A slight increase in volumes was noted for computer and household goods repair services, whose share reached only 1.6%. Also, a low proportion was recorded in the provision of health services - 1.6%, in the field of architecture, engineering researches, technical testing and analysis - 1.8%, as well as rental and rental services - 2.1%.

**Main indicators of service production
by type of economic activity
(January 2020)**

	Volume, billion soums	Growth rates compared to the previous year, %
Services - total	16 272,5	111,6
including:		
Communication and information services	954,9	119,2
Financial service	3 398,7	136,9
Transport service	4 385,9	105,8
including motor transport services	2 011,5	102,9
Accommodation and catering services	473,5	104,8
Trading services	3 945,5	104,3
Services related to real estate	499,7	104,0
Services in the field of education	528,7	113,8
Services in the field of health	261,8	121,0
Rental services	345,9	102,1
Services in repair of computers and household goods	260,2	105,3
Individual service	399,0	102,8
Services in the field of architecture, engineering researches, technical tests and analysis	289,0	100,2
Other services	529,7	104,4

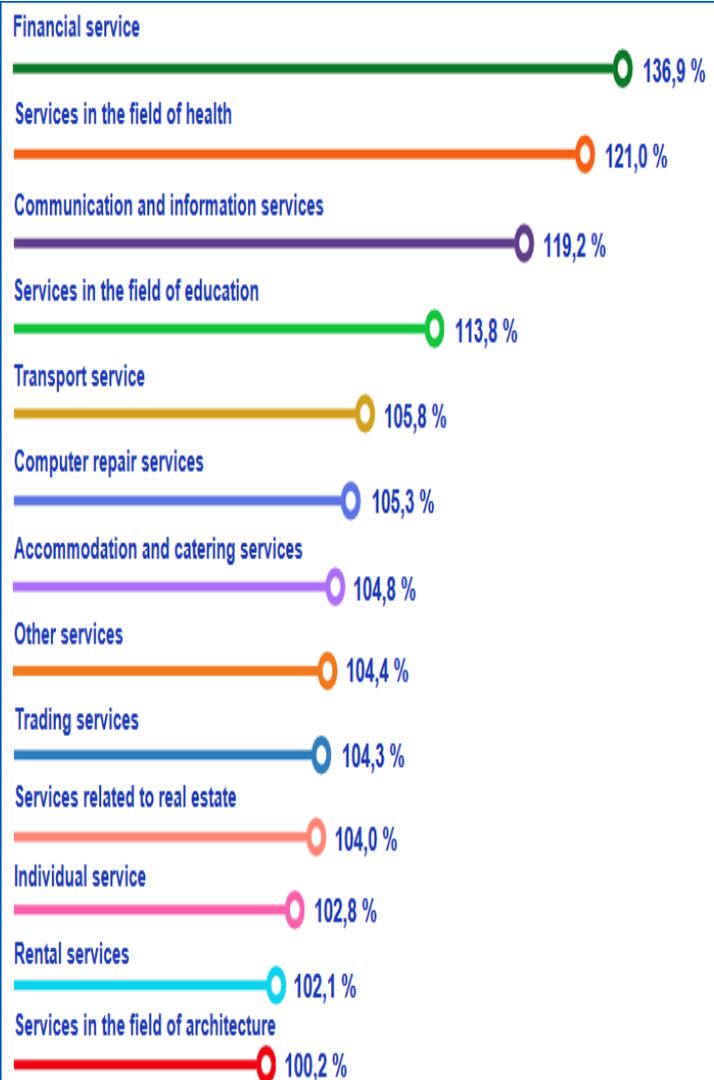
The implementation of targeted comprehensive measures for the introduction of innovative technologies and the development of traditional services leads to an increase in the volume of market services provided.

The development of modern types of services, such as information and communication services (cellular communication, Internet, digital television, etc.), as well as modern types of financial services (banking, leasing, insurance, audit, consulting, etc.) is of particular importance in the state's economic policy.

Growth rates of market services rendered by type of economic activity, as % of January 2019
(January 2020)

The highest growth rates were recorded in financial services (136.9%), health services (121.0%), communications and informatization (119.2%), as well as in education (113.8%).

