

Development of the service sector - the main trends of the "tertiary sector" of the economy

The development of the service sector plays a huge role in the modern economy. The services form such key factors of economic growth as scientific knowledge, intangible forms of accumulation, information technology, and the integration of entrepreneurial activity.

This sector of the economy includes various activities that help improve productivity and production efficiency. Its final result is not a finished product, but the provision of services that can be provided not only to enterprises, but also to individuals - end consumers.

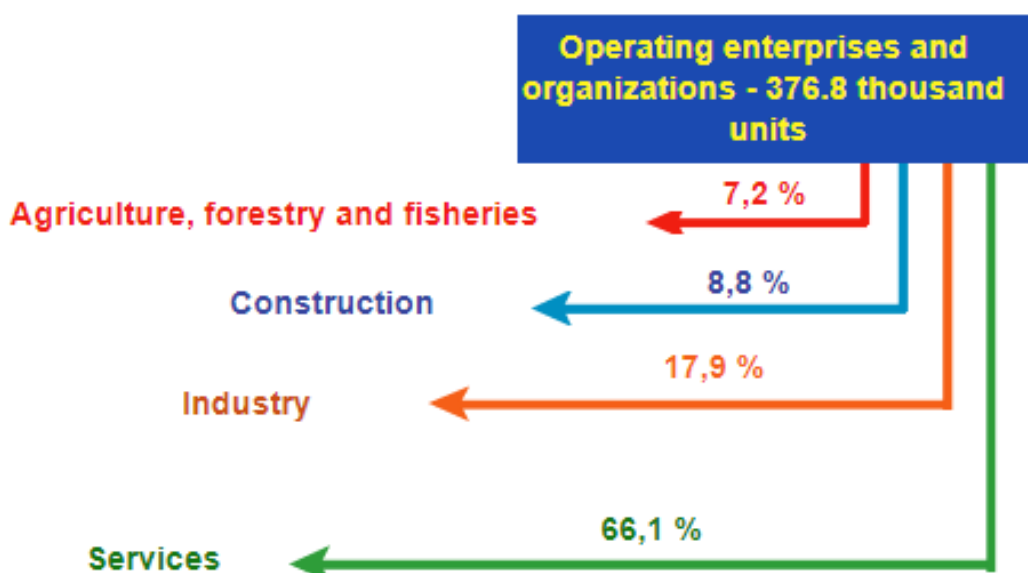
The scope of services is very diverse. It may include both transportation and delivery of goods from the supplier to the customer, and holding, for example, entertainment events. Also included are hairdressers, restaurants, repair shops, sports clubs, travel agencies etc.



^{*)} According to preliminary data, for January-June 2019

As of August 1, 2019, in the republic the total number of operating enterprises and organizations amounted to 376.8 thousand units. In the service sector, more than 249 thousand units are involved, which reached 66.1% of their total number, the growth of which increased by 21.0%.

**The structure of operating enterprises and organizations as of
01.08.2019,%**
(excluding farmers and farming households)

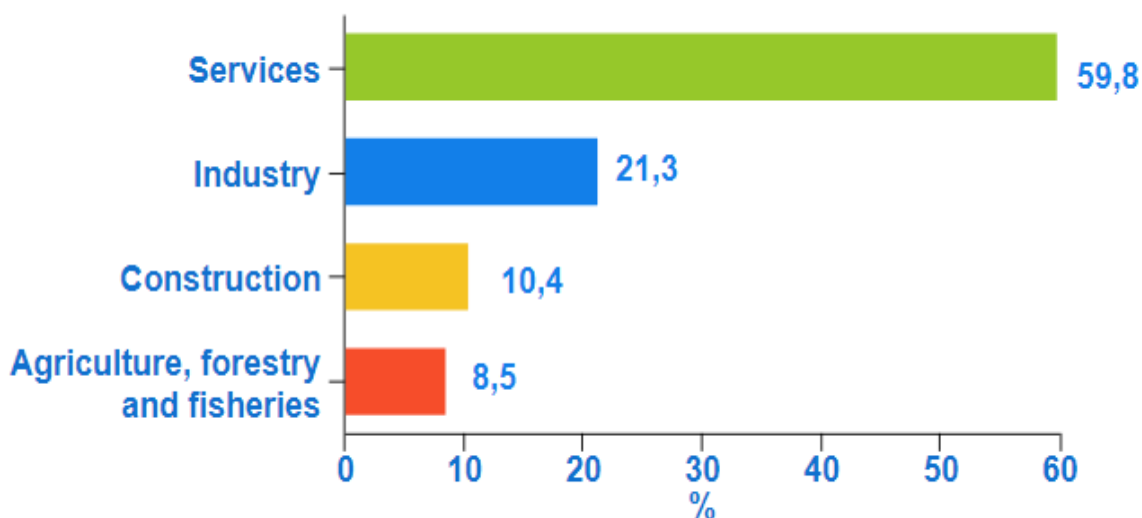


Modern entrepreneurship is becoming widespread, which is primarily due to the development of the service sector, or rather, the opportunities provided for the functioning of small businesses in this area, the feature of which is the apparent quantitative dominance of small businesses.

Of the total number of enterprises and organizations providing services, 188.0 thousand are small businesses, or 75.5%.

As of August 1, 2019, their share in the total number of operating small enterprises amounted to 59.8%, the number of which increased by 40.2 thousand units, and the growth amounted to 27.2%.

**The structure of operating small businesses
as of 01.08.2019,%
(excluding farmers and farming households)**



As of August 1, 2019, in the structure of operating enterprises and organizations related to the service sector, their share prevails in trading activities (37.1%).

The share of operating enterprises and organizations providing accommodation and food services amounted to 9.6%.

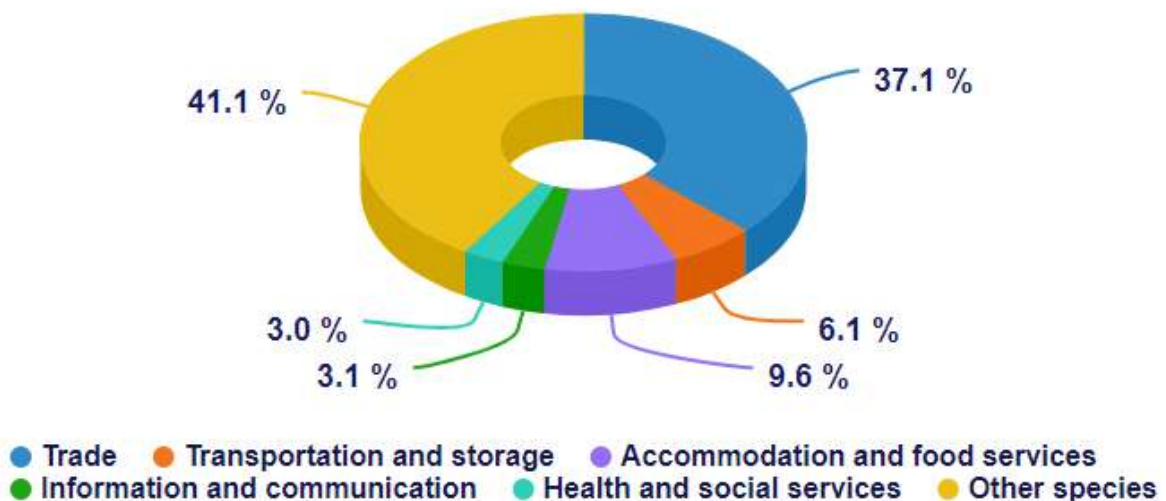
The proportion of operating enterprises and organizations involved in transportation and storage in their total number related to the service sector reached 6.1%.

The share of operating enterprises and organizations, engaged in information activities and providing communication services, equal to 3.1%.

The proportion of operating enterprises and organizations providing health services, as well as social services, amounted to 3.0%.

The structure of operating enterprises and organizations services by type of economic activity as of 01.08.2019,%

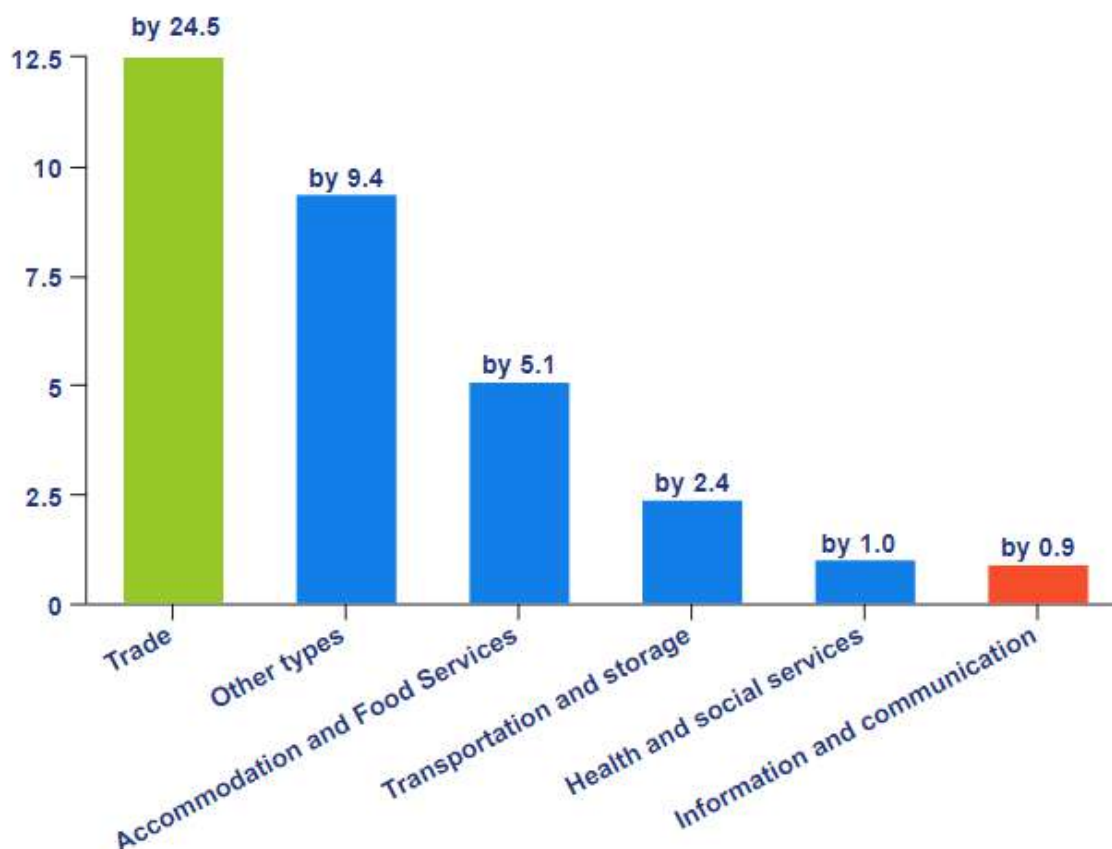
(excluding farmers and farming households)



For information: As of August 1, 2018, 205.8 thousand enterprises and organizations were involved in the services sector. In their overall structure, trade services accounted for 33.1%, for accommodation and food - 9.1%, transportation and storage - 6.2%, information and communication - 3.3%, health and the provision of social services - 3.1%, other types - 45.2%.

