



Analysis of the Public Procurement System in the Republic of Uzbekistan Problems and Current State

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ABSTRACT

This article develops the theoretical and legal foundations of public procurement, research by foreign and domestic scientists, as well as scientific conclusions and recommendations for a more effective organization of the public procurement system in our country.

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INTRODUCTION. State procurement has a special role and an important component of state budget. As we know, it is necessary for the state to make a number of expenses in the process of performing its functions. These costs will consist, first of all, of specific goals aimed at investing in various sectors for the development of the country's economy, carrying out social tasks in order to raise the standard of living of the population, and carefully planned costs, such as managing the state, improving the ability

to defend. As a component of the changes being made to reform the management of public finance, a fundamental reform of the organization of public procurement, the formation of a legal framework that regulates it, is an important means of increasing the efficiency of the use of Public Expenditure.

The effectiveness of the procurement mechanism for the needs of the state largely depends on the level of qualifications, professional training and the validity of the actions of civil servants making decisions on public procurement. In many states, the training and professional development of employees engaged in state procurement is an urgent task directly assigned to the government. The government of the Republic of Uzbekistan pays great attention to the elimination of problems in the above directions and actively works on improving the mechanisms of the state procurement process and its legal framework, with the participation of other entities involved in the implementation of State Procurement. In particular, the demand for a systematic approach to the management of the state procurement system and strategies for using public procurement as an influencing mechanism for certain sectors of the economy are being formulated.

State procurement has a direct impact on the formation of gross domestic product. It should be noted that it is important to analyze the system of Public Procurement, which constitutes a significant share of the gross value in the country, to study its theoretical foundations.

The use of elements in the well to improve the management system of public procurement is an effective direction:

use of advanced foreign experience in public procurement management;

coordination of state procurement policies with the goals of the state's economic policy;

implementation of monitoring and assessment of the implemented policies in the field of State Procurement.

LITERATURE REVIEW. In the field of public procurement, the scientific works of Uzbek economists T.S. Malikov, D.H. Pulatov, U.A. Burkhanov, B.I. Nurmukhamedova, Z.H. Sirozhiddinova, A.K. Ibragimov, N.H. Khaidarov, S.U. Umurzakov are devoted to issues of public finance management and budget control, as well as improvement of public corporate procurement.

DISCUSSION. After the independence of the Republic of Uzbekistan, changes in all sectors of the economy are developing rapidly. In particular, in the field of State procurement, great attention was paid to providing budget organizations and enterprises and organizations receiving funds from the budget with affordable and high-quality commodity material values. Taking into account the fact that the first law regulating the system of public procurement among the countries of the world was adopted in the United States in 1792, it can be concluded that the greatest experience in providing information for purchases in this country is concentrated. Uzbekistan has also adopted a number of regulatory legal acts and laws regulating the sphere of State harids and has been gradually improved.

The law of the Republic of Uzbekistan “About public procurement” 684 dated April 22, 2021, was adopted in a new edition and created regulatory framework governing certain aspects of Public Procurement. It became possible for the subjects of Public Procurement and the public to get acquainted freely. An electronic portal system has been simplified, which provides the possibility of controlling purchases, where plans and announcements of public purchases are placed, and information about the results of the purchases made is posted.

Below is the result achieved on the development of the public procurement sector:

- state procurement processes digitized;
- in the implementation of purchases, the opportunity was created to expand the competitive environment;
- the transparency of Public Procurement Information has been ensured for all;
- additional opportunities were created aimed at entrepreneurial subjects, including the employment of persons with disabilities.