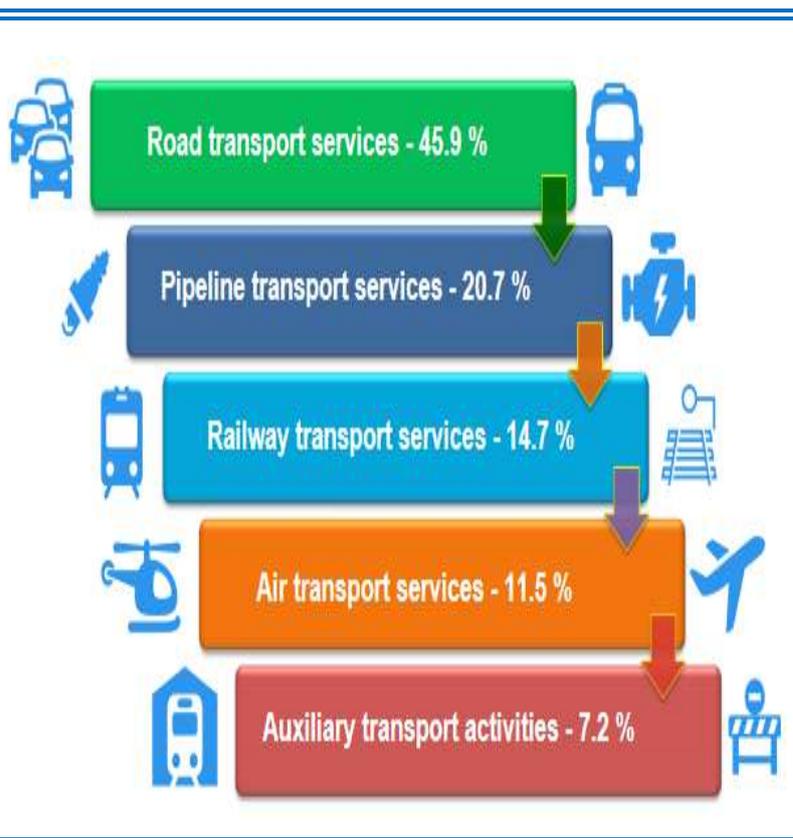
A slight increase was recorded in services in the field of architecture, engineering researches, technical testing and analysis (0.2%), rental services (2.1%), individual services (2.8%), services related to real estate (4.0%).



Transport plays an important role in the economic development of our republic.

The increase in the volume of transport services is primarily associated with an increase in demand for services for the transport of goods and passengers, which, in turn, is due to the accelerated growth of tourism activity, the expansion of the trading network, the further implementation of construction projects, reconstruction of buildings and structures, as well as development of transport and logistics infrastructure.

Structure of transport services by type of transport, %
(January 2020)



Of the total volume of transport services, the share of road transport was 45.9%.

The share of pipeline transportation in transport services is 20.7%.

In turn, services provided by rail reached 14.7% of the total volume of transport services.

The share of cargo and passenger transportation services by air is fixed at 11.5%, and auxiliary transport activities - at the level of 7.2%.

Trade is a sector of the economy that ensures the circulation of goods, their movement from the sphere of production to the sphere of consumption. Within a particular country, trade performs a socially necessary function - bringing goods to the consumer. It is divided into wholesale and retail.

In January 2020, the share of trade services in the total volume of market services rendered was 24.2%, which corresponds to 3 945.5 billion soums.

Compared to the same period last year, the volume of trade services increased by 621.4 billion soums.

Structure of trade services, % (January 2020)

Retail trade accounts for almost three-quarters of the total volume of trade services, or, more precisely, 68.4%.

In January 2020, the share of wholesale trade services (except for cars and motorcycles) reached 23.5%.



Wholesale and retail trade in cars and motorcycles, including repair services, accounted for 8.1% of the total volume of trade services.

The introduction of innovative banking technologies to create conditions for the provision of modern banking services, including organizing the activities of “digital” banks and their divisions specializing in the provision of retail services, improving remote banking services, and further developing the payment system, contributes to the dynamic development of financial services.

Financial service (January 2020)



In January 2020, the volume of financial services was equal to 3 398.7 billion soums and, compared with the same period last year, it increased by 1 104.2 billion soums. The growth of financial services amounted to 36.9%.

The share of financial services, except insurance and pension services, occupies 93.2% of the total volume of financial services. Over the past period, the share of insurance services is fixed in the range of 3.9%.