If you compare the number of operating enterprises and organizations in the service sector with the same period last year, then, as of August 1, 2019, it increased by 43.3 thousand units.

**The increase in the number of operating enterprises and service industry organizations compared with the corresponding period last year, thousand units.
(as of August 1, 2019)**



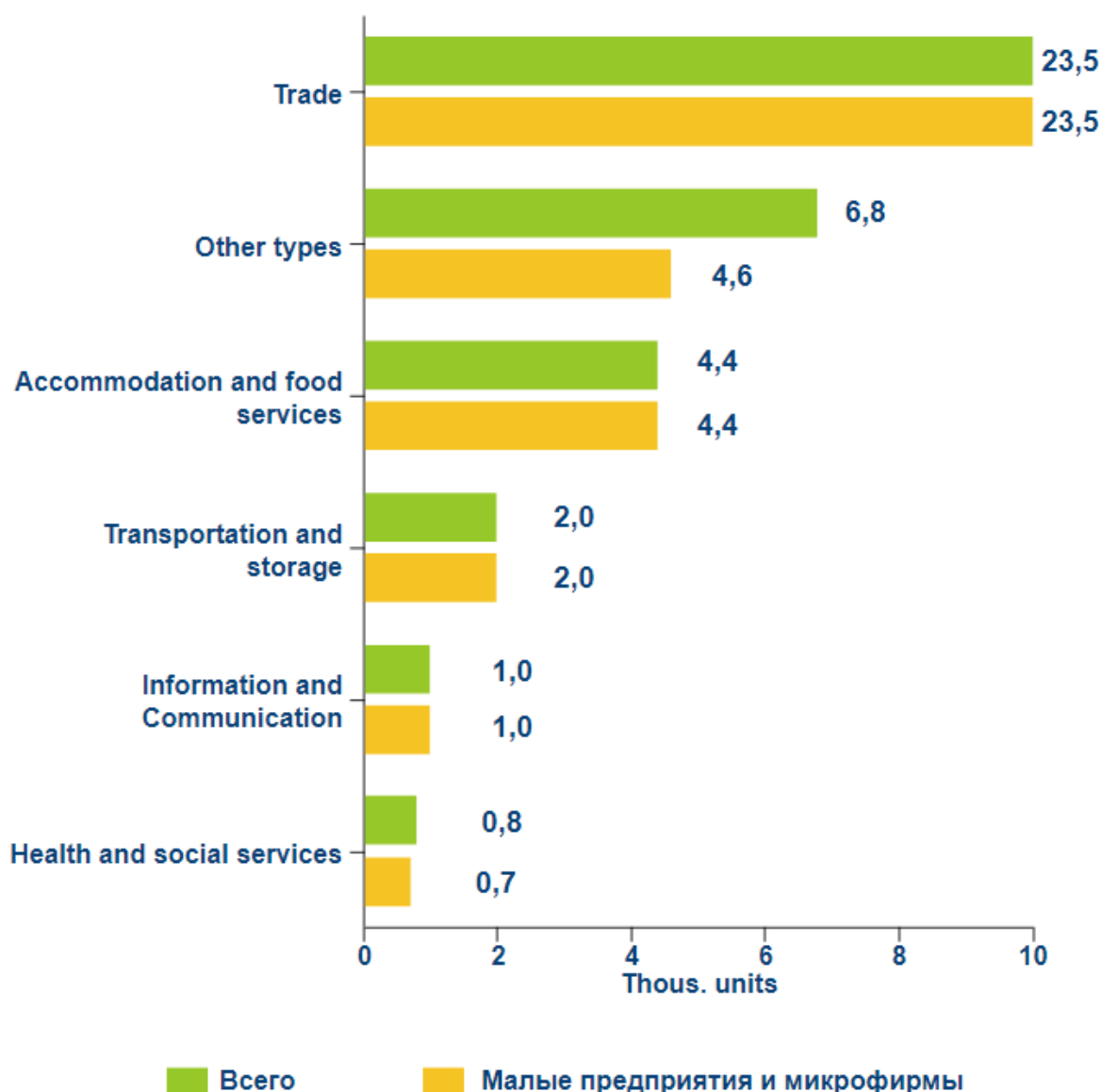
Small businesses make a significant contribution to the development of the services sector in the country, and therefore further state support is needed in the field of stimulating entrepreneurial initiative.

The growth of operating enterprises related to small businesses has influenced the increase in the total number of operating enterprises and organizations engaged in the service sector. Their number increased by 40.2 thousand units.

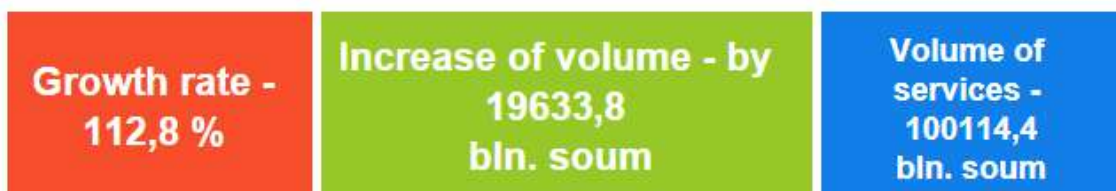
In January-July 2019, the number of newly created enterprises and organizations in the service sector (38.5 thousand units), compared with last year, increased by 18.6 thousand units.

Number of newly created small enterprises and micro-firms (36.2 thousand units) increased by 20.4 thousand units.

Number of newly created enterprises and organizations engaged in the service sector for January-July 2019, thousand units.



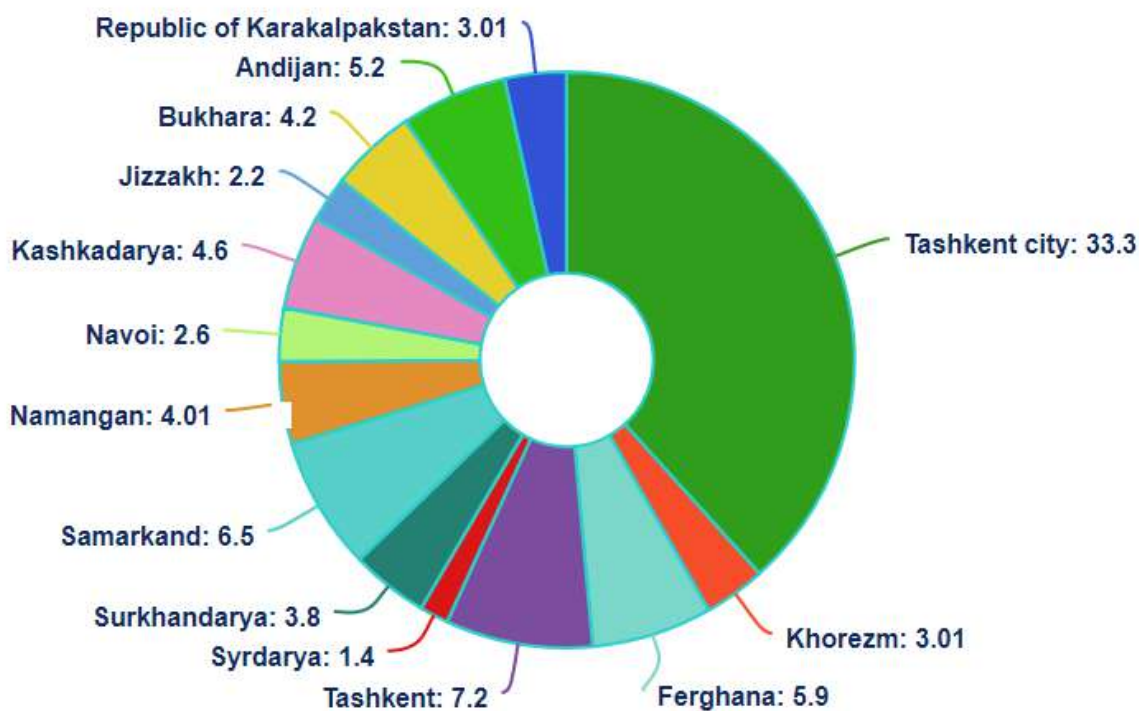
The level of development of the service sector ensures territorial and social mobility of the population, the development of new economic territories, increased production efficiency and consumption of material goods.



According to preliminary data, the volume of market services provided in January-July 2019 was equal to 100,114.4 billion sums, the nominal volume of which increased by 19633.8 billion sums. In comparable terms, compared with the same period last year, growth was 12.8%.

In the total volume of services, the share of Tashkent is the most significant - 33.3%. This is because the real incomes of the population are higher than in other regions.

