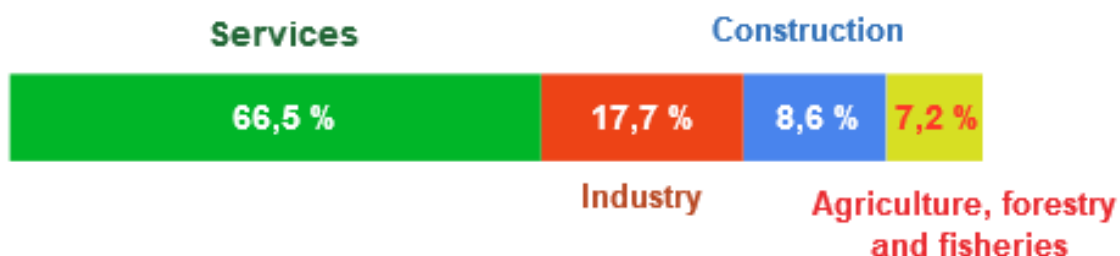


Development of the service sector in January-April 2019

Well-developed services are the key to successful prosperity of society. The growth factor in the service sector is changes in the system of social needs. The increasing complexity of techniques, technology, production structure, the growth of living standards of population, as well as the improvement of the individual, as a result of increasing his educational and cultural level, consistently expand the range of needs of production and the population. The cumulative effect of these factors caused significant changing proportions in distribution of resources and products between industry, agriculture and services.

As of May 1, 2019, 238.5 thousand operating enterprises and organizations were recorded in the service sector, which was 66.5% of their total number (358.8 thousand units). Their growth, compared to last year, reached 18.9%.

The share of existing organizations and enterprises in the service sector in total number as of 01.05.2019, % *(excluding farms and dekhkan farms)*



As of May 1, 2019, the share of enterprises and organizations engaged in trading activities (36.3%) prevails in the structure of existing enterprises and organizations in the service sector.

The share of existing enterprises and organizations that provide accommodation and food services was 9.5%.

Structure of existing enterprises and organizations in the services sphere by economic activity as of 01.05.2019, %

(excluding farms and dekhkan farms)



The share of operating enterprises and organizations involved in the transport and storage of total number of organizations and enterprises related to the service sector, reached 6.1%.

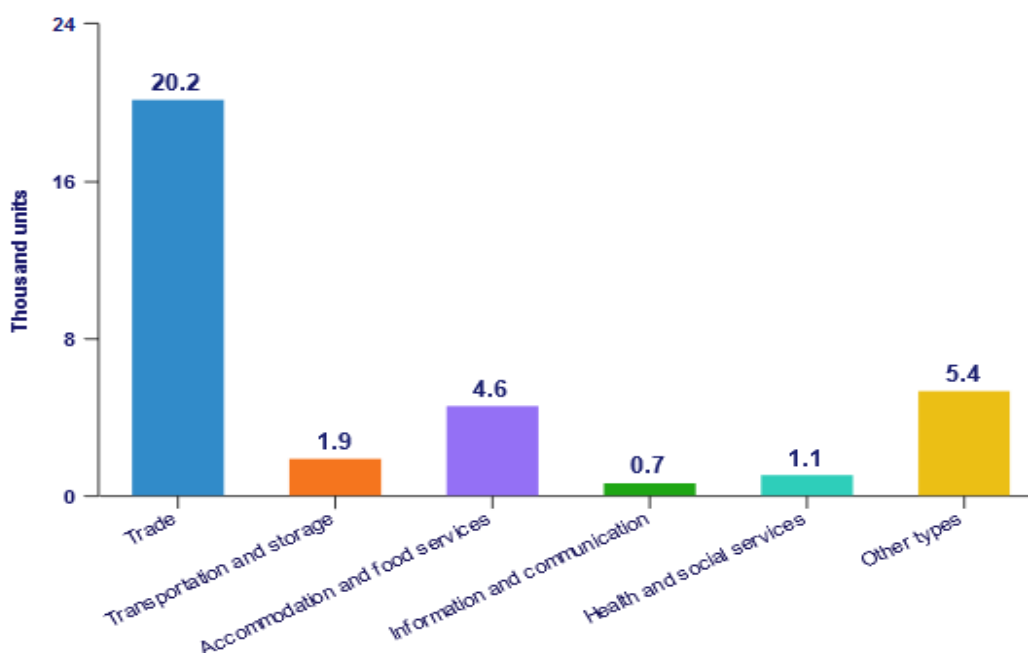
The share of existing enterprises and organizations engaged in information and communication services was 3.0%.

The share of existing enterprises and organizations providing services in the field of health care, as well as social services, amounted to 3.0%.

For information: as of 01.05.2018, 200.7 thousand enterprises and organizations were involved in the service sector. In their overall structure, trade services accounted for 33.1%, accommodation and food - 9.0%, transportation and storage - 6.2%, information and communication - 3.2%, health care and social services - 3.1% , other types - 45.4%.

When compared the number of existing enterprises and organizations in the service sector from the same period of last year, it increased by 37.8 thousand units as of May 1, 2019.

The growth in existing enterprises and organizations compared to the same period in 2018, thousand units
(as of 01.05.2019)



The largest increase was observed in existing enterprises and organizations engaged in trading activities. It amounted to 30.4% and increased by 20.2 thousand units. In January-April 2019, the number of newly created enterprises and organizations in this sector reached 16.4 thousand units, compared with the same period of 2018, increased by 12.1 thousand units.

At the same time, was recorded growth of enterprises and organizations providing accommodation and food services (25.4%), increased by 4.6 thousand units.

In January-April 2019, according to preliminary data, the volume of rendered market services increased by 10,390.5 billion soums and reached 54,133.3 billion soums. Compared to the same period of last year, the growth rate was 112.3%.

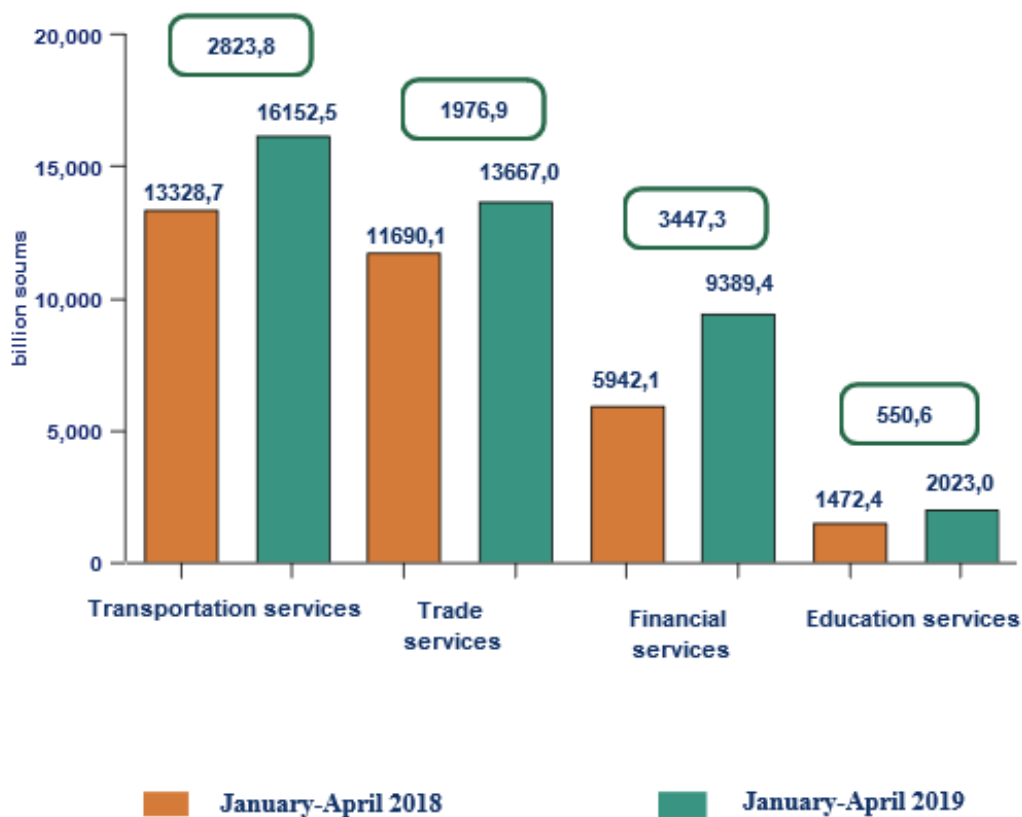
The structure of services by economic activity in January-April 2019, %



In total volume of rendered market services, transport services prevail. The share of transport services was 29.8%, compared to January-April 2018, the volume increased by 2823.8 billion soums.