Auxiliary financial and insurance services accounted for only 2.9% of the total volume of financial services.

The volume of financial services is recorded at the amount of interest income received on financial intermediation (in the amount of payment for them), as well as a fee-for-service financial institution providing loans or keeping the deposit.

Today, the sector of information and communication technologies (ICT), which includes the production of computer and telecommunication technologies, software development and the provision of a wide range of interactive services, is becoming increasingly important in the global economy. The experience of developed countries has shown that the development of ICT directly affects the level of competitiveness of the country, allows you to collect and summarize huge amounts of information, opens up great opportunities for management at a strategic level.

Communication and information services (January 2020)



The volume of services -
954.9 billion soums



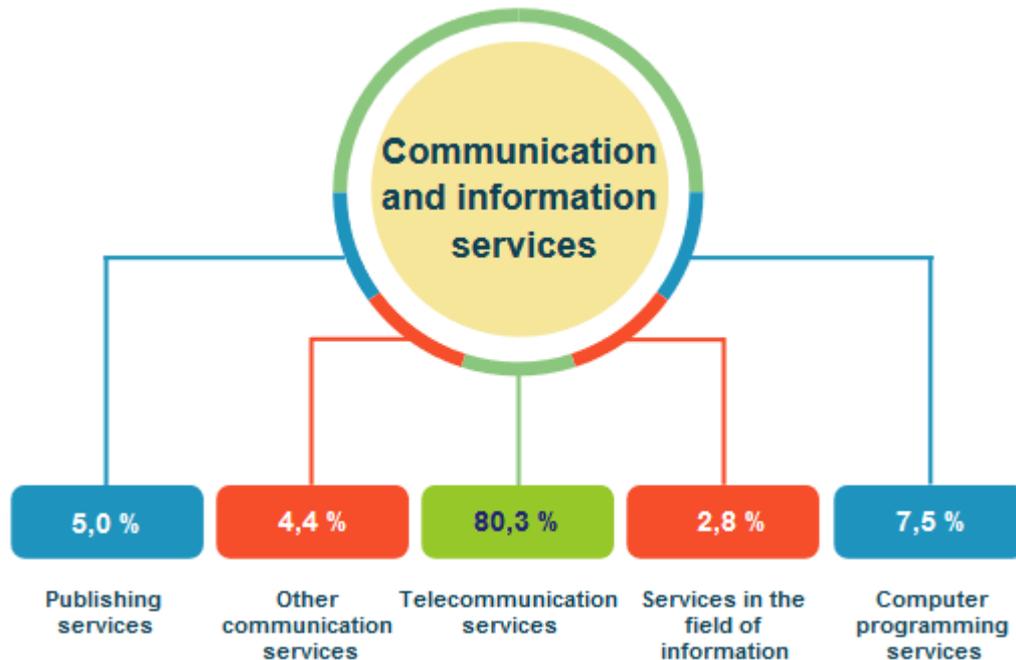
The growth rate to
January 2019 - 119.2%



The share in the total
volume of services -
5.9%

In January 2020, the volume of communication and information services was recorded at the level of 954.9 billion soums. Compared to the same period last year, the growth rate of this type of service reached 119.2%. Share in the total volume of market services rendered amounted to 5.9%.

Structure of communication and information services, %
(January 2020)



In the volume of communication and informatization services, the largest share falls on telecommunication services (wired and mobile communications services, the Internet, satellite communications services, etc.). Their share was 80.3%.

It was also noted that over the past period, computer programming, consulting and other related services reached 7.5%, publishing services - 5.0%, information services - 2.8%, and other communication services - 4.4% of the total volume of communication and information services.

The development of the education system is one of the most important priorities in Uzbekistan. The radical reforms carried out in this area, first of all, favor positive changes in people's minds and thinking, and help to increase their spirituality.