The structure of market services provided by region for January-July 2019,%

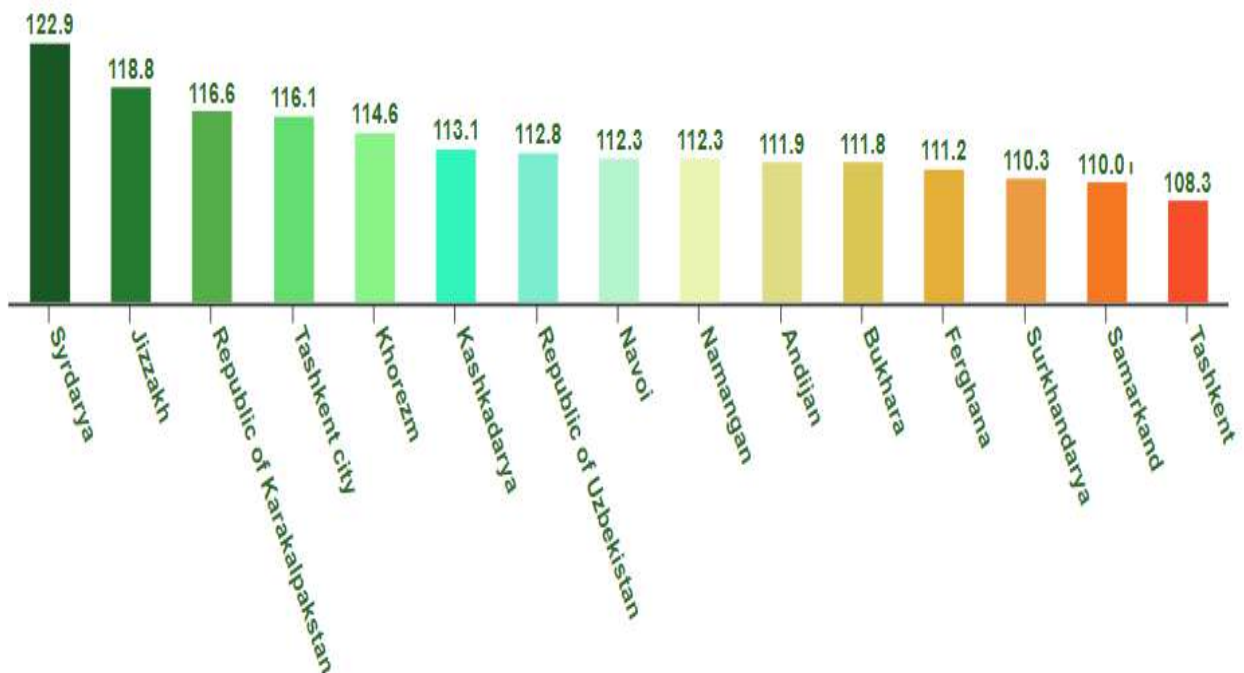


Along with this, the largest specific gravity is recorded in Tashkent (7.2%), Samarkand (6.5%), Ferghana (5.9%) and Andijan (5.2%) regions.

The lowest indicators of the service sector are noted in Syrdarya (1.4%), Jizzakh (2.2%), Navoi (2.6%), Khorezm (3.0%) regions and the Republic of Karakalpakstan (3.0%).

Over the current period, the highest growth rates were recorded. in Syrdarya (122.9%), Jizzakh (118.8%), Khorezm (114.6%) oblasts, the Republic of Karakalpakstan (116.6%) and Tashkent city (116.1%).

The growth rate of market services provided by region for January- July 2019,%



Relatively low growth rates were observed. in Tashkent (108.3%), Samarkand (110.0%) and Surkhandarya (110.3%) regions.

**Key performance indicators of services by region for January-July
2019**

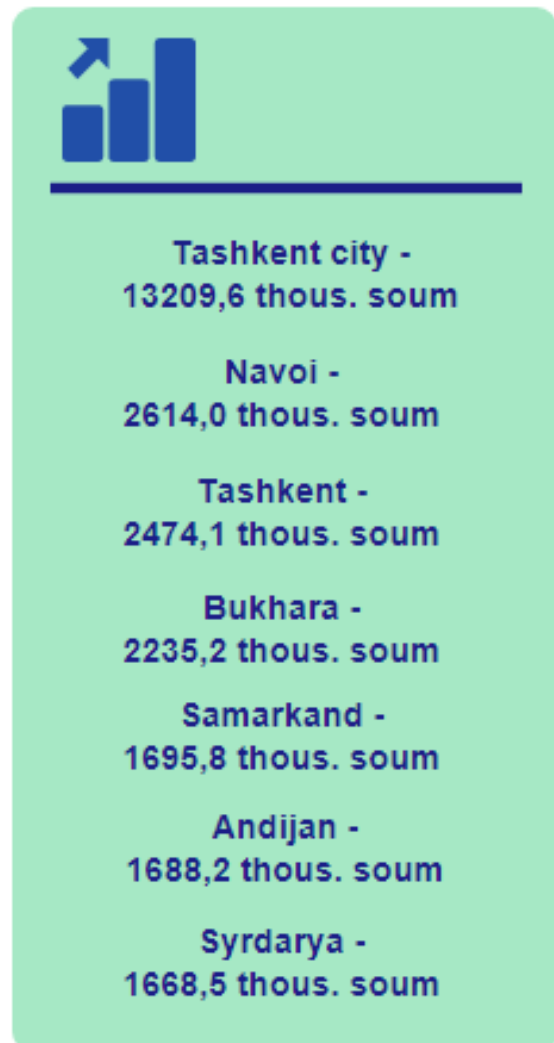
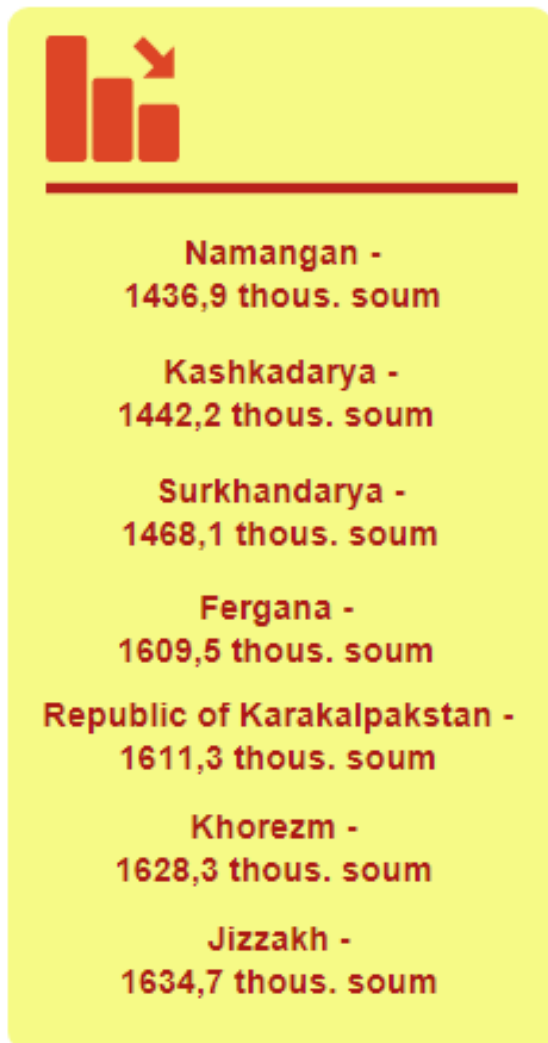
	Volume billion sums	The growth rate of the previous year, %	Volume per capita, thousand sums
Republic of Uzbekistan	100114,4	112,8	2998,4
Republic of Karakalpakstan	3022,6	116,6	1611,3
<i>regions:</i>			
Andijan	5195,9	111,9	1688,2
Bukhara	4248,4	111,8	2235,2
Jizzakh	2221,4	118,8	1634,7
Kashkadarya	4653,6	113,1	1442,2
Navoi	2569,6	112,3	2614,0
Namangan	3972,5	112,3	1436,9
Samarkand	6471,3	110,0	1695,8
Surkhandarya	3791,0	110,3	1468,1
Syrdarya	1390,5	122,9	1668,5
Tashkent	7194,1	108,3	2474,1
Ferghana	5950,8	111,2	1609,5
Khorezm	2997,9	114,6	1628,3
Tashkent city	33343,7	116,1	13209,6

Compared to last year, the volume of market services provided per capita increased by 543.1 thousand sums and amounted to 2998.4 thousand sums, its growth amounted to 10.7%.

According to this indicator, Tashkent occupies a leading position. Here the volume of services per capita is fixed in the equivalent of 13209.6 thousand sums.

In Namangan (1,436.9 thousand sums), Kashkadarya Per capita (1442.2 thousand sums), Surkhandarya (1468.1 thousand sums) regions, the volume per capita was low compared to other regions.

Per capita indicators by region January-July 2019, thousand sums

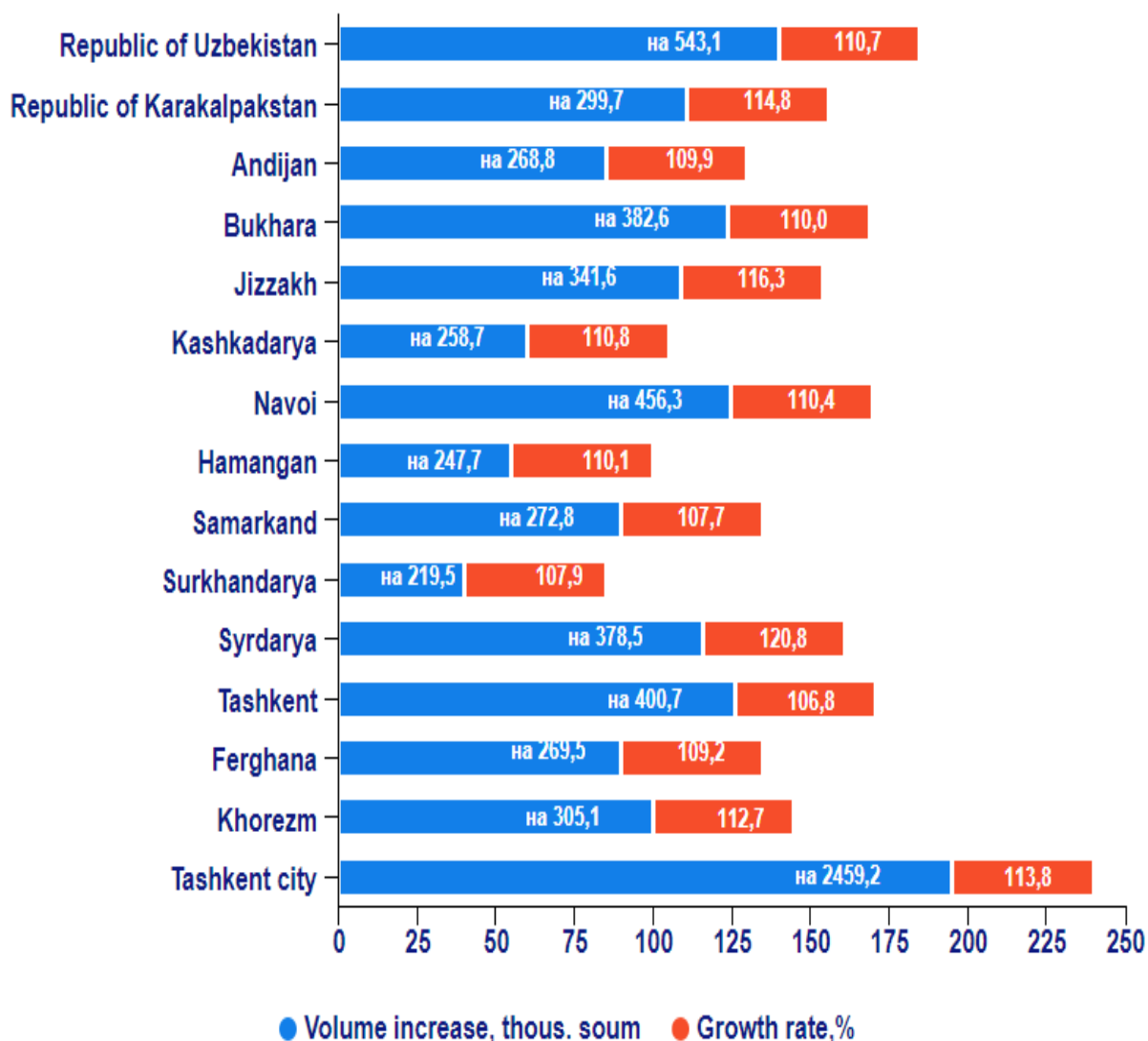


The volume of services per capita increased by 476.8 thousand sums, compared with the previous period (January-June 2019).