In addition, the largest share was observed in trade services (25.3%), financial services (17.4%), communication and information services (5.6%), in education (3.7%), as well as related with real estate (3.1%).

Increase in certain types of services compared to January-April 2018, billion soums

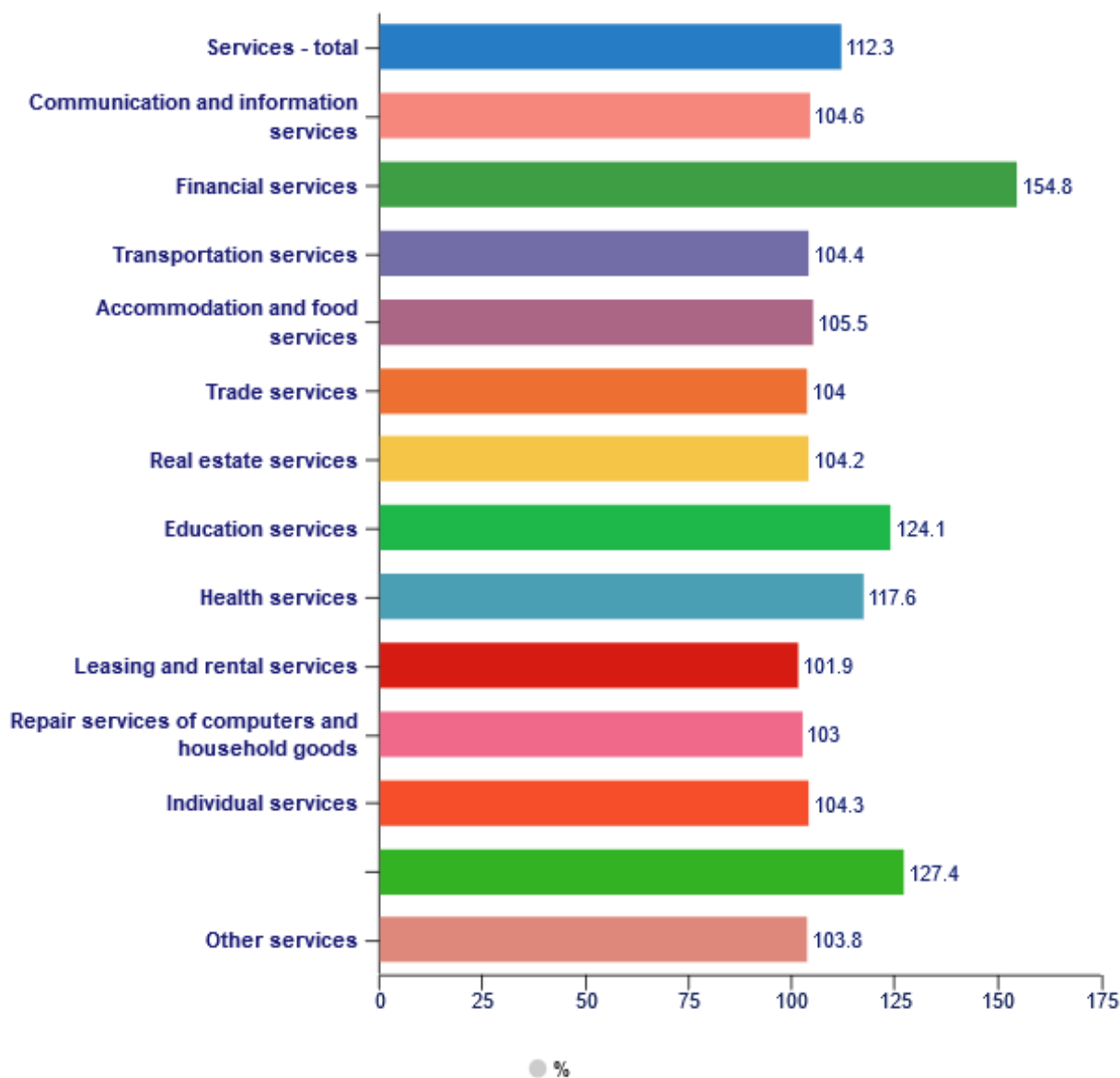


Main indicators of services production by types of economic activity for January-April 2019

| | Volume, billion soums | Growth rates to the previous year, % |
|---|--------------------------|--|
| Services - total | 54133,3 | 112,3 |
| including: | | |
| Communication and information services | 3023,1 | 104,6 |
| Financial services | 9389,4 | 154,8 |
| Transportation services | 16152,5 | 104,4 |
| including motor transport services | 7024,6 | 100,8 |
| Accommodation and food services | 1571,4 | 105,5 |
| Trade services | 13667,0 | 104,0 |
| Real estate services | 1657,0 | 104,2 |
| Education services | 2023,0 | 124,1 |
| Health services | 772,4 | 117,6 |
| Rental and leasing services | 1084,3 | 101,9 |
| Repair services of computers and household goods | 892,7 | 103,0 |
| Individual services | 1324,9 | 104,3 |
| Services in the field of architecture, engineering research, technical testing and analysis | 905,0 | 127,4 |
| Other services | 1670,6 | 103,8 |

The continuation of carried out reforms in credit policy in the republic promoted the growth of financial services. In January-April 2019, the growth rate of financial services amounted to 154.8%. Along with this, the highest growth rates were recorded in services in the sphere of architecture, engineering surveys, technical tests and analysis (127.4%), education (124.1%), and health care (117.6%).