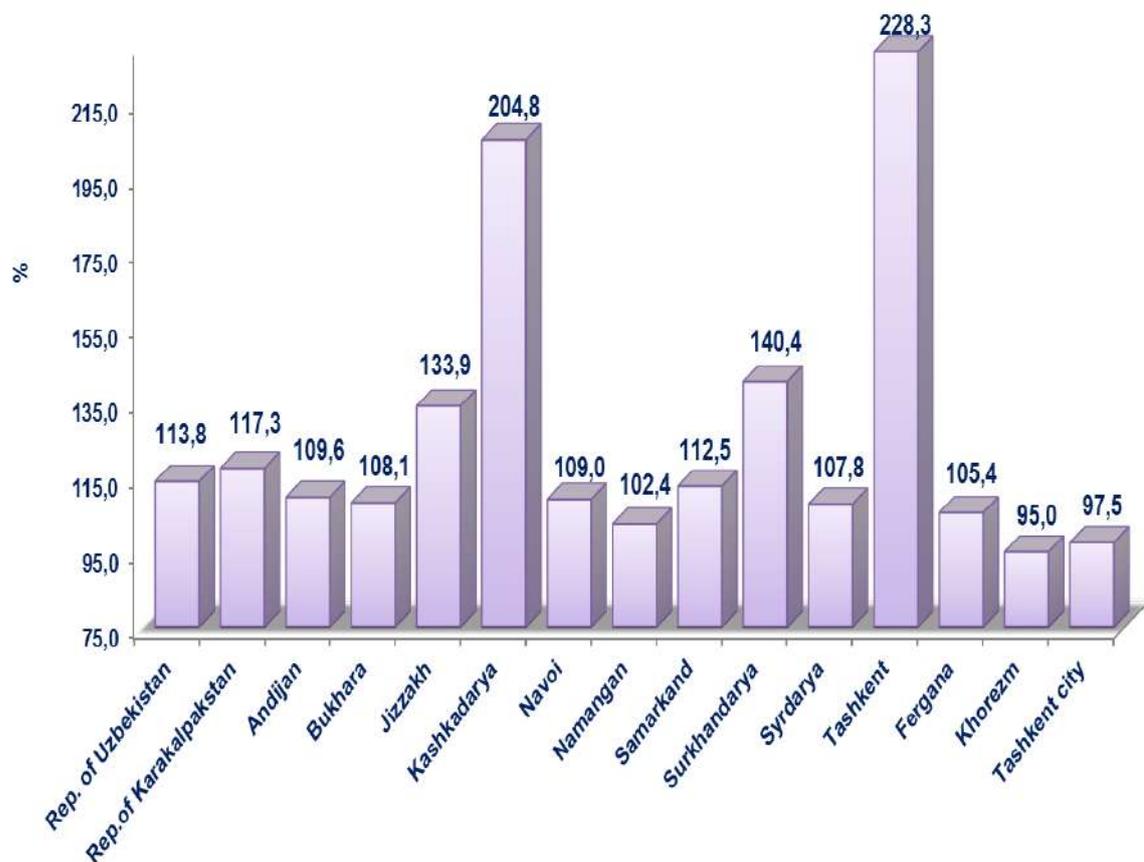
Today, special attention is paid to equipping schools with modern laboratory equipment, computer equipment, textbooks and teaching

Preliminary data

materials of a new generation as an important factor in improving the quality and effectiveness of the educational process.

In January 2020, the volume of educational services reached 528.7 billion soums, or 3.2% of the total volume of market services provided. Compared to January 2019, the growth rate was 113.8%.

**Growth rates of education services by region,
as % of January 2019**
(January 2020)

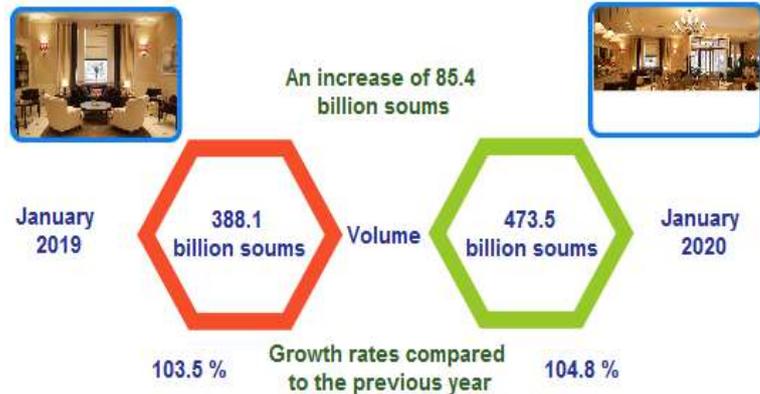


High growth rates in educational services were noted in the Tashkent region (228.3%), Kashkadarya (204.8%), Surkhandarya (140.4%), Jizzakh (133.9%) regions and the Republic of Karakalpakstan (117.3%).