In Tashkent, the volume of market services provided per capita, compared with the same period last year, increased by 2459.2 thousand sums.

Along with this, in relation to the previous period, an increase of 2177.9 thousand sums is observed in this region.

Increase in the volume and growth rate of services per capita by region January-July 2019

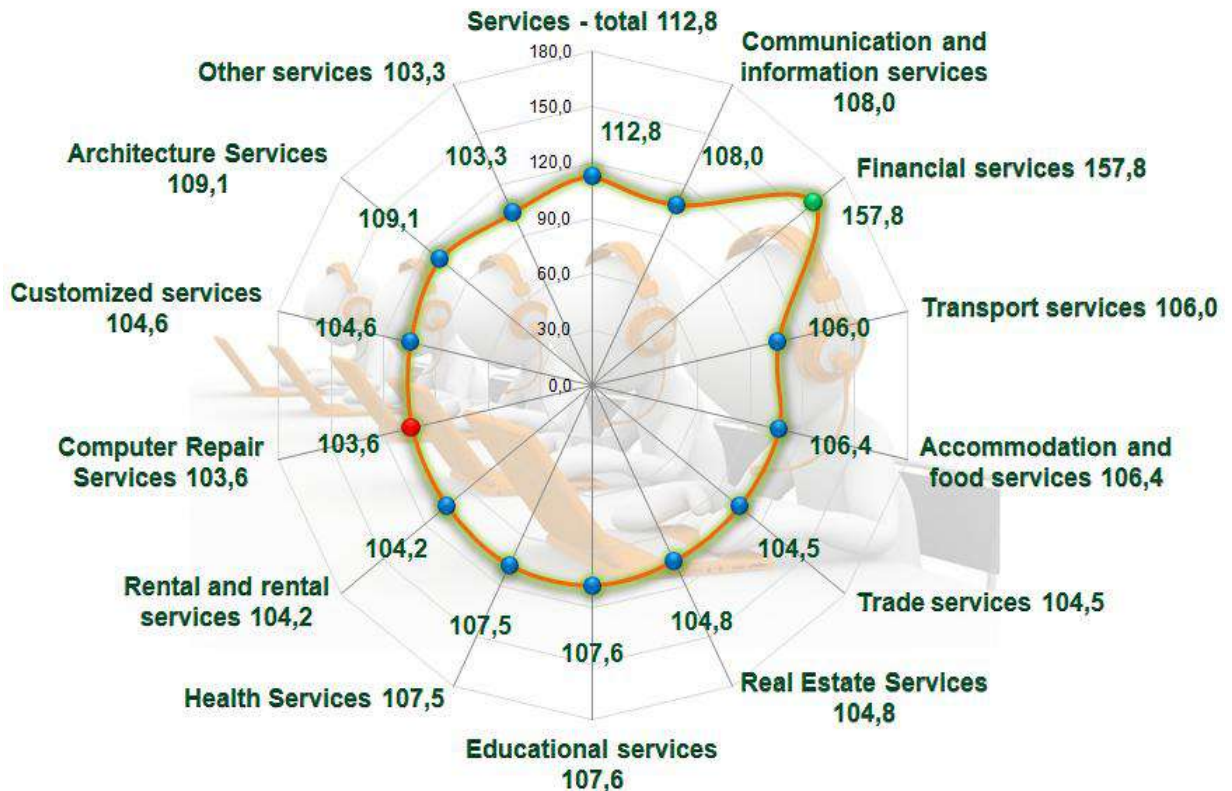


An increase in the volume of market services provided per capita was noted in Syrdarya (20.8%), Jizzakh (16.3%), Khorezm (12.7%) regions, the Republic of Karakalpakstan (14.8%) and Tashkent (13, eight %).

Low growth rates recorded in Tashkent (106.8%), Samarkand (107.7%), Surkhandarya (107.9%), Ferghana (109.2%) and Andijan (109.9%) regions.

The highest growth rates were recorded for financial services (157.8%), services in the field of architecture, engineering surveys, technical testing and analysis (109.1%), and communication services and informatization (108.0%), educational services (107.6%) and healthcare (107.5%).

The growth rate of market services provided by type of economic activity for January-July 2019,%

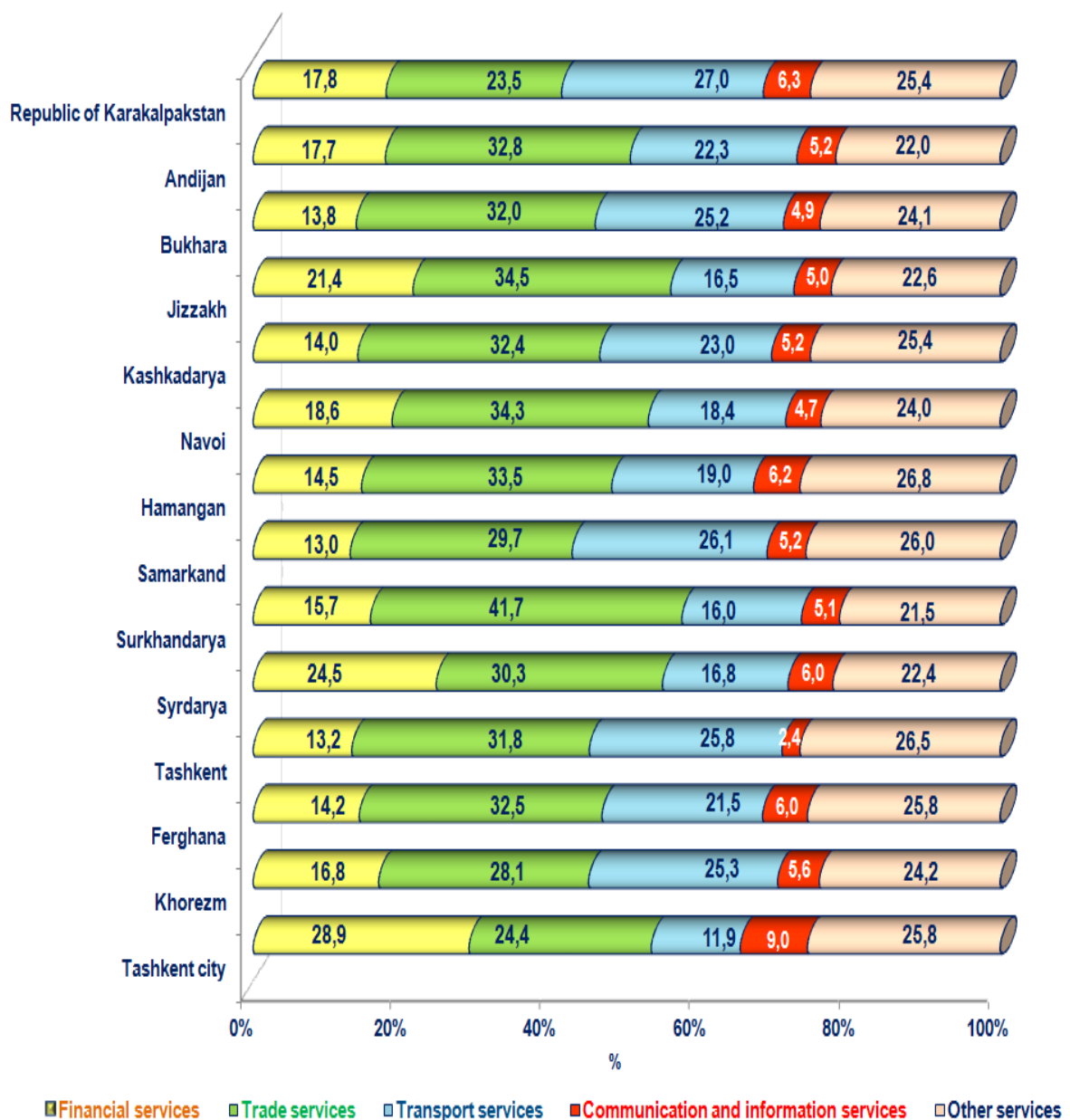


**Key indicators of production of services by type economic activity
for January-July 2019**

	Volume billion sums	The growth rate over the previous year, %
Services - total	100114,4	112,8
Including:		
Communication and information services	5714,1	108,0
Financial services	17930,2	157,8
Transport services	29161,3	106,0
Including motor vehicle services	13336,4	102,6
Accommodation and food services	2979,7	106,4
Trade services	25391,1	104,5
Real Estate Services	3099,7	104,8
Educational services	2989,4	107,6
Health Services	1507,6	107,5
Rental and rent services	2068,1	104,2
Repair services for computers and household goods	1648,3	103,6
Customized services	2440,5	104,6
Services in the field of architecture, engineering surveys, technical testing and analysis	1904,6	109,1
Other services	3279,8	103,3

The measures taken to balance stimulate domestic demand and fully support the development of domestic service providers have provided shifts in the structure of consumer demand for them. So, demand has increased for transport and mobile communication services, for organizing family events and leisure, Internet services, domestic, medical and educational services.

Comparison of the prevailing types of services in the general structure by region for January-July 2019,%



In almost all regions, there is a positive effect on the increase in the volume of market services, an increase in the share in the structure of the services rendered such as financial and transport services, trade and communication services, including informatization.

The share of transport services in the total volume of market services provided for the current period was the largest and amounted to 29.1%.

Structure of services by type of economic activity for January-July 2019,%



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

Along with this, the largest share was recorded in trade services (25.4%), financial services (17.9%), and communication services and informatization (5.7%) related to real estate (3.1%), in the field of education (3.0%), as well as accommodation and nutrition (3.0%).

