

Legal Basis of Organization of Provision of Consulting Services in the Republic of Uzbekistan

Kholbutaeva Shakhnoza Abduvalievna^{1*}

¹ Senior teacher, Department of Economics, Tashkent State Transport University
Tashkent, Uzbekistan

*Email: abdurazakova_shakhnoza@mail.ru

Abstract

Today, all spheres of service delivery in many countries of the world are developing at an accelerated pace. And Consulting is manifested in this direction as a separate sector of the economy. During the scientific research were used dialectical research, scientific abstraction, induction and deduction and other methods. The practical significance of the results of the research is explained by the fact that the developed proposals and recommendations can be used in the development of a set of measures in the software documentation, which will be developed for the more effective development of the activities of consulting services in the Republic. To expand and improve the consulting activity in the Republic of Uzbekistan, to regulate consulting services and to regulate the legal aspects of the circumstances that arise in the process of carrying out its activities, it is necessary to develop the law "on the network of consulting activities".

Keywords: consulting, consulting activities, regulatory documents, efficiency, cost reduction.

1. Introduction

Today, all spheres of service delivery in many countries of the world are developing at an accelerated pace. And Consulting is manifested in this direction as a separate sector of the economy. In the formation of the sphere, the specialization of management work, which reflects the continuity of economic relations, contracts and financial laws, the emergence of new business technologies, the deepening of the segmentation of resource bases, etc., is considered to be the object of consulting services. For example, between 2012 and 2018, profits from consulting services in the UK increased from € 7.4 billion to € 11.33 billion, while in France the same period increased from € 4.9 billion to € 7.3 billion. It can be seen that in 2018, 63,000 specialists were employed in this field and in 2012, 42,000.

Particular attention is paid to such research as improving the economic impact of the development of different areas of consulting services in the world, including increasing the competitiveness of this service, finding a composition of organizational and legal forms, regulation of tasks and obligations between economic entities or economy ("consultant-client") relations, increasing the socio-economic efficiency of services. From the point of view of the development of the sphere of consulting services, the research of methodological and methodological and practical aspects of this issue is distinguished by its relevance today.

In Uzbekistan, today more than 100 consulting firms in different directions offer their services. However, the quality, price, status and legal basis of services provided by them are not defined. Therefore, in the conditions of modernization of the economy, it is important to expand and improve consulting services. In particular, in 2017-2021 in the strategy of actions on five priority areas of development of the Republic of Uzbekistan

were defined such important vases as" rapid development of the service sector, increasing the role and share of services in the formation of gross domestic product, radical change in the structure of the services rendered, first of all, on account of their modern To ensure the implementation of this task, to expand the areas of consulting services: effective organization of management, legal, accounting and audit, innovation, investment, venture, improvement of IT consulting and the development of proposals and recommendations for increasing socio-economic efficiency are necessary.

2. Materials and methods

To date, there are no legalized conditions for the regulation of relations between legal entities, consumers and the performers of consulting services in the Republic of Uzbekistan. In addition, consulting services are not regulated by such norms as quality and standards of services, price setting, even for organizations that protect the interests of consumers (individuals, legal entities and the state) and offer consulting services. It is for this reason that the law and the law lead to the improvement and renewal of the underground normative legal acts.

When analyzing the legal regulation of consulting services in different countries, it is based on individual models of the economic, social, legal situation in the state and the participation of specialists in the provision of these services, in the regulation of consulting services in each state and in the development of a regulatory framework. Currently, there are some areas of consulting services in Uzbekistan, in particular: audit, tax, valuation, financial management, legal and general consulting services, etc., normative legal acts. However, today there is no rational and effective legislative system that allows the popular areas of consulting services: strategic, technical-economic evaluation, IT consulting, marketing consulting, engineering consulting, innovation consulting, management consulting to the camuai economic and geopolitical system, in particular, the use of a certain standard, legal and regulatory means.

Taking into account the growing processes of integration of globalisation and economic systems into the world community, Uzbekistan must develop its practice in the field of consulting, in the regulation of rights, obligations and obligations, as well as in the definition of the norm. To do this, use the existing foreign experience in this field and exchange experience between organizations and state structures; within the framework of broad international cooperation, it is necessary to develop systematized legislation, taking into account the entire process of providing consulting services in the country, taking into account the peculiarities of international consulting companies.

In the legislation provided for in the creation, a significant increase in the transparency of decision-making procedures should also be taken into account, taking into account the technical compatibility of the legislation with international standards, taking into account the necessary conditions for the Prevention of conflict situations related to the application of standardization measures for services. In addition, in Uzbekistan and other countries offering these services, it is necessary to consider various reasons for the provision of equal conditions for the application of administrative regulatory measures, artificially reducing the competitiveness of consulting services in Uzbekistan, and measures to eliminate unreasonable restrictions.