Growth rates of rendered market services by economic activity in January-April 2019, %

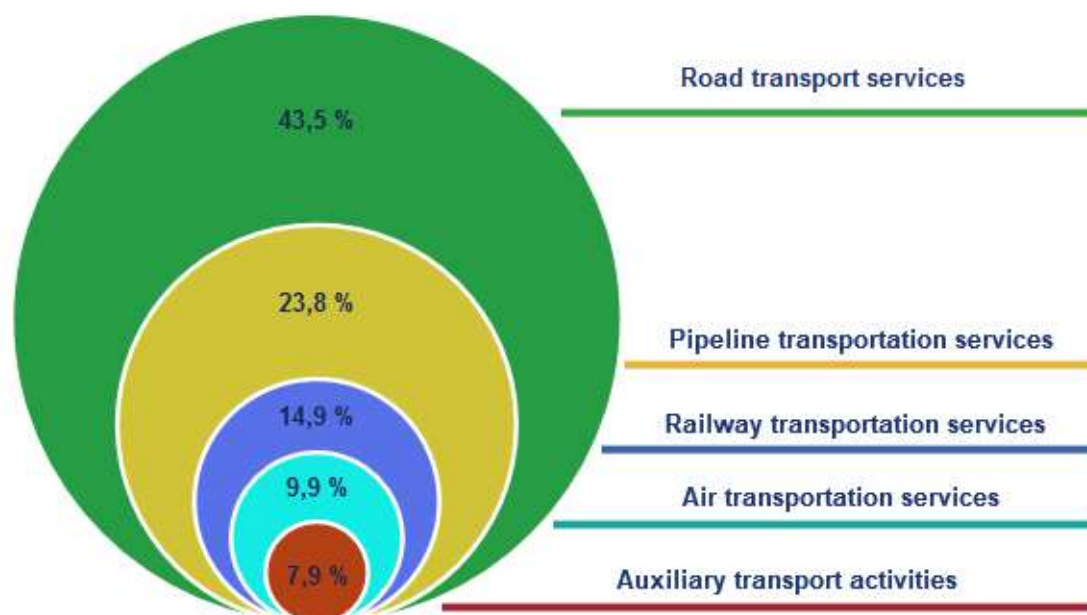


For information: in January-April 2018, the growth of financial services amounted to 28.9%, in sphere of education - 7.6%, health care - 11.8%.

Transport has an important role in the economic development of our republic. Almost half of total transport services accounted for the freight and passengers transportation by road.

The road transportation, in comparison with other types, is one of the most demanded, thanks to its maneuverability and the relatively low cost of the services provided. In total volume of transport services, the share of road transport was 43.5%.

Structure of transport services by type of transport January-April 2019, %



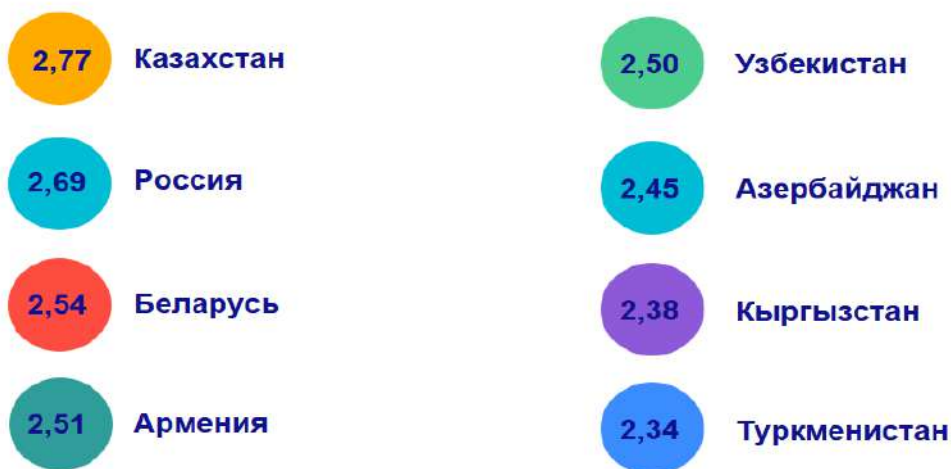
The share of transportation services through pipelines in January-April 2019 amounted to 23.8%.

Services rendered by rail transport in total volume of transport services accounted for 14.9%. The share of freight and passenger transportation by air was 9.9% of total transport services.

Auxiliary transport activities reached 7.9% of total transport services.

For information: according to the World Bank, Uzbekistan ranks 117th among 167 countries of the world in ranking by Logistics Performance Index (LPI).

Comparison of Logistics Performance Index (LPI)



In this ranking, the level of infrastructure development of Uzbekistan was 2.44, which allowed our country to take 98th place. The timeliness level was estimated at 3.01 (101st place), as well as the quality and competence of logistics at 2.49 (109th place).

[\(https://lpi.worldbank.org/\)](https://lpi.worldbank.org/)

Trade has an important role in the economic life of each country, which provides a link between production and consumption has a significant impact on volume and production structure of goods, as well as improving variety and quality.

In January-April 2019, the volume of trade services was equal to 13,667.0 billion soums. The share in total volume of rendered market services was 25.3%.

The structure of trade services in January-April 2019, %



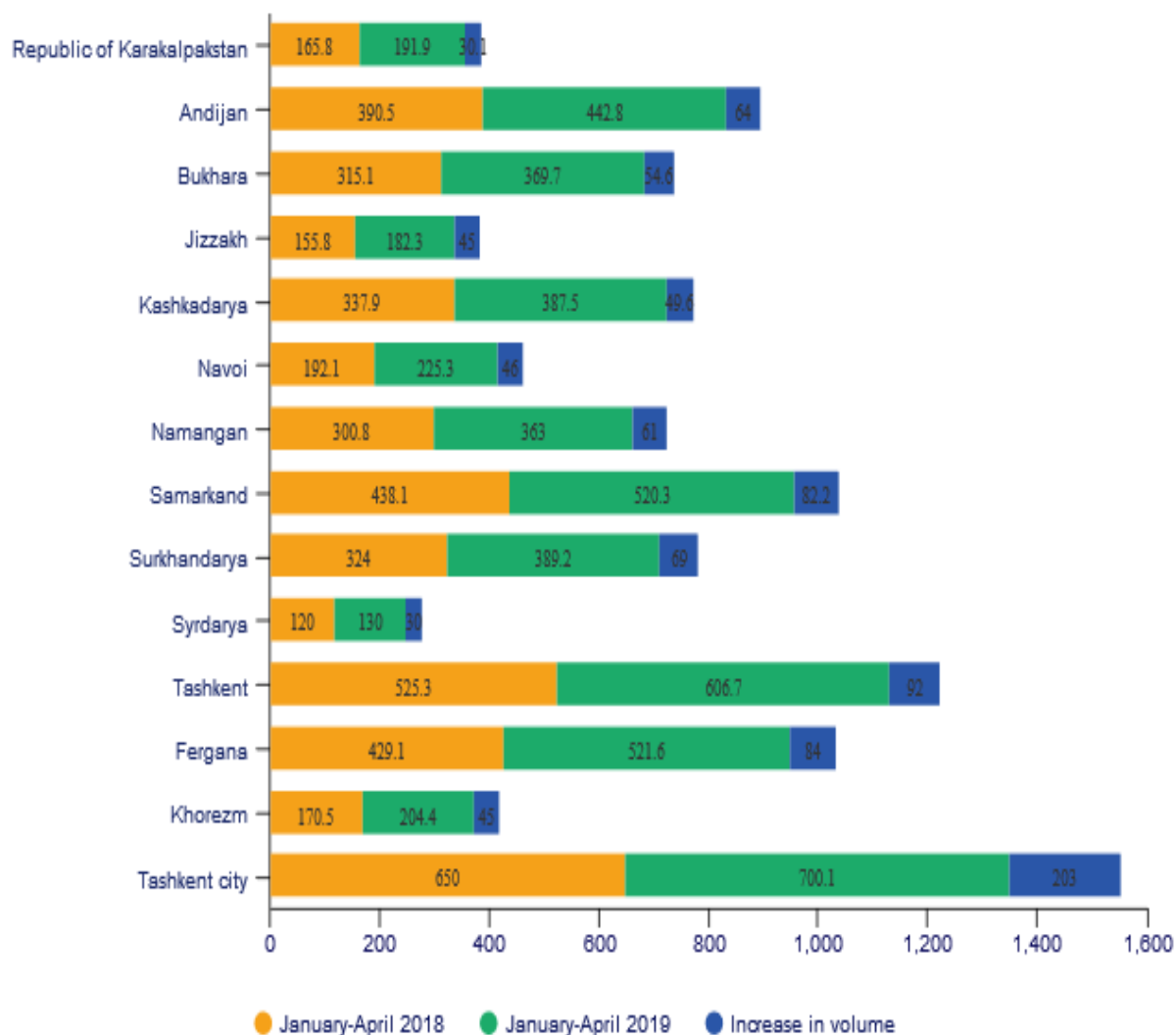
В структуре услуг торговли преобладают услуги по розничной торговле, кроме торговли автомобилями и мотоциклами. Их доля в январе-апреле 2019 года составила 67,4 %.