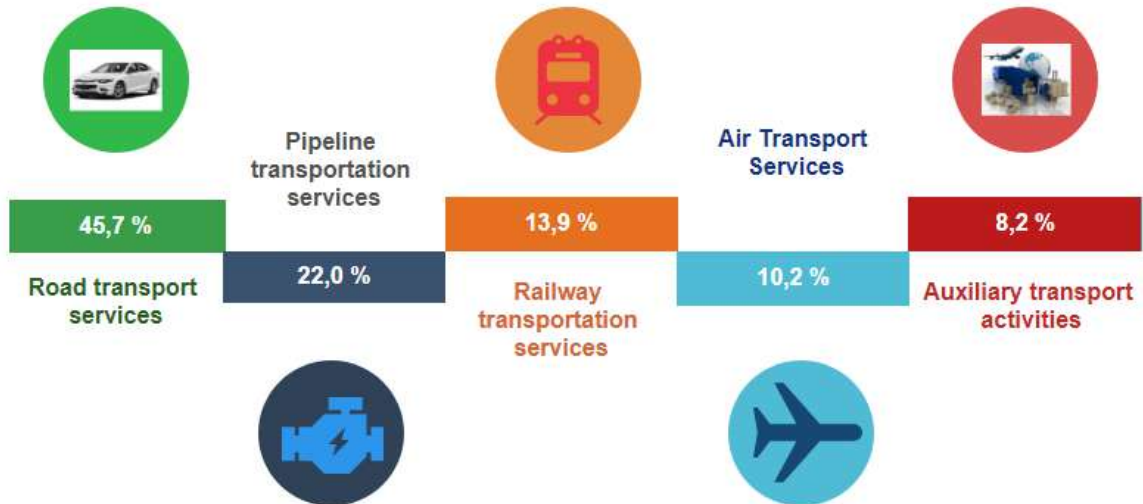
The Republic of Uzbekistan is located in the central part of Central Asia and is the only country that has common borders with all countries of the region: it borders with Kazakhstan in the north and northwest, with Turkmenistan in the southwest, Afghanistan in the south, and Tajikistan in the south east and Kyrgyzstan - in the east.

Due to such geopolitical factors, Uzbekistan occupies a key position in the Central Asian region. and plays an important role in regional processes. An important feature of the geographical location of Uzbekistan is the presence of a developed system of transport communications.

At present, our republic has great potential for the development of transport infrastructure and meeting the country's needs for the movement of both goods and passengers in all directions and all possible modes of transport.

Most of the transportation services account for services for the transport of goods and passengers by road. This type, in comparison with others, is one of the most popular, due to the maneuverability and relatively low cost of the services provided.

The structure of transport services by mode of transport for
January-July 2019,%



Of the total volume of transport services, the share of road transport is 45.7%.

The volume of transportation through pipelines in transport services took 22.0%. In turn, the services provided by rail in the total volume of transport services reached 13.9%.

The share of services for the transport of goods and passengers by air is fixed within 10.2%, and auxiliary transport activities - at the level of 8.2%.

For information: in accordance with the Decree of the President of the Republic of Uzbekistan of August 10, 2019 No. PP-4389 “On Additional Measures to Improve Tax Administration”, by the end of this year, an information platform “Monitoring of Freight Transportation” will be created on the basis of a single interactive information system UzTrans.

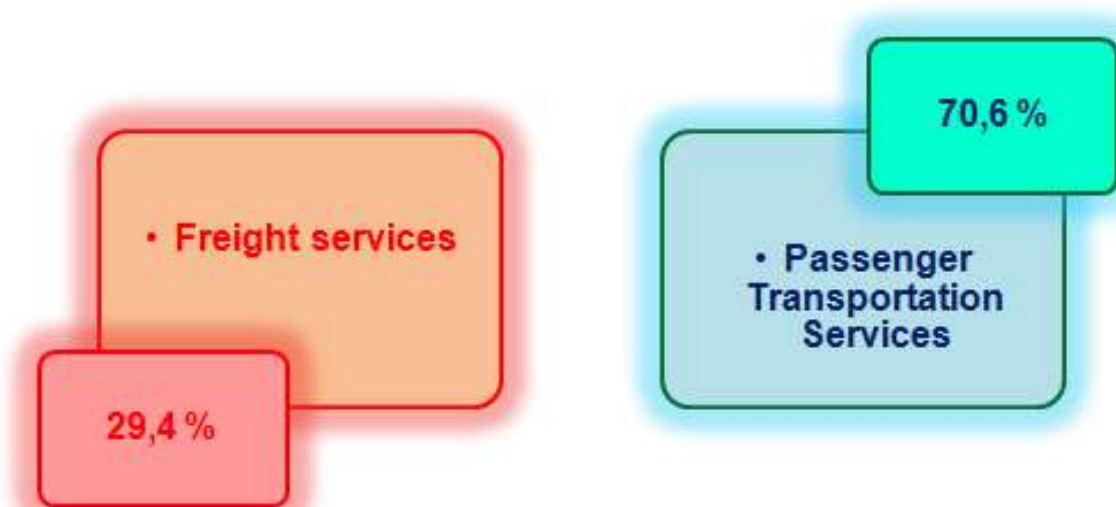
It will ensure the registration by carriers of the accompanying documents of goods, monitoring the movement of goods by consignors and its recipients in real time.

Based on this, from January 1, 2020, the procedure for compulsory registration of goods by carriers on the information platform of the accompanying documents of goods (<https://www.spot.uz>) is being introduced.

Carriage of passengers takes a significant part in the amount of market services provided by road. In January-July 2019, the share of passenger road transport services reached 70.6%.

The share of cargo transportation services in the total volume of marketed road transport services amounted to 29.4%.

The structure of services provided by road transport, by types of transportation for January-July 2019,%



The development of the service sector follows the path of economic decisions. So, in trade for a short time the number of small and the smallest forms of its small-scale organization - these are tents, benches, stalls, pavilions of light constructions and a fair type.

With the help of small traders, the problem of filling the consumer market was quickly solved, and the buyer, As a result of this, I got the opportunity to choose a product.

An important role in the economic life of each country is played by trade, which makes the connection between production and consumption, has a significant effect on volume and the structure of production of goods, as well as improving their assortment and improving quality.

In January-July 2019, the share of trade in the total volume of market services provided amounted to 25.4%, which corresponds to 25391.1 billion sums.

Retail trade accounts for almost three quarters of the total volume of trade services, more precisely - 66.5%.

In January-July 2019, the share of wholesale services (excluding trade in cars and motorcycles) reached 26.1%.

Wholesale and retail trade of motor vehicles and motorcycles, including repair services, in the total volume of trade services amounted to 7.4%.

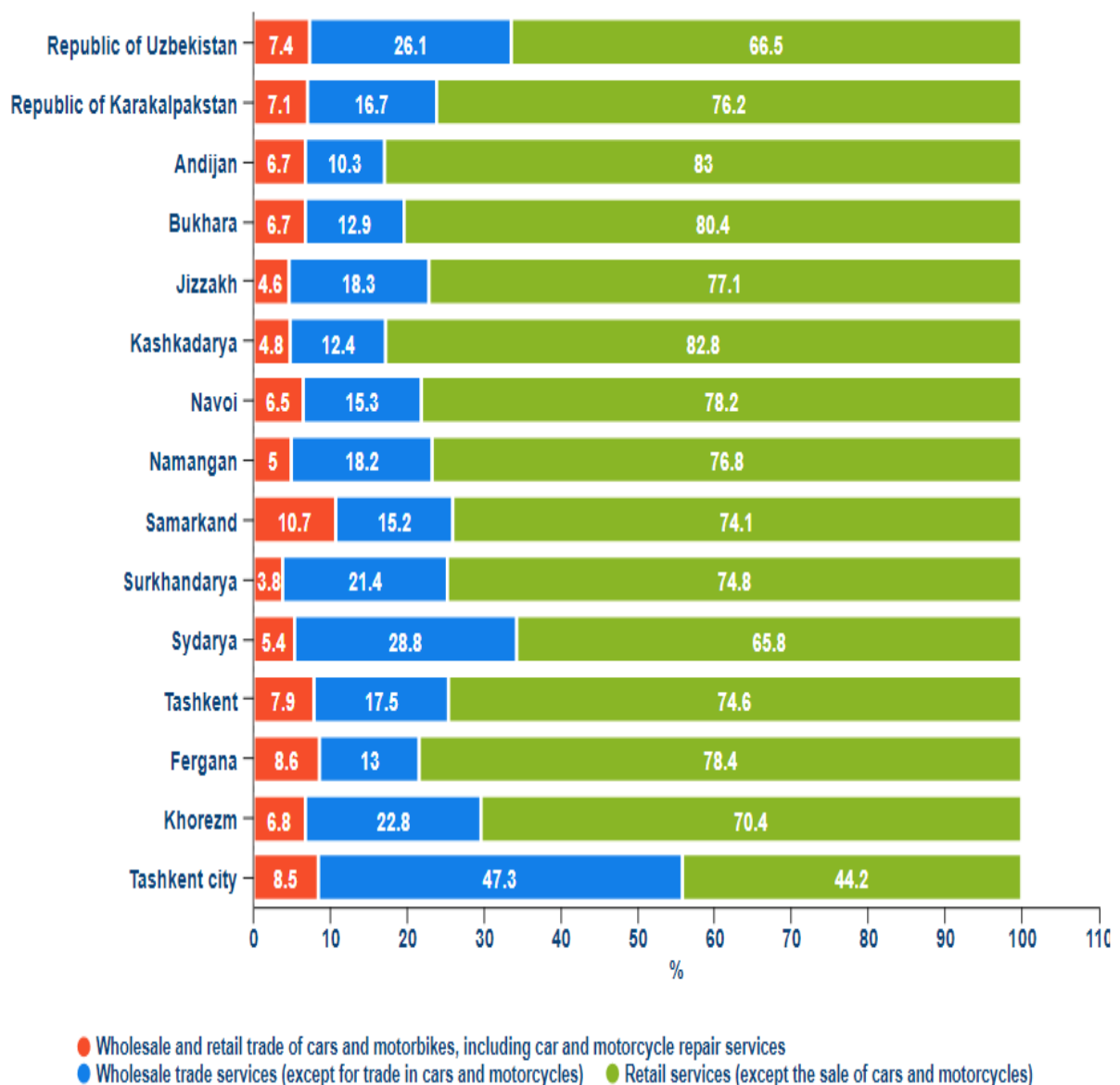
Trade Services Structure for January-July 2019,%



Compared with other regions, the largest share of retail services is observed in Kashkadarya (82.8%), Andijan (83.0%) and Bukhara (80.4%) regions.

This indicator in Tashkent city is insignificant. Here it amounted to only 44.2%.