It is worth noting that the improvement of the law-promotion functions of the state should take into account the fundamental changes taking place in the world economy on a global scale, as well as in accordance with the internal dynamics of

the country's development. It is important to use such a tool as strengthening legislative norms that regulate certain relations in a single normative act.

Although today in the Republic of Uzbekistan normative legal acts are formed to regulate the services of consulting (audit, evaluation, technical-economic justification, etc.), it is necessary to develop the legislation "on consulting activity" by the state in the legal regulation of the circumstances that arise in the process of carrying out consulting activities.

In total, 547 documents participated in the consulting questions in the law, decree, decision and similar documents (in Russian and Uzbek languages, some of them lost their power), which existed in the Republic of Uzbekistan from 1992 to 2019. For example, in 2019 a total of 35 documents, including 32 decisions and 3 decrees, in 2018 a total of 46 documents, 1 sentence of the law, 39 decisions and 6 orders, in 2017 a total of 22 documents, including 19 decisions, 1 decree and 2 decrees were issued. The law, which was adopted in 1991-2019 years (25 years) and now has not lost its power, and in one of the 235 documents under the law, did not touch on "consulting" and "consulting activity".

If we analyze the above-mentioned normative-legal acts during the period of analysis (2014-2019 years), we can meet that in the provision of consulting services, issues such as attracting not only domestic but also foreign consulting companies, providing consulting organizations as a financial source, as costs and in general, as consulting services are described.

"2017 - Decree of the president of the Republic of Uzbekistan on measures to ensure more effective organization of the process of acquisition of rights over land parcels and other immovable property as part of the South Caucasus pipeline expansion project more..., In the normative-legal acts "On measures to organize the activities of the Public Services Agency under the Ministry of Justice of the Republic of Uzbekistan" No. 70, adopted by the Cabinet of Ministers in 2018 on 31 January, have been mentioned as the funds from the provision of consulting services to the provision of paid services.

While analyzing several normative-legal acts mentioned above, we can say that in one of them, the definition of "consulting", "consulting activity" is not given; in almost all normative-legal acts, the consulting activity is cited as part of the audit activity: number 1017, adopted on March 10, 2001, and the Ministry of Finance of the Republic of Uzbekistan, which has not §3 of the command. List of Professional services D) in a paragraph:

- Consulting service on accounting, taxation, planning, management and other issues of financial and economic activity;
- Preparation of technical and economic regulations (TIA), development and evaluation of investment projects and business plans;
- Tips on accounting and taxation issues;
- Financial management tips;
- Conduct marketing research;
- Analysis of the procedures and methods of economic activities for the purpose of assessing productivity and efficiency;
- Other consulting services in the field of financial and economic activity;

However, based on international experience, all of these services are included in the scope of consulting services. Currently, the presence of a large number of

redundant functions in executive bodies and ineffective mechanisms for their implementation seriously hinders the rapid development of entrepreneurship and reduces business confidence in the government. The solution to this problem includes limiting state interference in the economic activities of economic entities, including the termination of excessive state regulation by optimizing the functions of the executive branch and the formation of effective mechanisms for combating corruption.

It is required to enlighten the concept of "consulting service", taking into account the peculiarities of providing consulting services in various spheres of society. When establishing the role and moral norms of social regulators of legal relations in the provision of consulting services, it is necessary to take into account the formation of the "professional Code" of consulting firms necessary for the control of the activities of consultants and their relations with clients, as well as the quality of consulting services. It is necessary to determine the necessary functions of the executive organs and, in addition, to develop a procedure for the elimination of excessive functions. Such work should be carried out among the executive bodies of the constituent entities of the Republic of Uzbekistan. In addition, the optimal composition of the functions of executive authorities should be constantly monitored. In carrying out administrative reforms, it is necessary to develop and adopt appropriate regulatory documents that abolish functions recognized as excessive by the government commission.

The abolition of functions that do not have sufficient legal grounds and which are subject to the implementation of their constitutional rights by citizens or impose additional obligations on entrepreneurs must be legally strengthened. This will reduce the inefficient interference of the state in the economy and life of society, reduce the costs of the state in overcoming administrative obstacles, in the implementation of the constitutional rights of citizens, as well as in the direction of the activities of state bodies to solve the tasks necessary for society and the state. To carry out these tasks, the completion of complex and large-scale functions, in which many civil servants are involved, must be carried out in stages. In addition to the abolition of superfluous functions, there must be a process of introducing new functions that will help to effectively solve social problems, as well as the process of modernization and improvement of the functions of the state, which is important, which will also require a change in the legislative framework and organizational measures.

At the same time, in order to prevent the emergence of new secondary functions, it is necessary to develop and legalize the procedure for the mass demonstration of the need for the introduction of additional functions by the executive authorities. As a result of the implementation of administrative reform measures, strong and effective self-government institutions are formed, and they can be given some functions that are currently performed by the state.