Удельный вес услуг по оптовой торговле (кроме торговли автомобилями и мотоциклами) достиг 25,5 %.

Services in wholesale and retail trade of motor vehicles and motorcycles, including services for the repair of cars and motorcycles, in total volume of trade services occupy 7.1%.

Compared to the same period of last year, the volume of trade services for the period increased by 1976.9 billion soums.

Comparison of the volume of trade services by regions in January-April 2019, billion soums

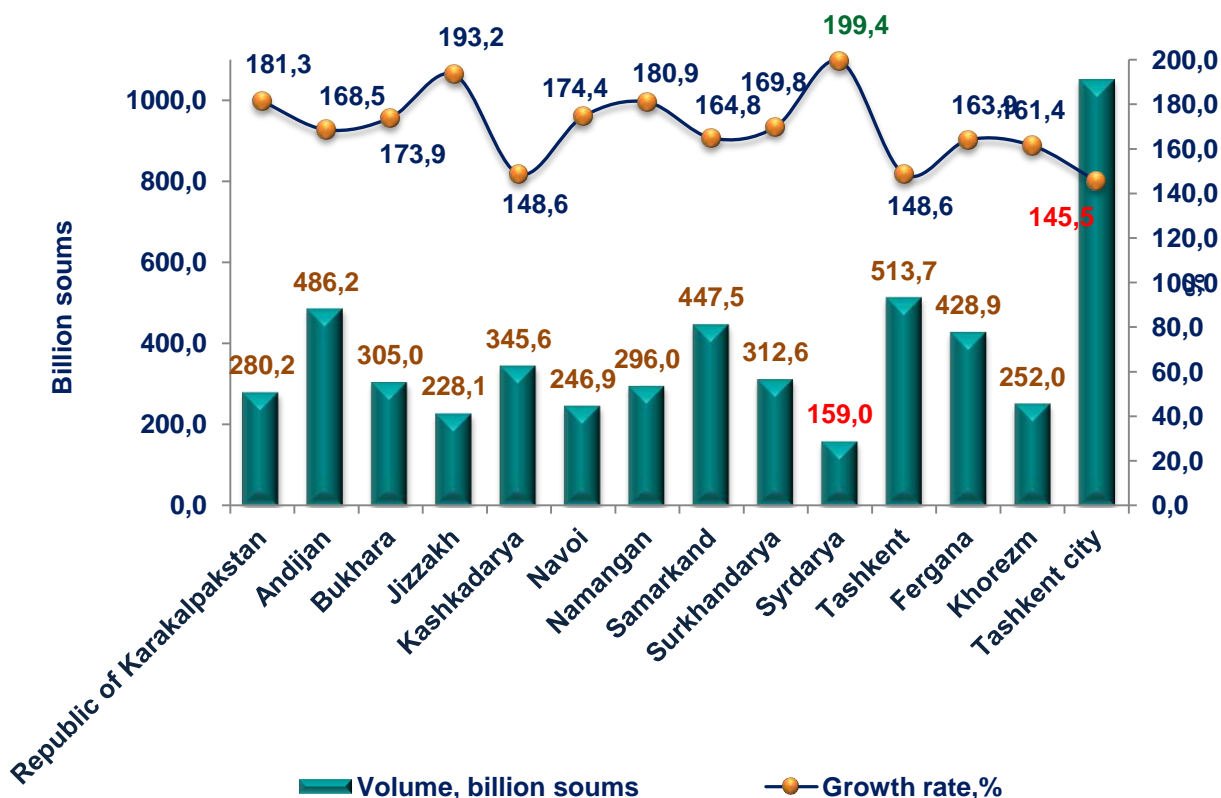


The largest volume of trade services was recorded in Tashkent city (4,435.2 billion soums), Tashkent (1239.3 billion soums), Samarkand (1051.2 billion soums) Fergana (1039.3 billion soums) and Andijan (940 , 7 billion soums) regions.

The lowest rates for trade services were observed in Syrdarya region. The volume of trade services in this region amounted to 221.6 billion soums.

Currently, not only constantly updated traditional activities, such as trade and transport, but also fast-growing high-tech business and socio-cultural services occupy leading positions.

The volume and growth of financial services in the context of regions in January-April 2019



In January-April 2019, the volume of financial services was equal to 9389.4 billion soums, compared to the same period of last year, the growth rate reached 154.8%.

In relation to January-April 2018, the growth of financial services was observed in Syrdarya (99.4%), Jizzakh (93.2%), Namangan (80.9%), Navoi (74.4%), Bukhara (73, 9%) regions and the Republic of Karakalpakstan (81.3%).

Compared to other regions, growth rates in Tashkent city (145.5%), Kashkadarya and Tashkent regions (148.6%) are insignificant.

For information: *the international rating agency Fitch Ratings confirmed the long-term credit rating of Uzbekistan in foreign and national currencies at the level of “BB-”. The rating outlook is stable.*

According to Fitch Ratings analysts, the ratings of Uzbekistan reflect, on the one hand, a good sovereign balance, low public debt and high growth compared with countries with comparable ratings, on the other hand, a significant dependence on commodity sector, high inflation and structural deficiencies in terms of low indicator of GDP per capita, as well as a weak level of the institutional environment and quality management relative to issuers with comparable ratings.

<https://www.fitchratings.com/>

The growth factor of financial services is an increase in volume of financial services, except of insurance and retirement services, in particular, monetary-intermediary services. Their share in total volume of financial services amounted to 91.1%.



The implantation of innovative banking technologies to create conditions for the provision of modern banking services, including organizing the activities of “digital” banks and units, which specialize in providing retail services, improving remote banking services, and further developing the payment system, contribute to dynamic development of financial services.

For information: Decree of the President of the Republic of Uzbekistan “On measures for development of the national payment system” dated September 19, 2018 № PP-3945, it was decided to create a National Interbank Processing Center.

The new system, called Humo, involves the participation of commercial banks themselves in the organization of payments. Commercial banks will be able to work more actively with customers, offering them loyalty programs, bonuses, overdraft loans and other modern products. Thus, competition between banks will intensify.

New bank cards will work in two modes: contact (with a card in terminal and dialing the code) and contactless (to activate the card, just bring it closer to the terminal). Along with this, the safety of all client data and the possibility of conducting transactions without requesting a PIN code are ensured.