Structure of trade services by region for January-July 2019,%



However, in Tashkent, the share of wholesale services (excluding trade in cars and motorcycles) is quite significant - 47.3%. In Andijan region it was the smallest - 10.3%.

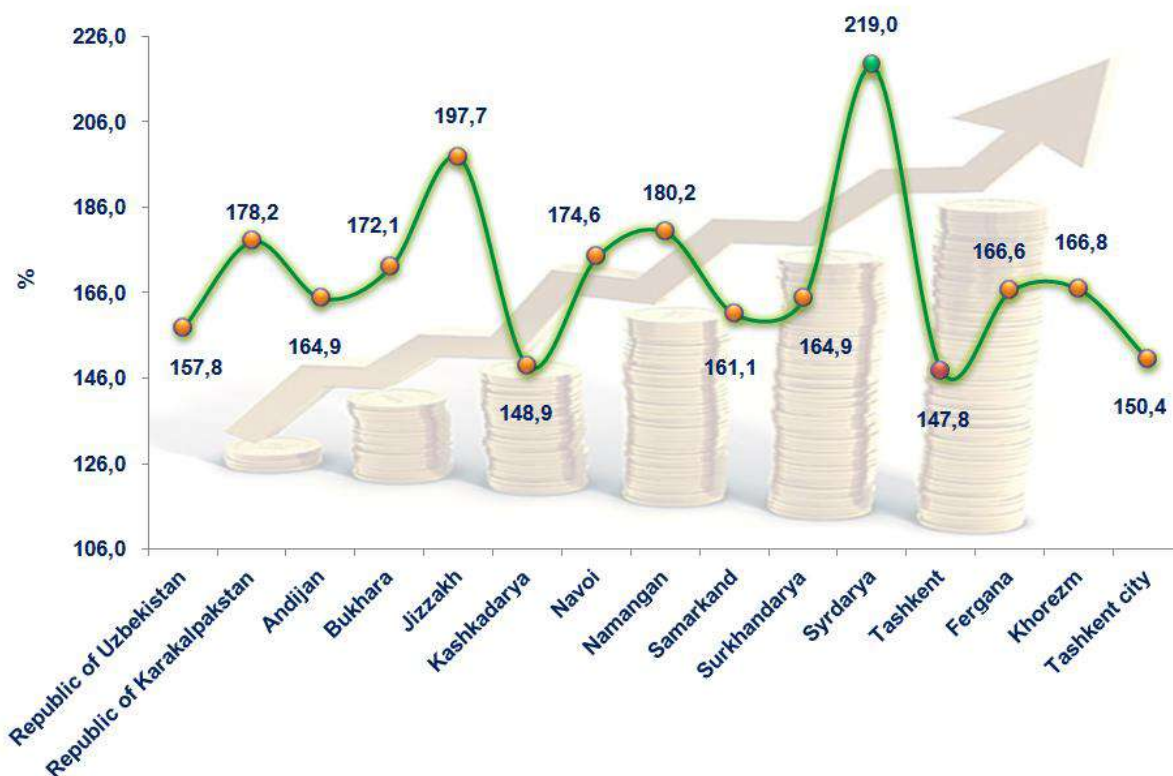
Relatively high proportion of wholesale services and retail automobiles and motorbikes, including car and motorcycle repair services, was noted in Samarkand (10.7%), Ferghana (8.6%), Tashkent (7.9%) regions, the city of Tashkent (8.5%) and the Republic of Karakalpakstan (7.1%).

The smallest specific weight for these services is fixed in Surkhandarya (3.8%), Jizzakh (4.6%), Kashkadarya (4.8%) and Namangan (5.0%) regions.

Currently, the leading positions are occupied not only by constantly updated traditional activities, such as, for example, trade and transport, but also by the fast-growing high-tech business and socio-cultural services.

In January-July 2019, the volume of financial services was equal to 17930.2 billion sums, compared with the same period last year, it increased by 6802.1 billion sums.

Financial Services Growth by regions for January-July 2019,%

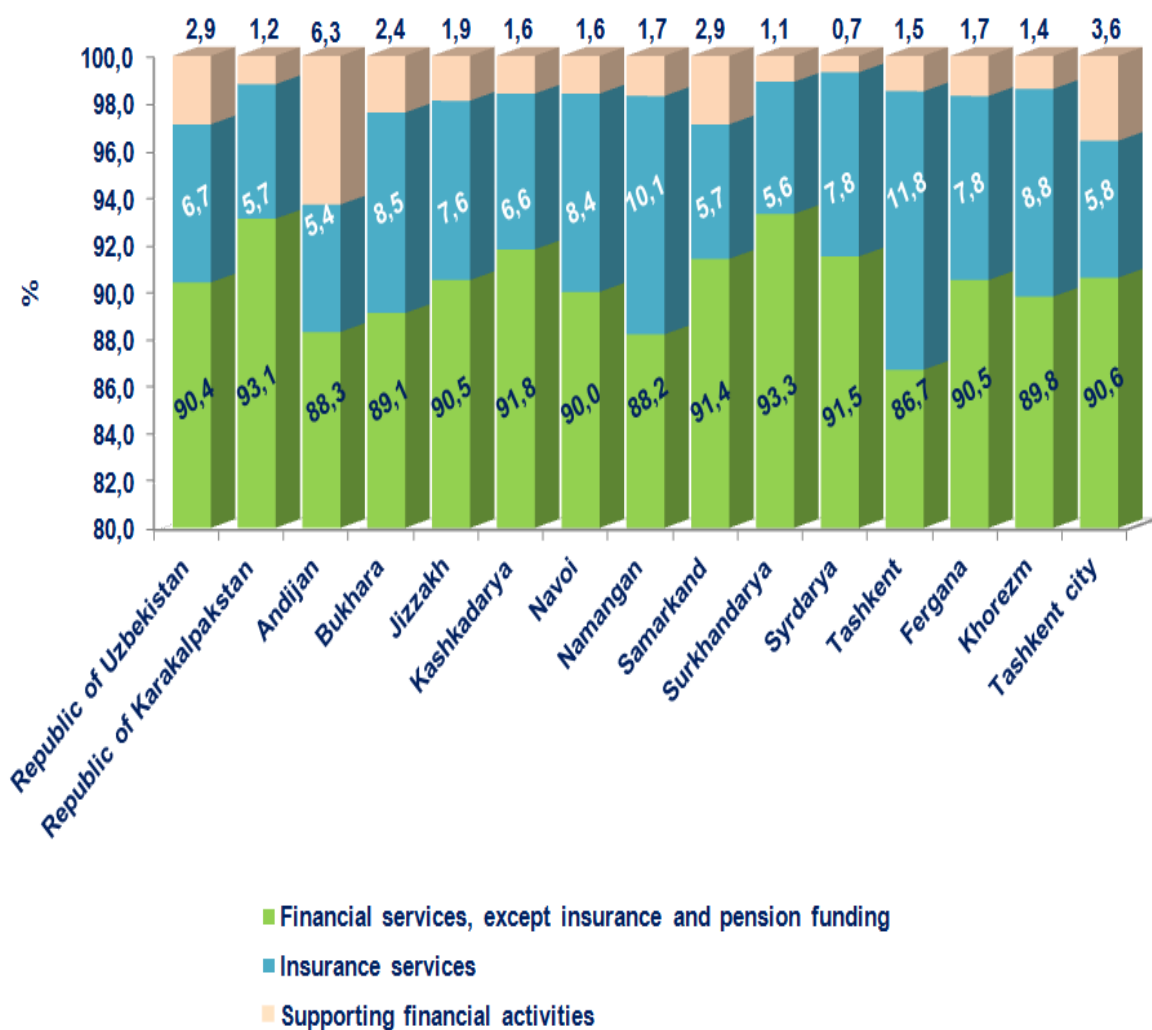


In relation to January-July 2018, the growth of financial services was observed in Syrdarya (2.2 times), Jizzakh (97.7%), Namangan (80.2%), Navoi (74.6%), Bukhara (72.1%) regions and the Republic of Karakalpakstan (78.2%).

Compared to other regions, growth rates in Tashkent (147.8%), Kashkadarya (148.9%) regions and Tashkent city (150.4%) for the same period were insignificant.

Share of financial services, except insurance services and pension provision, occupies 90.4% of the total volume of financial services.

**Structure of financial services by region
for January-July 2019, %**



The proportion of these services was significant in Surkhandarya (93.3%), Kashkadarya (91.8%), Syrdarya (91.5%), Samarkand (91.4%), Jizzakh (90.5%), Ferghana (90.5%) regions and the Republic of Karakalpakstan (93.1%). The lowest rate was recorded in the Tashkent region (86.7%).

Among regions in the structure of financial services, the volume of insurance services prevails in Tashkent (11.8%) and Namangan (10.1%) regions.

The lowest rate for insurance services is noted in Andijan (5.4%), Surkhandarya (5.6%), Samarkand (5.7%) regions, the Republic of Karakalpakstan (5.7%) and Tashkent (5.8%).

***For information:** in the credit rating of the international rating agencies Standard & Poor's, Fitch Ratings, Moody's Investors, the position of Uzbekistan in foreign and national currencies is at the level of "BB-" and "B1". This means that the rating outlook is stable and, according to experts of these agencies, the republic will continue to maintain a balance of risks in the near and medium term (<https://ru.tradingeconomics.com>).*

In addition, in recent years there has been an intense saturation of the market with modern information technology and communications.