The lowest growth rates were recorded in Khorezm (95.0%), Namangan (102.4%), Fergana (105.4%), Syrdarya (107.8%) regions and the city of Tashkent (97.5%).

Accommodation and catering services (January 2020)

Compared to the same period last year, the growth rate of accommodation and food services amounted to 104.8%, and their volume increased by 85.4 billion soums and reached 473.5 billion soums.



79.5%

• Food and beverage services

• Accommodation services

20.5%



Food and beverage services predominate in the total volume of accommodation and catering services - 79.5%.

In January 2020, the share of accommodation services was 20.5%.

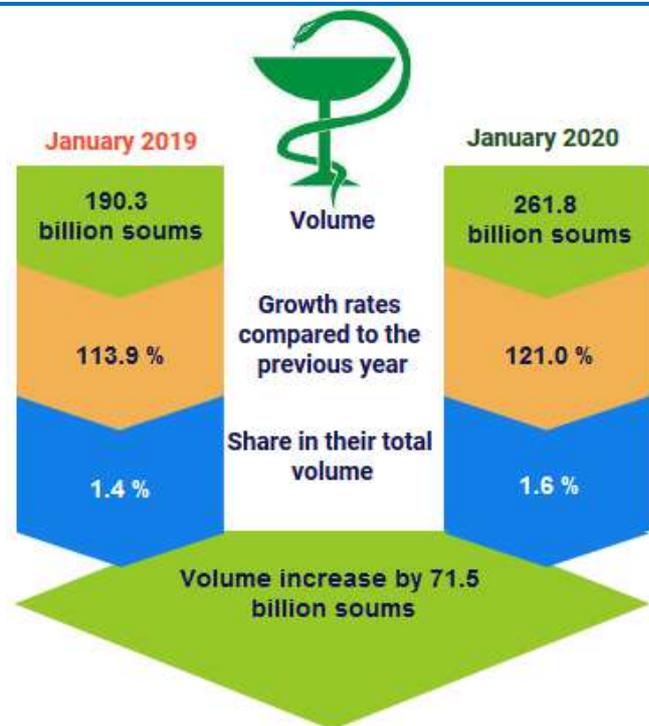
Great attention is paid to further improving the health care system, stimulating the work of medical workers, and the widespread introduction of modern technologies and treatment methods

Today in all regions of the republic, high-quality medical services are provided in specialized scientific and practical medical centers in such areas as cardiology, surgery, eye microsurgery, urology, therapy and medical rehabilitation, endocrinology, pulmonology and phthisiology, obstetrics and gynecology, pediatrics, etc.

Services in the field of health
(January 2020)

In January 2020, the volume of health services increased by 71.5 billion soums and reached 261.8 billion soums.

Compared to the same period last year, the growth rate was 121.0%.



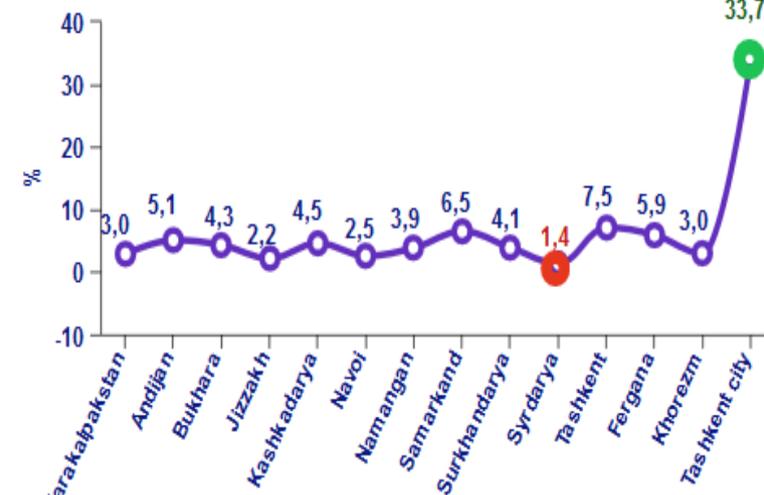
It is impossible to solve social and political problems without raising the economic potential of the regions and their sustainable development.