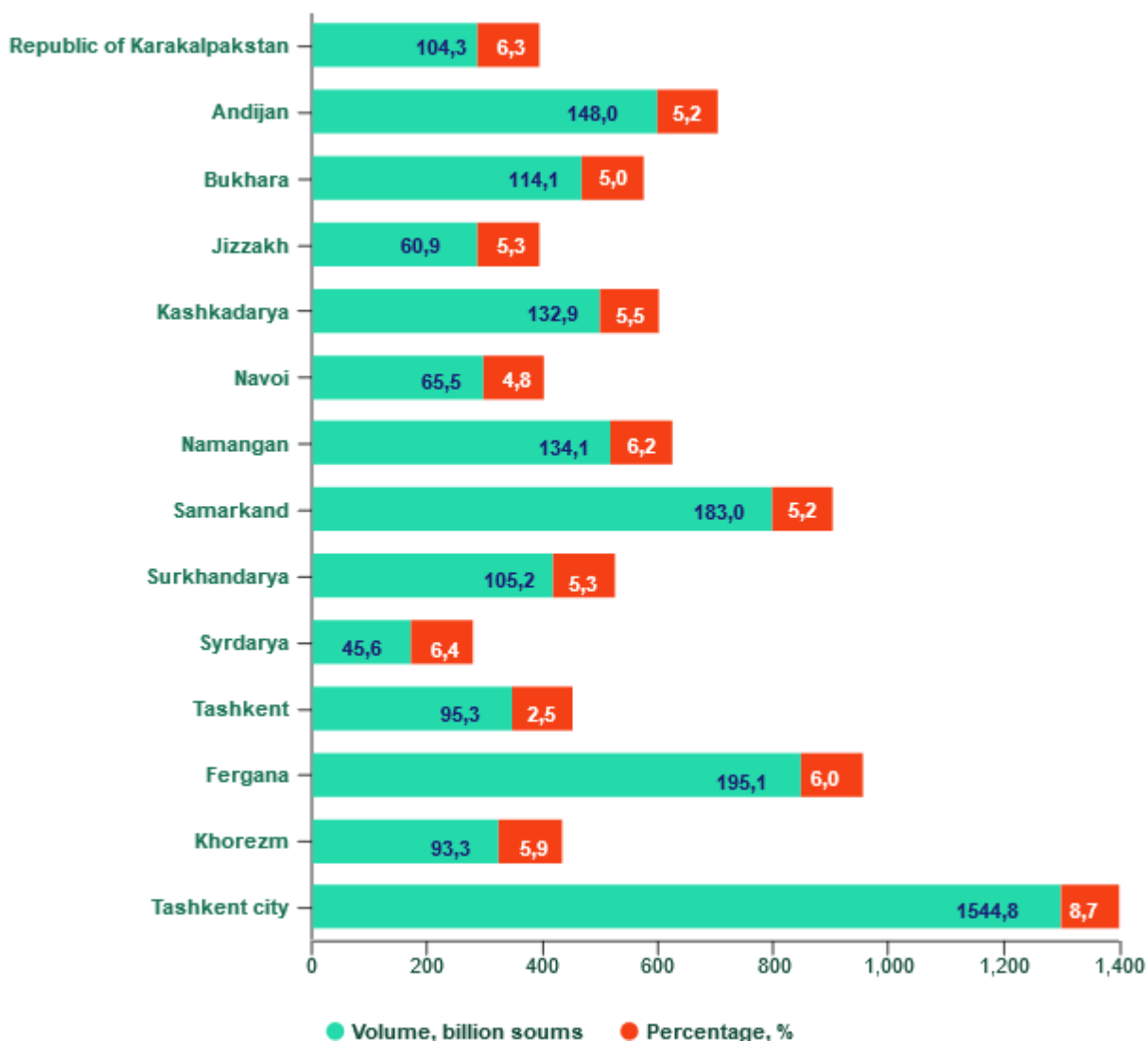
[\(http://infocom.uz/\)](http://infocom.uz/)

A prerequisite for conducting modern business is use of modern infrastructure. Specialized databases on major markets, Internet trade, the search for raw materials, components and technologies, advertising and marketing activities, system administration of processes and technologies, as well as maintenance of digital systems are a mandatory attribute of a modern organization.

In January-April 2019, the volume of communication and information services was equal to 3,023.1 billion soums. Compared to the same period of last year, the growth of communication and information services reached 4.6%.

The share in total volume of rendered market services was 5.6%.

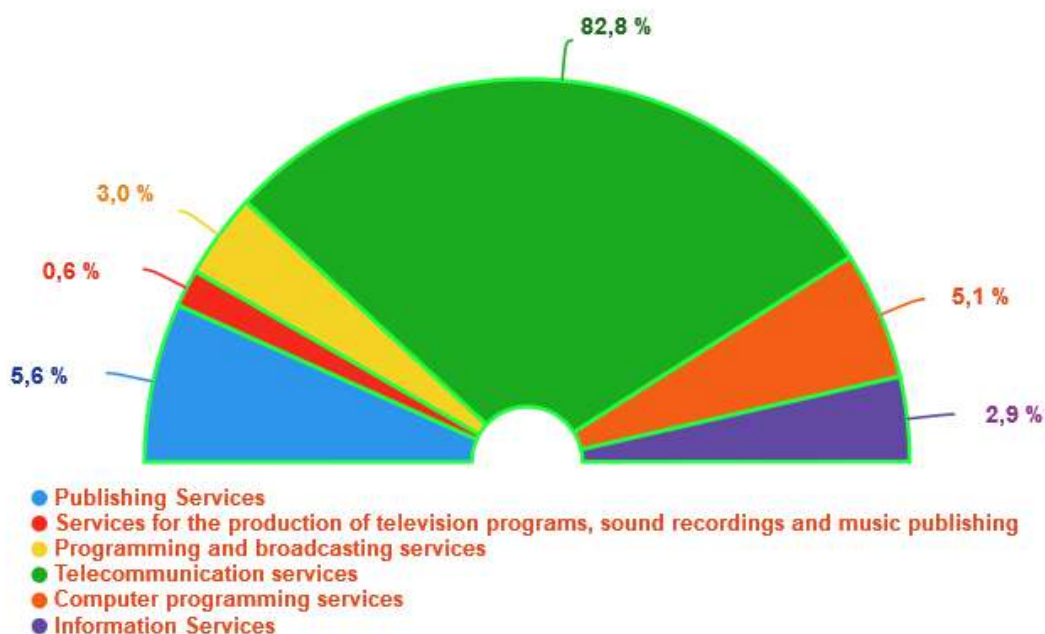
The volume and share of communication and information services in terms of regions in January-April 2019



Telecommunication services (wired and mobile communication services, the Internet, satellite communication services, etc.) occupy a large part in volume of communication and information services. Their share was 82.8%.

In total volume of communication and information services, publishing services occupy 5.6%, computer programming, consulting and other related services - 5.1%, programming and broadcasting - 3.0%, and in the sphere of informatization - 2.9%.

Structure of communication and information services in January-April 2019, %



The smallest share in structure of communication and information services is the production of film, video and television programs, sound recording and music publishing. In the current period, volume was 0.6% of total volume of communication and information services.