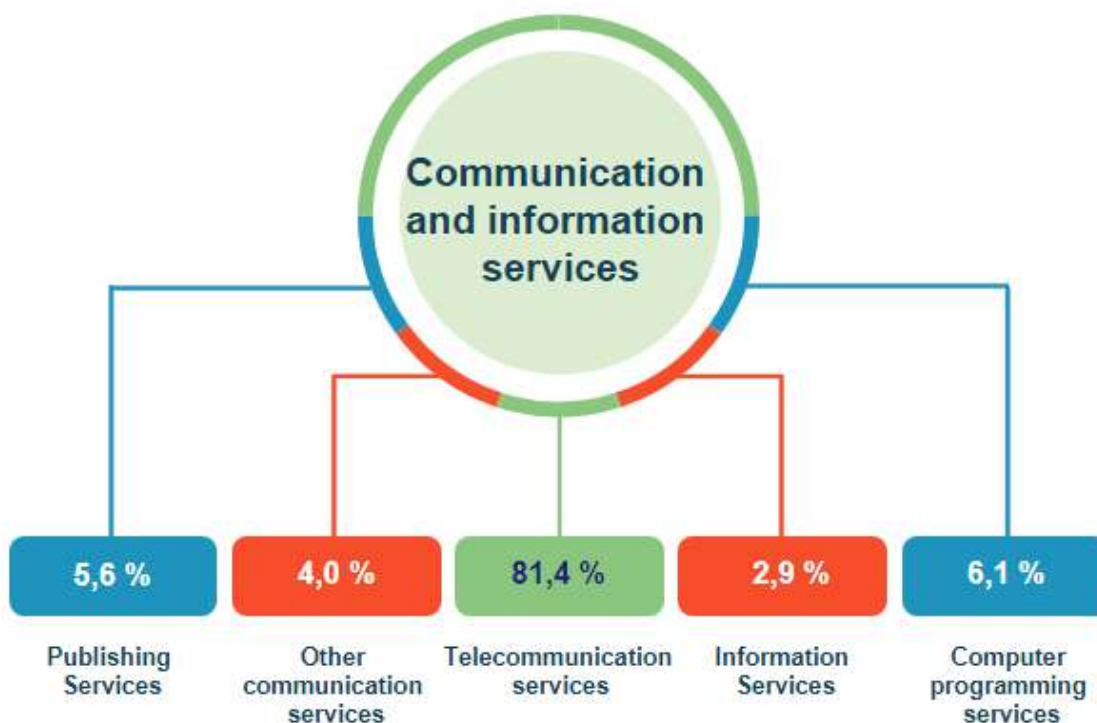
The use of high-tech innovative developments in the field of information and communication technologies helps to increase management efficiency and technological processes in enterprises, the creation of new and the expansion of existing markets for goods and services in various sectors of the economy, which, ultimately, leads to an improvement in the quality of life of the population.

In January-July 2019, the volume of communication services and informatization was equal to 5714.1 billion sums.

Compared to the same period last year, the growth of this type of service reached 8.0%. The share in the total volume of market services provided amounted to 5.7%.

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 81.4%.

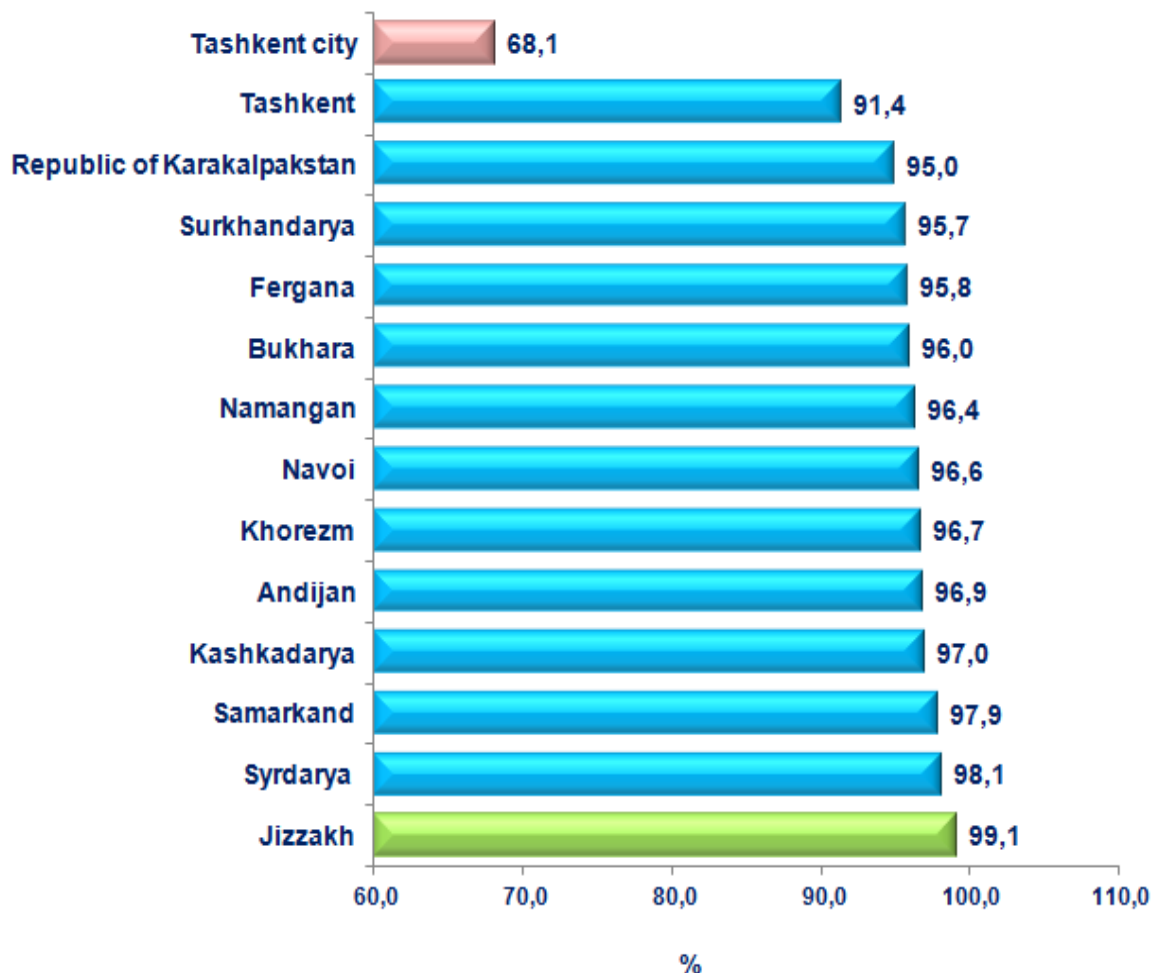
The structure of communication and information services for January-July 2019,%



Over the current period, it was noted that publishing services accounted for 5.6%, for computer programming, consulting and other related services - 6.1%, services in the field of information - 2.9%, other services - 4.0% of the total volume of communication and information services.

The highest indicators for the provision of telecommunication services were noted in Jizzakh (99.1%), Syrdarya (98.1%), Samarkand (97.9%) and Kashkadarya (97.0%) regions.

The proportion of telecommunications services in the total volume of communication and information services by region for January-July 2019,%



The city of Tashkent is a region with a fairly developed information and communication infrastructure.

Due to the fact that when comparing with other regions, the highest indicators of computer programming services, consulting and other related services (10.8%), publishing (8.8%), and programming and broadcasting (6.0%), information services (5.1%), film, video and television program production services, sound recording and music production services (1.2%), telecommunication services in the structure of communication and information services occupied a low proportion in Tashkent, which accounted for 68.1%.

As practice shows, the most important condition for building an economy of knowledge and services is a developed training system and retraining. In the course of the ongoing reforms, the country needs high-level specialists in various core areas. Highly qualified personnel will be able to become the driving force of an innovative economy.



In January-July 2019, the volume of educational services reached 2989.4 billion soums. Compared to last year, the growth was 7.6%.

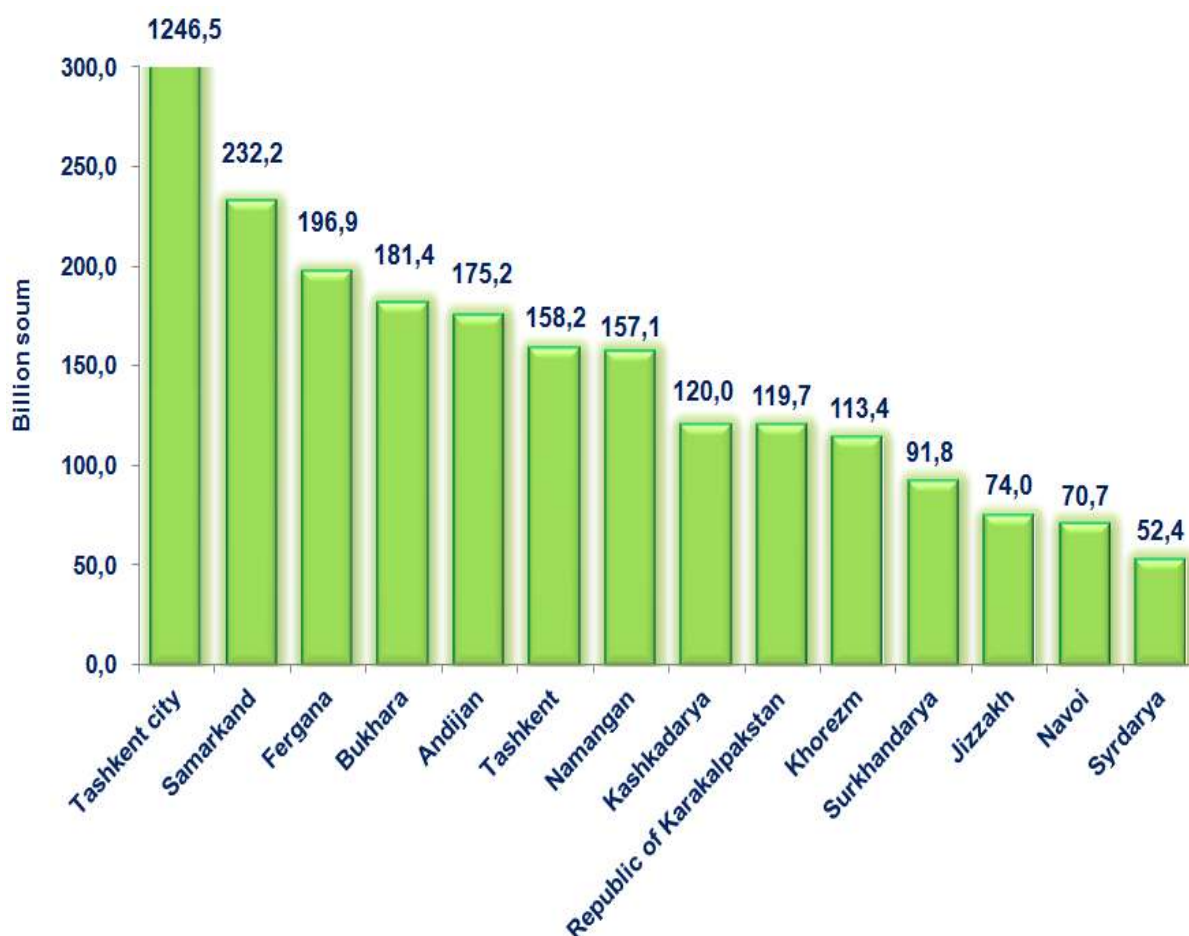
One of the priority areas of the Action Strategy for 2017-2021 is the development of education and science, which is as follows:

continuing the course of further improving the system of continuing education, increasing the availability of high-quality educational services, training highly qualified personnel in accordance with the modern needs of the labor market;

improving the quality and effectiveness of higher educational institutions through the introduction of international standards of education and assessing the quality of teaching, a phased increase in the quota of admission to higher educational institutions;

stimulation of research and innovation, creation of effective mechanisms for introducing scientific and innovative achievements into practice, education at higher educational institutions and research institutes of scientific and experimental specialized laboratories, high technology centers and technology parks.