Regional policy goals can only be achieved by implementing predominantly economically viable projects.

Currently, the country is implementing consistent reforms to increase the financial potential of the regions and the role of the services sector in this direction. Projects in the framework of the implementation of the Strategy of Action in five priority areas of the development of the Republic of Uzbekistan in 2017-2021 expand the scope of this work.

In the total volume of services, the share of the city of Tashkent is the most significant - 33.7%. This is due to the fact that the real incomes of the population are higher than in other regions.

Structure of market services provided by region, %
(January 2020)



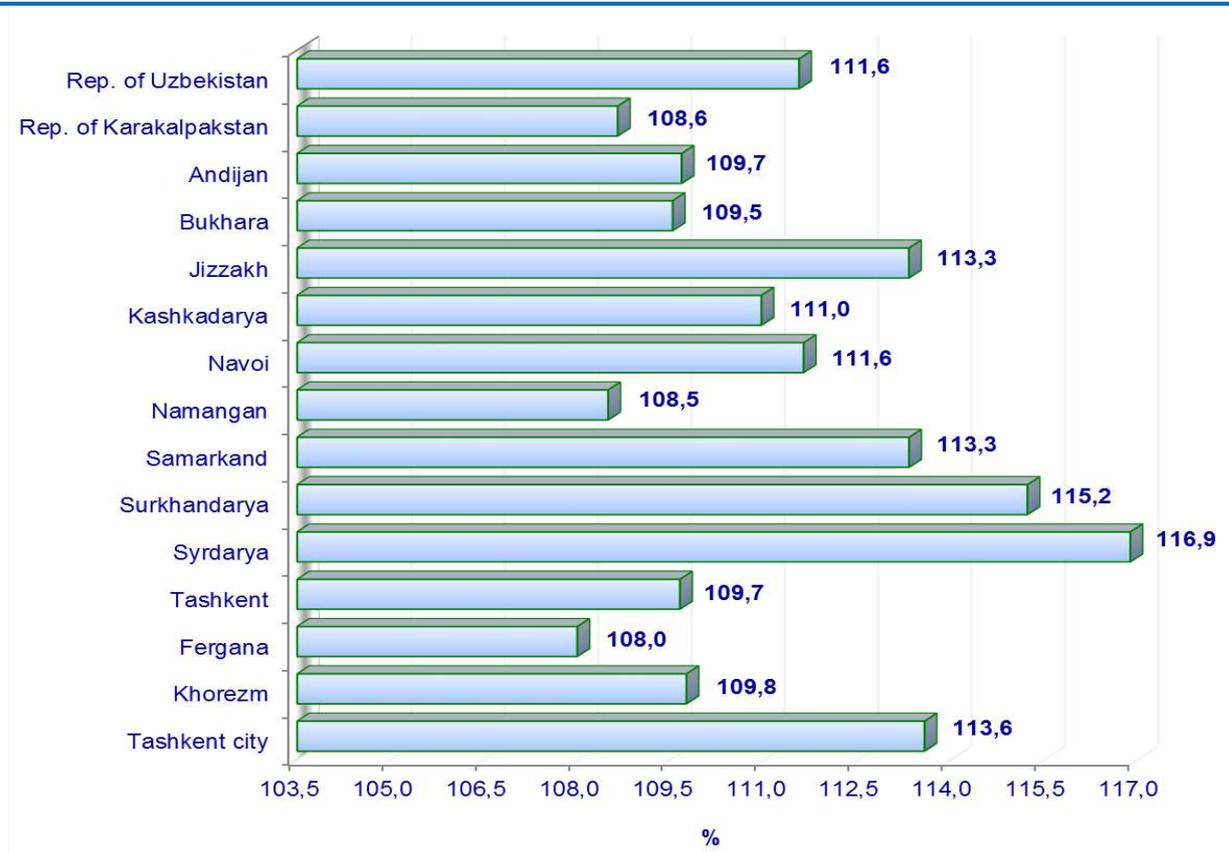
The largest share was recorded in Tashkent (7.5%), Samarkand (6.5%), Fergana (5.9%) and Andijan (5.1%) regions.

The lowest indicators of the service sector were noted in Syrdarya (1.4%), Jizzakh (2.2%), Navoi (2.5%), Khorezm (3.0%) regions and the Republic of Karakalpakstan (3.0%).