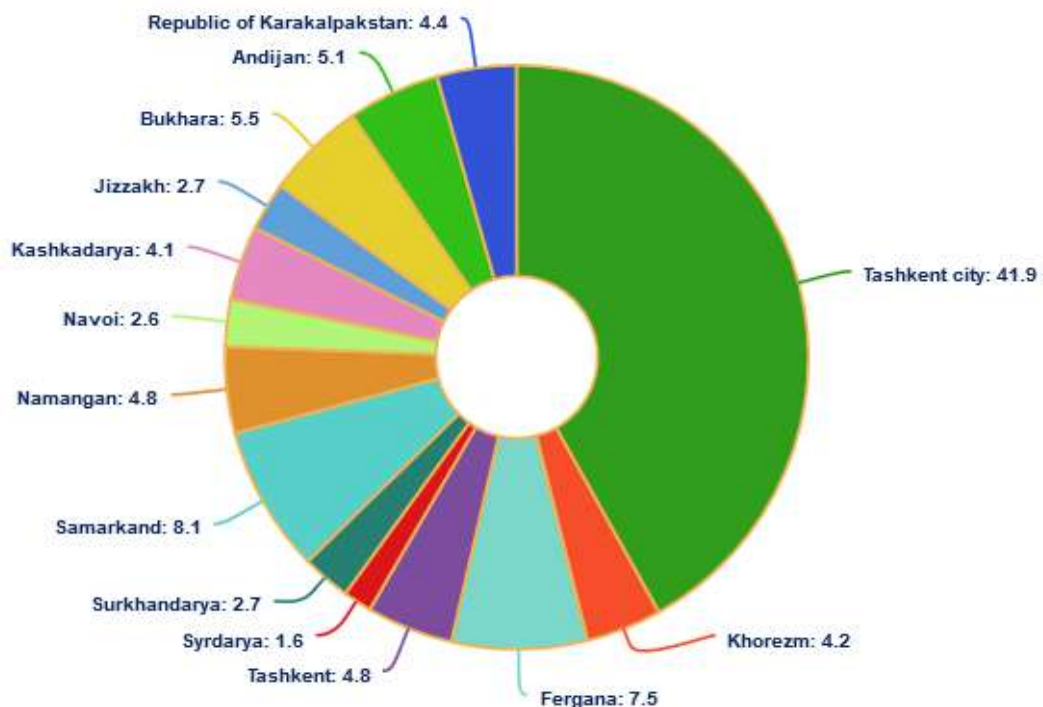
The improvement of the education system is one of the most crucial priorities in Uzbekistan.

The cardinal reforms carried out in the sphere of education favor positive changes in the minds and thinking of people, and contribute to enhancing their spirituality.

In January-April 2019, the volume of services in the sphere of education reached 2023.0 billion soums. Compared to last year, increased by 24.1%.

Tashkent city took the leading position among the regions. The services share in the sphere of education was 41.9%.

The share of regions in total volume of services in the sphere of education in January-April 2019, %



This is due to the fact that the largest part of educational institutions is located in Tashkent city. The volume of services in the sphere of education in Tashkent reached 848.2 billion soums.

High growth rates in educational services were recorded in Khorezm region - 160.8%.

In addition, the highest growth rates for services in the sphere of education are registered in Bukhara (146.9%), Jizzakh (134.9%), Syrdarya (128.6%), Kashkadarya (126.4%) regions and the Republic of Karakalpakstan (137, 2%).

Comparison of growth rates of services in education sphere in terms of regions in January-April 2019, %



In January-April 2019, the lowest growth rates were recorded in Surkhandarya region - 98.0%.

Today, special attention is paid to equipping schools with modern laboratory, computer equipment, textbooks and teaching materials of new generation as an important factor in improving the quality and efficiency of the educational process.

***For information:** the electronic system “Kundalik.uz” is currently in operation, which allows you to schedule lessons in online mode, form lesson plans for teachers, keep records of attendance and progress of students in electronic journals and diaries. In addition, this system provides educational institutions and education authorities with tools for generating statistical reports.*

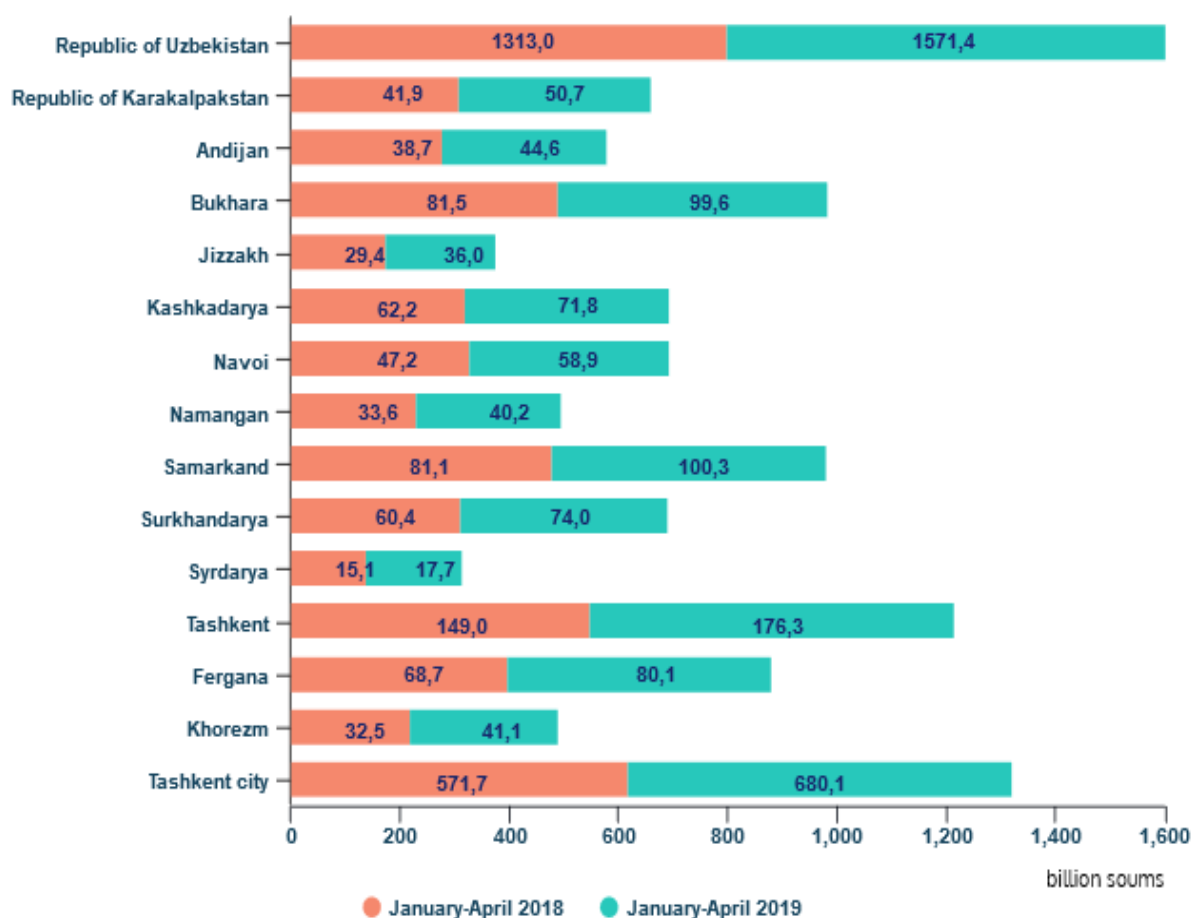
Along with this, an educational process management system (EMIS) and a unified database of schools, teachers and staff, as well as students and parents, have been introduced. In addition, an electronic system has been developed to enroll students in school, transfer from one school to another, and provide other electronic services.

It is also planned to implement a system of identifying school students (ID card, NFC tag, etc.) with the possibility of integration with the banking system and other systems (medical, law enforcement, etc.). This system will allow the student, if necessary, to easily call for help from parents or representatives of relevant services.

[\(https://kundalik.com/\)](https://kundalik.com/)

Compared to January-April 2018, the growth rate of accommodation and food services increased by 5.5%, while the volume increased by 258.4 billion soums and reached 1,571.4 billion soums.