Volume of market services provided in the field of education by regions for January-July 2019, billion sums



The largest volume of market services in the field of education was recorded in Tashkent. In January-July 2019, it reached 1246.5 billion sums.

This is due to the fact that the largest part of higher education institutions, as well as branches of foreign higher education institutions providing services, are concentrated here on a paid contract basis.

High growth rates in educational services were recorded in the Khorezm region - 128.5%.

The growth rate of market services provided in the field of education by region for January-July 2019, %

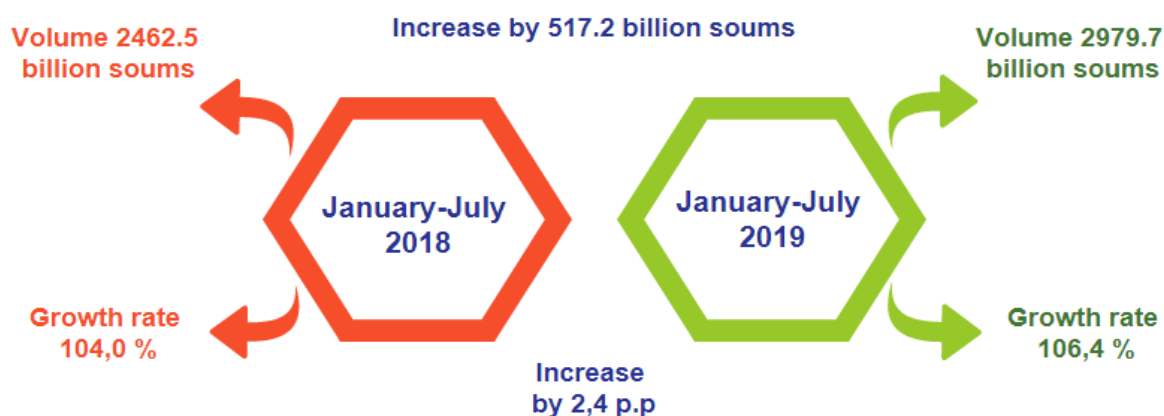


In addition, the highest growth rates in educational services were recorded in Bukhara (118.4%), Jizzakh (117.5%), Syrdarya (110.2%) and the Republic of Karakalpakstan (118.1%).

The lowest growth rates for January-July 2019 were recorded in the Surkhandarya region - 93.3%.

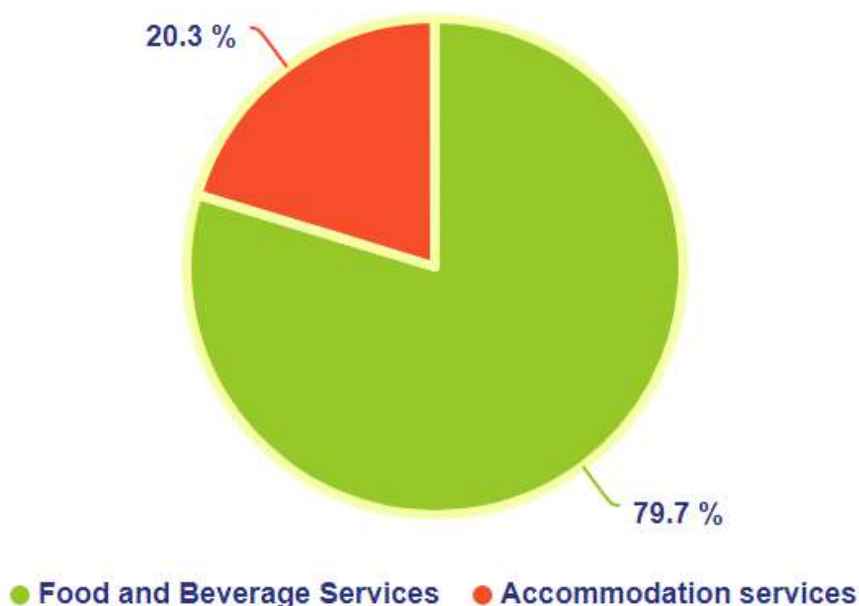
Compared with January-July 2018, the growth rate of accommodation and food services amounted to 106.4%, and the volume increased by 517.2 billion sums and reached 2979.7 billion sums.

Accommodation and food services



In the volume of accommodation and catering services, services for the provision of food and drinks prevail - 79.7%.

The structure of accommodation and food services for January-July 2019,%



Living services, compared with the previous period (January-June) of the current year, increased by 118.2 billion sums, they account for 20.3%. The growth of this type of service was promoted by the demand of the population for the services of holiday homes, children's camps, cottages and other places of recreation.

Tashkent recorded the largest volume of services in terms of living and food - 1332.7 billion sums, compared from January-July 2018, there is an increase by 243.4 billion sums

The growth in this region was influenced by food and beverage services, their volume increased by 179.2 billion sums compared to last year.

Volumes and growth rates of accommodation and food services by regions for January-July 2019



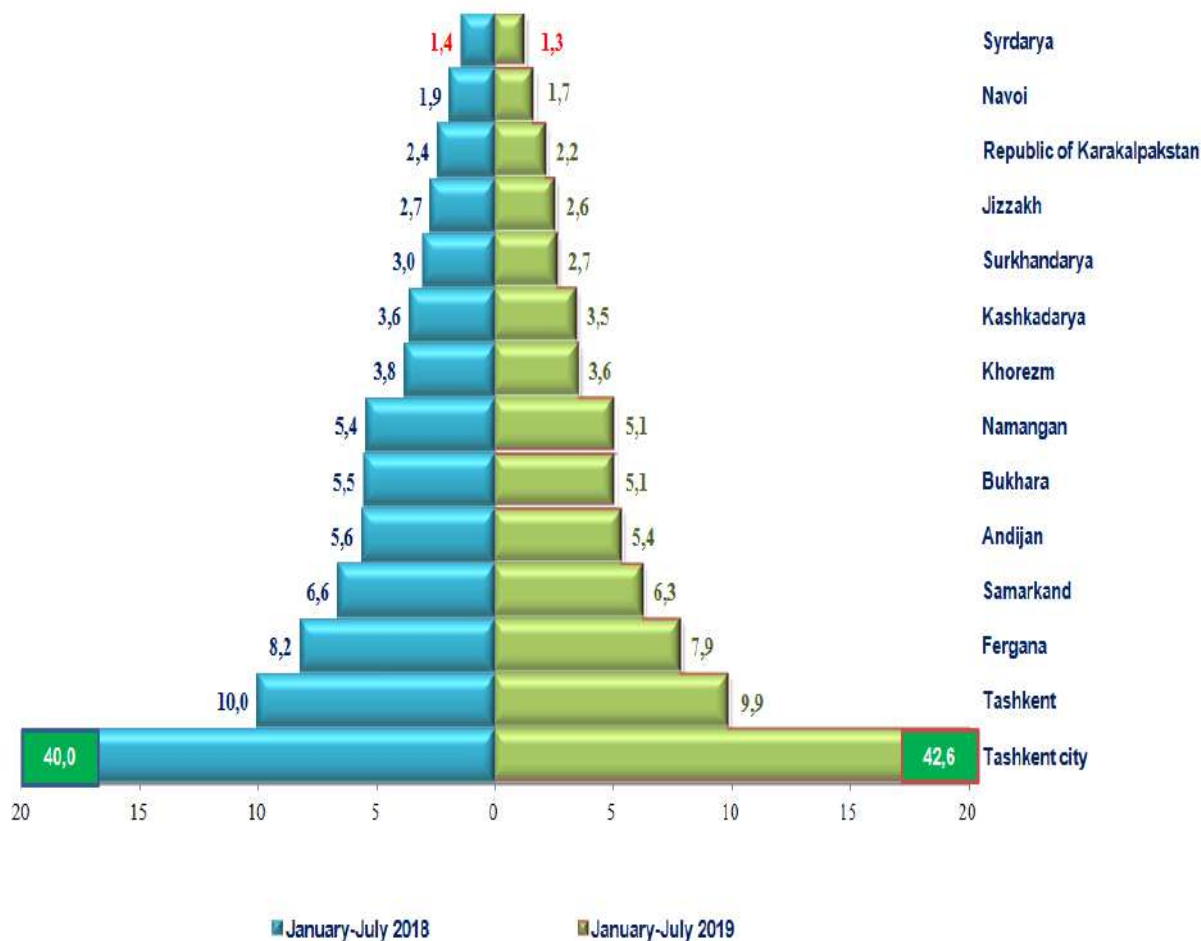
The smallest amount of accommodation and meals in the Syrdarya region, equal to 31.2 billion sums, it increased only by 4.8 billion sums.

The largest growth in accommodation and food services was recorded in the Khorezm region (13.2%). In addition, there was an increase in services in Jizzakh (11.5%) and Surkhandarya (10.0%) regions.

In the Ferghana region, growth rates were insignificant, which amounted to 101.3%.

In January-July 2019, the volume of health services reached 1507.6 billion sums. Compared with the same period last year, the growth rate was 107.5%.

Comparison of the proportion of regions in the total volume of services in the health sector by region, %



As part of the implementation of measures to reform the health care system, primarily primary care, the ambulance and emergency medical care aimed at improving the accessibility and quality of medical and socio-medical services to the population, expanding people's access to quality medical services, providing them with specialized and high-tech medical care, in the republic, when forming a modern system of medical care, the population managed to achieve positive results.

Among the regions in the field of health services, the leading place is occupied by Tashkent. Here compared with the same period last year, in the current period the volume increased by 162.9 billion sums. Its share in the total volume of provided market services in the healthcare sector amounted to 42.6%.

Along with this, a relatively high proportion was recorded in Tashkent (9.9%), Ferghana (7.9%) and Samarkand (6.3%) regions.

The share of services from the total volume of market services provided for health services in Syrdarya (1.3%) and Navoi (1.7%) regions, as well as in the Republic of Karakalpakstan (2.2%) in the current period was insignificant.

The level of development of the service sector is an indicator of ensuring a decent quality of life for the population.

As the formation of a post-industrial information society in our country, the role of the service sector will increase steadily, as the needs of the population are constantly growing, and their diversity is expanding.

Department of Service Statistics
71-230-80-59