For information: in January 2019, the share of the city of Tashkent in the total volume of market services rendered amounted to 32.1%. The share of Syrdarya region was the lowest - 1.4%.

A characteristic feature of most types of activities in the service sector is a high degree of localization, attachment to a specific territory (region, city, district, urban and rural settlements). Therefore, the size, location, types and scales of activity, ownership, working methods of enterprises and service organizations, their role and development potential in modernization should be reasonably linked to the needs, priorities and strategy of innovation shifts in the regional economy.

**Growth rates of market services rendered by region,
as % compared to the previous year
(January 2020)**



Over the past period, high growth rates were noted in Syrdarya (116.9%), Surkhandarya (115.2%), Samarkand (113.3%), Jizzakh (113.3%), Navoi (111.6%) regions and Tashkent city (113.6%).

Relatively low growth rates were observed in Fergana (108.0%), Namangan (108.5%), Bukhara (109.5%), Tashkent and Andijan (109.7%) regions, as well as in the Republic of Karakalpakstan (108.6 %).

As you know, the prospects for social and economic development of modern Uzbekistan largely depend on the rational use of all the resources of each economic district and region of the republic in national and local interests.

During the survey period in the context of regions, the city of Tashkent had a huge impact on the increase in the total volume of market services rendered. Compared to the same period last year, the volume of services in this region increased by 1 178.2 billion soums and reached 5 491.6 billion soums.

Main indicators of service production by region
(January 2020)

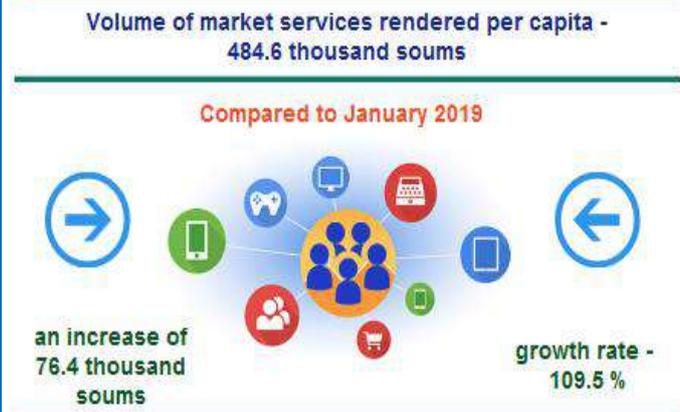
	Volume, billion soums	Growth rates compared to the previous year, %	Volume per capita, thousand soums
Republic of Uzbekistan *	16 272,5	111,6	484,6
Republic of Karakalpakstan	480,2	108,6	254,9
<i>regions:</i>			
Andijan	829,3	109,7	267,8
Bukhara	694,1	109,5	363,5
Jizzakh	355,7	113,3	260,1
Kashkadarya	733,8	111,0	226,0
Navoi	408,5	111,6	413,3
Namangan	636,2	108,5	228,7
Samarkand	1 063,2	113,3	277,0
Surkhandarya	675,2	115,2	259,7
Syrdarya	230,9	116,9	275,5
Tashkent	1 212,8	109,7	415,4
Fergana	961,5	108,0	258,6
Khorezm	483,5	109,8	261,2
Tashkent city	5 491,6	113,6	2 161,3

**) including unallocated volumes
by region*

Along with this, relatively high rates were observed in Tashkent (1 212.8 billion soums), Samarkand (1 063.2 billion soums), Fergana (961.5 billion soums) and Andijan (829.3 billion soums) regions.

As you know, the level of development of the service sector provides territorial and social mobility of the population, the development of new economic territories, increasing the efficiency of production and consumption of material goods.

In January 2020, the volume of market services provided per capita reached 484.6 thousand soums. Compared to the same period last year, the growth rate was 109.5%.



The development of the services sector in the republic depends on the growing solvent capabilities and preferences of the population, as well as the development of small businesses that can satisfy consumer demand, especially for modern types of services using ICT.

In other words, the volume of production of services, on the one hand, is influenced by factors such as household income and preferences, tariffs on services, and on the other hand, investment, tax, monetary, scientific and technological policies, as well as the development of small businesses based on new technology.

Department of Service Statistics
71-230-80-59