Comparison of the volume of services for accommodation and food in terms of regions in January-April 2019, billion soums



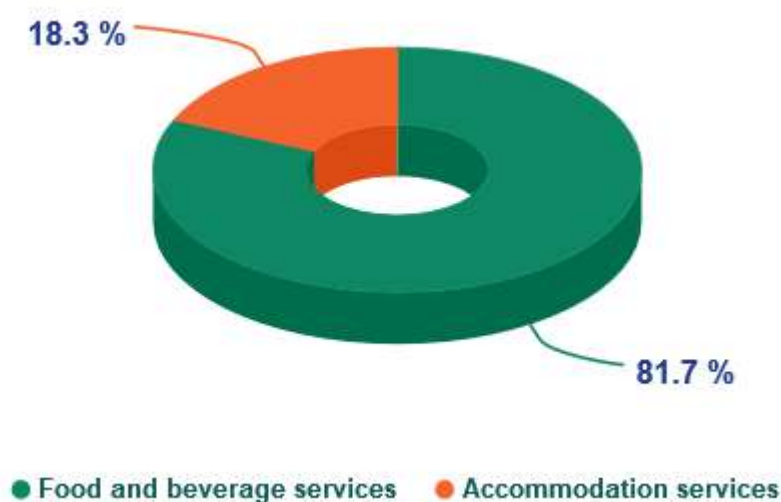
The largest amount of accommodation and food services was recorded in Tashkent city, - 680.1 billion soums, compared to January-April 2018, was observed an increase of 108.4 billion soums.

A low volume was recorded in Syrdarya region, equal to 17.7 billion soums.

Food and beverage services prevail in volume of accommodation and food services - 81.7%.

The share of accommodation services accounted for 18.3%.

The structure of accommodation and food services in January-April 2019, %



Improving the system of social and health protection of citizens is one of the priorities for development of the Republic of Uzbekistan in accordance with the Strategy of Action in 2017-2021.

As part of the implementation of measures to reform the health care system in the republic, it was possible to achieve certain results in shaping the modern system of providing medical care to population.

In January-April 2019, the volume of health services was 772.4 billion soums. Compared to the same period of last year, the growth rate was 117.6%.

Despite the fact that the share in total volume of services in the health sector in Syrdarya region was considered the smallest (1.4%), growth was 21.1%.

The growth rate of health services terms of regions in January-April 2019, %



Along with this, high growth rates were recorded in Tashkent (126.8%), Kashkadarya (126.6%), Jizzakh (117.1%), Andijan (116.1%) regions and Tashkent city (126.1%).

The volume of production services by regions in January-April 2019

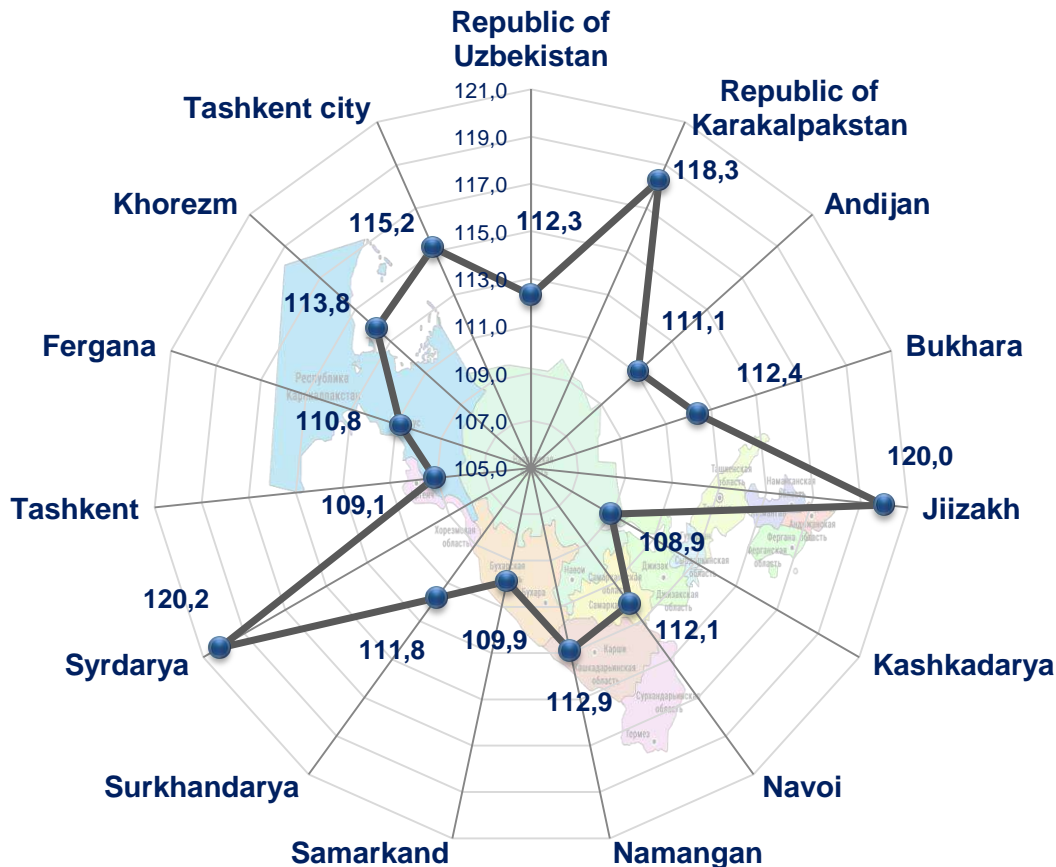
| | Volume, billion soums | Growth rate to previous year, % |
|-------------------------------|-----------------------|---------------------------------|
| Republic of Uzbekistan | 54133,3 | 112,3 |
| Republic of Karakalpakstan | 1652,9 | 118,3 |
| regions: | | |
| Andijan | 2819,0 | 111,1 |
| Bukhara | 2289,1 | 112,4 |
| Jizzakh | 1161,7 | 120,0 |
| Kashkadarya | 2418,3 | 108,9 |
| Navoi | 1373,1 | 112,1 |
| Namangan | 2146,2 | 112,9 |
| Samarkand | 3517,8 | 109,9 |
| Surkhandarya | 1994,9 | 111,8 |
| Syrdarya | 712,4 | 120,2 |
| Tashkent | 3869,5 | 109,1 |
| Fergana | 3240,8 | 110,8 |
| Khoreazm | 1592,8 | 113,8 |
| Tashkent city | 17697,1 | 115,2 |

The socio-economic situation of the region reflects the level of development of its productive forces, characterizes the volume of gross regional product (GRP) produced and determines the territory's budgetary capacity and cash flow, including the development of the services sector.

In January-April 2019, the largest volume of rendered market services was recorded in the city of Tashkent (17,697.1 billion soums).

Compared to the same period of last year, the growth rate of rendered market services in city was 115.2%.