In our opinion, in order to eliminate the above-mentioned shortcomings, it is recommended to develop in the Republic of Uzbekistan the law "on the network of consulting activities in the Republic of Uzbekistan".

One of the important components of the optimization of the functions of executive power in our country is the improvement of the existing control system aimed at further reduction of administrative restrictions in business activities.

The current methods of state control are not fully compatible with the tasks of ensuring the safety of product production processes, use, storage, transportation, sale, disposal, and are considered burdensome for business. The system of

established requirements is excessive, not transparent and consulting activities are imposed on tax consultants.

It should be ensured that the functions of issuing licenses and optimizing control functions for the conduct of consulting activities, creating a single legal framework for the implementation of control functions of the state, simplifying the procedures for licensing, improving the types of activities that are licensed, finding some control functions in the subjects of the Republic of Uzbekistan and local government bodies, as well.

It is necessary to give the necessary types of controls and licensees for the control objects that fall within the scope of the law, and licensees should be determined by the relevant regulations. Before the adoption of the normative acts adopted by the supervisory bodies (the Association of engineers and consultants of Uzbekistan and the Association of consultants of Uzbekistan provided for the establishment), it is necessary to have the right to carry out inspections, which must be recorded in the relevant normative-legal documents from the point of view of the current mandatory requirements. All mandatory requirements and accepted normative acts must be published in the media and their receipt must be free of charge.

It is necessary to organize monitoring of the effectiveness of licensable activities, ensuring the safety of goods and services, measures of state control, including licensing.

Within the framework of administrative reforms, it is necessary to clearly distinguish the objects and powers of the jurisdiction of the state executive bodies in the sphere of control of the executive bodies of the constituent entities of the Republic of Uzbekistan and local authorities. It is necessary to revise the legislation on verification of the current entrepreneurial activity. At the same time, the lack of professional experience in improving the efficiency of administrative processes leads to the solution of such issues as the introduction of new information technologies, the management of buildings and structures of state bodies, the organization of Personnel Selection, the provision of communication services and the maintenance of financial accounting.

3. Results

World experience shows that consulting activities can improve the efficiency of administrative processes, more effective control of operating costs, focus the attention of executive authorities on the main activities, improve the quality of services, ensure the availability of new technologies, reduce capital expenditures, reduce the number of administrative and managerial personnel, the measures will significantly lead to the saving of budgetary costs.

Taking into account the fact that consulting services are a separate independent direction based on international experience, rights and obligations of the parties (consultant and client), responsibility, price and settlement procedures, duration, quality of consulting services, etc., it is necessary to develop a Law "On Consulting".

4. Conclusion

The great need for consulting services for the management of the processes of structural adjustment of the national economy determines the need for state support of the consulting sector, which will help to increase the pace and effectiveness of the reforms carried out in the country. Thus, direct support for consulting services by the state can be manifested as a result of the fulfilment of state orders for the introduction of consulting technologies in the field of Public Administration, the social sphere and national security. At the same time, the development of a single space of state bodies is reflected in the

result of the introduction of Information Technology in the production of high-tech products in enterprises that fulfil strategic state orders. Indirect support is possible in the division of medium-sized enterprises, primarily as part of a public-private partnership for the development of engineering and transport enterprises. Failure to support the state in this or that form can ultimately lead not only to the stagnation of the market but also to a decline in the economy as a whole.

Acknowledgements

The authors acknowledge the immense help received from the scholars whose articles are cited and included in references to this manuscript. The authors are also grateful to authors/ editors/publishers of all those articles, journals and books from where the literature for this article has been reviewed and discussed.

References

- [1]. Kubr M. (1991). Managerial consulting and prospects of cooperation East-West. *Problems of theory and practice of management*. No. 4. pp. 96-101.
- [2]. Wickham F. (2010). Consulting in project management. M. Business and Service. 368 p.
- [3]. Rossiel I., Rossiel I. M. (2010). The McKinsey method using the techniques of leading strategic consultants to solve personal and business problems. M.: *Alpina Publisher*. 226 p.
- [4]. Zilberman M. (2006). Consulting: methods and technologies. St. Petersburg.: "*Peter*". 432 p.
- [5]. Altshumer I. G. (2016). About strategy, marketing and consulting., M.: *Delo*. 440 p.
- [6]. Pisengolts V. M. (2008). The role of consulting in optimizing management decisions: Textbook. M: "RUDN". 268 p.
- [7]. Edersheim E. Marvin Bauer. (2015). Founder of McKinsey & Company: Strategy, leadership, creation of management consulting. M.: *Alpina Publisher*. 278 p.
- [8]. Beich E. (2006). Consulting business. *St. Petersburg*. Pete. 272 p.
- [9]. Nelson B., Economi P. (2018). Consulting business for "dummies". M.: *Dialectics*. 384 p.
- [10]. O'Mahoney, J., & Markham, C. (2013). *Management consultancy*. Oxford University Press.