Despite the rapid reforms carried out, there are also a number of problems in the implementation of procurement. According to the report of the Accounts Chamber, more than 30 instructions were issued to the relevant ministries and departments to eliminate them, finding that in 763 cases there was a conflict of interest of 971.1 billion sums and a number of violations. A total of 677.6 billion sums of errors and shortcomings on the legality of Public Procurement on the effective and targeted use of the allocated funds, the quality of the completed construction and repair work, and 3.5 trillion sums of violations of the law in tender sales were allowed.¹

According to the Anti-Corruption Agency, 1,676 criminal cases involving corruption cases against 2,544 officials were investigated and sent to the courts during the 6 months of 2021. 592.5 billion sum of material damage was found in corruption criminal cases at the conclusion of the trial, of which 170.8 billion sum was charged, 421.7 billion sum was set to be levied by the Bureau of compulsory enforcement.² During the independent research carried out, the following contradictions were identified in the process of financial transactions of budgetary organizations:

First of all, in Article 62 of the law of the Republic of Uzbekistan “About public procurement” dated April 22, 2021, it is established that the signed declaration on the winning enterprises (organizations) determined by selecting the best offers should stand in discussion for 2 (two) working days on a special information portal. Based on the relevant articles of the current budget code, it is established that contracts signed between organizations are registered from the treasury authorities. The deadline for registration of these contracts is set at 25 December. The allocation of funds at the end of the fiscal year in budgetary organizations in turn causes these allocated funds to remain unused and the Ministry of Economy and finance to return to the single treasury balance sheet.

Secondly, Article 71 of the law of the Republic of Uzbekistan “About public procurement” 684 of April 22, 2021 noted that budgetary organizations must place payments on special information portal within 3 (three) working days before making payments on contracts signed directly by them. Budget organizations sign contracts for utilities at the beginning of the financial year, but the approval of the cost estimate and the focus on execution will flow until the 10-15 date of January. The delay in the approval of the cost estimate necessary for the implementation of payments by budget organizations is causing turbulence in the implementation of payments for utility bills at the beginning of each month.

¹ O‘zbekiston Respublikasi Oliy Majlisi Senatining “O‘zbekiston Respublikasi Hisob Palatasining 2021-yildagi faoliyati to‘g‘risidagi hisoboti haqida” qarori. <https://lex.uz/uz/docs/-6000473>

² Burhonov A. Qonunchilik palatasi majlisida korrupsiyaga qarshi kurashish agentligi direktorining “O‘zbekiston milliy manfaatlariga va xalqaro imijiga zarar yetkazuvchi jinoyatlarni tergov qilish natijalarini kompleks tahlil etish to‘g‘risida”gi axboroti 2021-yil 24-sentyabr. <https://kun.uz/uz/news/2021/09/25/2020-yil>

Thirdly, in the National store of public procurement in budgetary organizations and auction procurement rounds held to reduce the price, after the expiration of the contract supply of goods, if the product has not been delivered, it will be necessary to return the funds to the personal treasury balance sheet of the budgetary organization. If the return of these funds is not ensured, it will cause receivables and creditworthiness debits to occur in budgetary organizations and keep budget funds in stock accounts.

RESULTS. As a result of the conducted research, the main criteria for evaluating the effectiveness of public procurement can be called the achievement by government customers of their goals within the framework of the national public procurement system and a high level of competition, fraud and corruption in organized auctions, etc. These criteria, in turn, represent a continuous process of studying trends in public procurement and the market and allow us to form an information base for calculating performance indicators. The study and implementation of advanced foreign experience in reforming the public procurement system is one of the main factors in the recovery of the republic's economy and ensuring the well-being of the people. Public procurement should serve innovative development, which, in turn, plays an important role in solving social problems and improving the efficiency of public services.

RECOMMENDATIONS AND CONCLUSION .

Based on the above points and considerations, we offer the following in improving the system of public procurement in our Republic and forming a competitive sphere:

1. Wide introduction of information and communication technologies at all stages of the process of Public Procurement at budgetary enterprises;
2. Electronic monitoring system for the fulfillment of obligations under concluded contracts;
3. Improving regulatory documents regulating the process of Public Procurement;
4. Creating favorable conditions for improving the skills of personnel working in the field of Public Procurement.

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