Growth rates of rendered market services by regions in January-April 2019, %

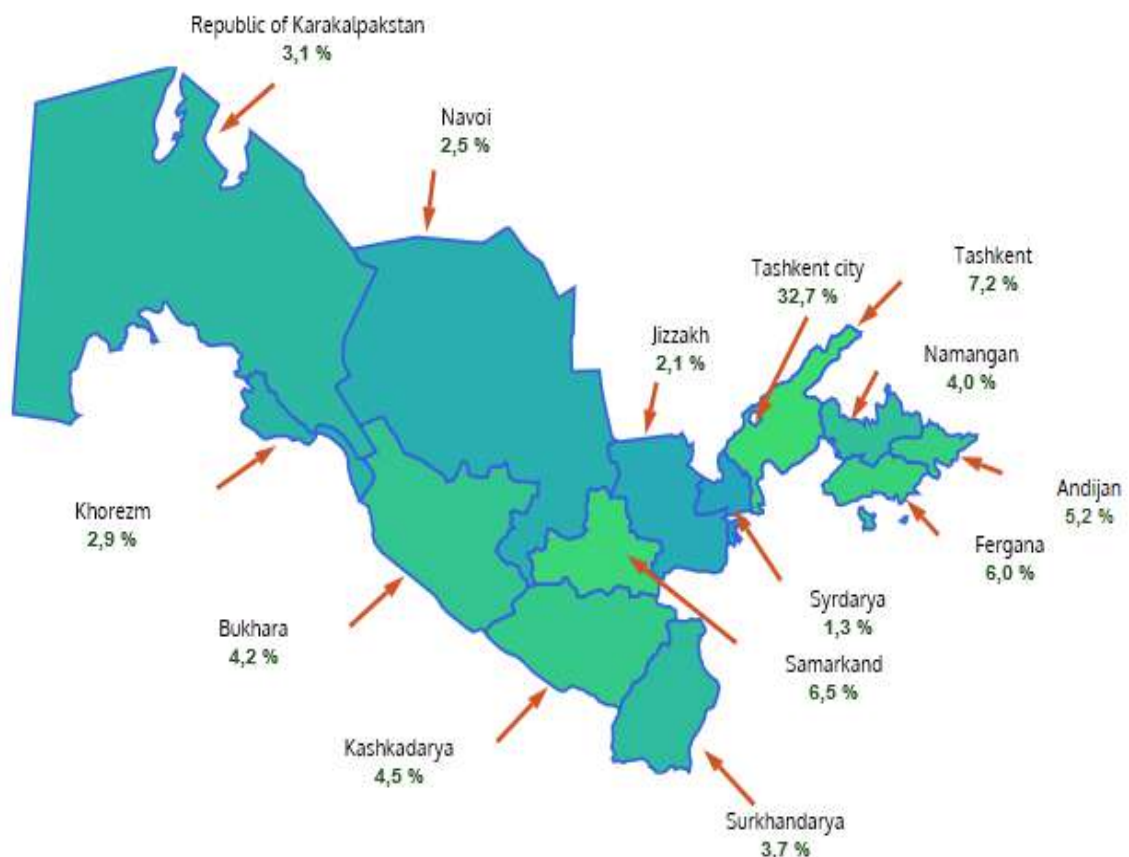


At the same time, the highest growth rates were observed in Syrdarya (120.2%), Jizzakh (120.0%) regions and the Republic of Karakalpakstan (118.3%).

Low growth rates were observed in Kashkadarya (108.9%), Tashkent (109.1%) and Samarkand (109.9%) regions.

The largest share in total volume of services by region is occupied by Tashkent city (32.7%), Tashkent (7.2%), Samarkand (6.5%), Fergana (6.0%) and Andijan (5.2%) regions.

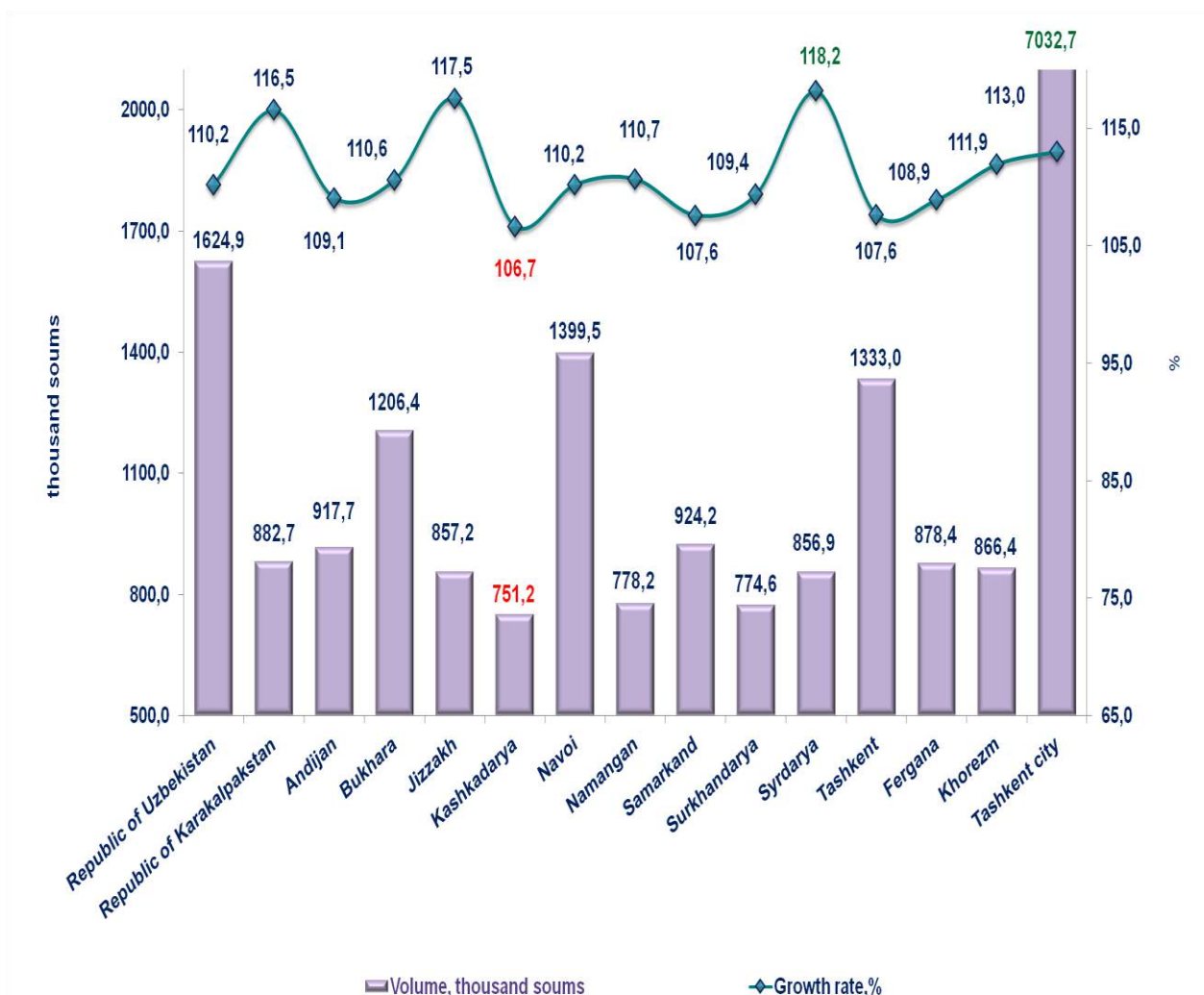
The share of regions in total volume of rendered market services in January-April 2019 , %



Among regions, the smallest share was observed in Syrdarya (1.3%), Jizzakh (2.1%), Navoi (2.5%), Khorezm (2.9%) regions and the Republic of Karakalpakstan (3.1%).

In January-April 2019, the volume of rendered market services per capita was equal to 1,624.9 thousand soums. The growth rate, compared to last year, amounted to 110.2%.

Average per capita indicators by regions in January-April 2019



Compared to the same period of last year, the volume of services per capita increased by 287.6 thousand soums.

The range of this indicator among the regions was from 7032.7 thousand soums to Tashkent to 751.2 thousand soums in Kashkadarya region.

In addition, there is a significant increase in volume of rendered market services per capita in Syrdarya (18.2%), Jizzakh (17.5%), Khorezm (11.9%), Namangan (10.7%), Bukhara (10, 6%) regions, the Republic of Karakalpakstan (16.5%) and Tashkent city (13.0%).

Low growth rates were recorded in Kashkadarya (106.7%), Samarkand and Tashkent (107.6%) regions.

The development of the service sector is one of the most important conditions for formation of a market economy with a social orientation. The positive results of the market reforms carried out in the country are inextricably linked with further development of services sector, increasing its role in solving the most important social and economic tasks of the development of society.

Department for services statistics

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