



WAYS TO IMPROVE THE EFFICIENCY OF PUBLIC PROCUREMENT IN UZBEKISTAN

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Abstract: Public procurement plays a critical role in the economic development of Uzbekistan, accounting for a substantial portion of government spending. Despite ongoing reforms, inefficiencies and challenges persist in the procurement process, often leading to resource misallocation and delays in the implementation of public projects. This article explores the current state of public procurement in Uzbekistan, identifies key challenges, and proposes practical strategies for improving its efficiency. Through a combination of legal, technological, organizational, and educational reforms, Uzbekistan can foster a more transparent, competitive, and effective procurement system that better serves its public interests.

Keywords: public procurement, efficiency, transparency, e-procurement, governance, corruption, Uzbekistan, legal framework.

Introduction. Public procurement in Uzbekistan, as in many developing countries, represents a significant share of government expenditure. The efficiency of this process is directly linked to the quality of public service delivery, the responsible management of public funds, and the prevention of corruption. However, despite considerable reforms in recent years, Uzbekistan's public procurement system still faces multiple challenges. These include a lack of transparency, insufficient regulatory enforcement, centralized decision-making, and limited capacity within procurement agencies. This article aims to examine the factors contributing to the inefficiencies in Uzbekistan's procurement system and suggests targeted solutions.

Mainpart: Uzbekistan has made notable progress in its public procurement reforms, including the introduction of digital platforms and enhanced regulatory measures. The country's public procurement law, which came into force in 2018, outlines procedures for competitive bidding, contracting, and oversight. However, the implementation of these laws remains inconsistent across sectors and government levels. A number of key issues persist:

1. **Inadequate Transparency and Access to Information** Transparency remains a critical challenge in the Uzbek procurement system. Although reforms have sought to increase public access to procurement data, many government agencies still do not provide comprehensive information on tenders, bidding processes, and awarded contracts. This lack of transparency opens the door for corrupt practices and inefficient use of public funds.
2. **Weaknesses in Regulatory Enforcement** Despite legal frameworks aimed at promoting fairness and competition, there are weaknesses in enforcing procurement regulations. For instance, there is insufficient monitoring of compliance, and public procurement officers often lack the authority to enforce the rules effectively. As a result, procurement processes can be bypassed or manipulated, leading to the awarding of contracts to unqualified contractors or suppliers.

3. **Centralized Procurement Decision-Making** Procurement decisions in Uzbekistan are highly centralized, often within ministries or large governmental bodies. This centralization can lead to delays in decision-making and inefficient allocation of resources. Additionally, local authorities and smaller public institutions may face difficulties in managing procurement independently, reducing their ability to respond swiftly to local needs.

4. **Limited Professional Capacity** The lack of well-trained procurement professionals hinders the effectiveness of public procurement. Procurement officers may not fully understand complex procurement procedures, resulting in poorly structured contracts and inefficient project implementation. In addition, procurement agencies often struggle to apply best practices in tender evaluation and contract management.

Based on the analysis of the current system, the following strategies are proposed to enhance the efficiency and transparency of public procurement in Uzbekistan:

1. **Enhanced Transparency through Digital Platforms** The government should further develop and expand digital platforms that provide real-time access to procurement information. A centralized electronic procurement system would allow the public, businesses, and procurement professionals to track tender announcements, bidding results, and contract awards. This transparency could reduce opportunities for corruption and ensure that procurement decisions are made based on merit.

2. **Strengthening the Legal and Regulatory Framework** Strengthening the enforcement mechanisms of Uzbekistan's public procurement laws is essential. This can be achieved by establishing an independent body responsible for monitoring procurement activities and ensuring compliance with established regulations. The creation of a national procurement agency could help enforce standardization and oversight across all levels of government.

3. **Decentralization of Procurement Decisions** A shift towards decentralizing procurement decisions could improve efficiency. Local governments and smaller institutions should be empowered to manage procurement independently, with support and oversight from national regulatory bodies. Decentralization allows for faster decision-making and the tailoring of procurement processes to the unique needs of specific regions or sectors.

4. **Capacity Building and Professional Development** A comprehensive training program for procurement officials is essential to improving the technical and operational capacity of Uzbekistan's public procurement system. Training should focus on best practices in procurement procedures, including the use of technology in procurement, contract management, and the evaluation of bids. Building professional capacity would enhance decision-making and reduce errors in procurement.

5. **Implementation of E-Procurement Systems** Uzbekistan should accelerate the integration of e-procurement systems to streamline procurement processes, reduce paperwork, and improve efficiency. E-procurement platforms automate processes such as tender submissions, bid evaluations, and contract management, which can save time and reduce the potential for human error. Moreover, e-procurement systems can enhance the accessibility of procurement information, allowing stakeholders to participate in a more competitive and transparent environment.

6. **Promotion of Competitive Procurement** To ensure that public funds are used effectively, Uzbekistan should promote greater competition in procurement by broadening access to tenders for small and medium-sized enterprises (SMEs). Implementing policies that

encourage the participation of a diverse range of suppliers can help to drive down costs and increase the quality of services provided by contractors.

7. Independent Monitoring and Auditing The establishment of an independent monitoring and auditing body for public procurement can help ensure compliance with procurement laws and identify areas of improvement. Auditors can assess the efficiency of procurement processes, detect potential fraud, and provide recommendations for reform. Regular audits will enhance accountability and contribute to a more effective procurement environment.

Conclusion. Improving the efficiency of public procurement in Uzbekistan is critical for achieving the country's long-term development goals. By adopting measures that enhance transparency, strengthen legal enforcement, decentralize decision-making, build professional capacity, and implement digital procurement systems, Uzbekistan can significantly improve the effectiveness of its procurement processes. These reforms will contribute to better public service delivery, more efficient use of public funds, and the reduction of corruption, ultimately promoting sustainable economic growth.

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