

## THE ROLE OF TOURISM IN THE DEVELOPMENT OF THE ECONOMY AND INCREASING ITS ATTRACTIVENESS IN THE REPUBLIC OF UZBEKISTAN

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**Abstract:** The article analyzes the role of tourism in the development of the economy, the work carried out in our country on the development of tourism. On the basis of a comparative legal analysis of developed countries and best practices, proposals are presented for the development of tourism in our country, the creation of new jobs, an increase in income, an increase in the level and quality of life, as well as an increase in investment attractiveness. The results of the study on the problems and inconsistencies in the state regulation of tourism in Uzbekistan.

*Keywords:* tourism, visa, visa-free regime, tourists, infrastructure, activities of guides, foreign countries, laws and regulations.

## INTRODUCTION

In the world, the tourism industry is embodied as a socio-economic phenomenon that directly or indirectly affects the development of the entire infrastructure. Modern tourism is based on a high level of development of the transport, social and service sectors, which ultimately makes it a highly profitable sector of the economy.

Since the first days of our independence, the Republic of Uzbekistan has been rapidly continuing work on state support for the tourism industry, the creation of benefits for enterprises engaged in this industry, as well as the formation of infrastructure for the tourism industry.

It should be noted that on October 4, 1993, Uzbekistan became the first Central Asian country to join the World Tourism Organization. This, in turn, gave a great positive impetus to the development of international tourism in Uzbekistan.

In accordance with the Decree of the President of the Republic of Uzbekistan dated January 5, 2019 "On additional measures to accelerate the development of tourism in the Republic of Uzbekistan, the Trade Concept for the development of tourism in the Republic of Uzbekistan in 2019-2025 PF-5611". "In order to radically improve the transport communication system in the country to increase the number of passengers and investments, special attention was paid to further strengthening external relations" [1].

We all know that the development of tourism in our country has a great economic effect, since it allows you to import foreign currency without exporting resources (cotton, gas, oil).

The analysis shows that in many developed countries, tourism income brings in much more foreign exchange earnings than in other sectors. For example, if Turkey exports \$4-5 billion worth of goods a year, it earns more than \$10 billion in tourism. We see the same high rates in Austria, England, Italy, France, Spain.

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Researchers agree that tourism is the driving force of economic development, which will create new jobs (according to the ICAO, every 10 jobs in 2020 belonged to this sector) makes a significant contribution to social development. Tourism contributes to the creation and development of a servicebased economy. The scope of activity varies from large hotels in Tashkent, to small hostels in Samarkand, boutiques at international airports and small craft workshops, on the picturesque streets of Bukhara and Khiva. It promotes the improvement of people's economic skills and broadens the horizons of their knowledge. Today, in most countries, including the 10 most developed countries, all efforts are aimed at attracting foreign tourists. It is well known that tourism benefits developing countries, especially in terms of increasing cash flow.

According to the UN World Tourism Organization (UNWTO), 10.4% of the world's gross domestic product (in 2020 it amounted to 8.3 trillion US dollars), 7% of global investment, taxes on tourism and hotel business bring 5% of income to 11% of global consumer spending and the creation of every 16% of new jobs.

The employment rate in this sector increased by 103% compared to 2019, and in 2020 118.4 million people (3.8% of the total employment in the world) were directly employed in the tourism sector, indirectly (taking into account the tourism sector) 313.2 million people were employed [7]. Georgia is praised for tripling the number of foreign tourists in recent years. This country is famous for its excellent cuisine, unique cultural heritage, friendly and cheerful people. But even though the gastronomic and cultural heritage of many other countries is so unique, they remain out of sight of tourists from all over the world.

The cancellation of visas by Georgia for most countries, in turn, led to a sharp increase in the number of tourists. Previously, less than 100 thousand tourists came to the country annually, but over the past 20 years their number has grown to 6.5 million. The segment of the population with low incomes decreased from 32.5 percent in 2006 to 1.63 percent in 2020.

According to independent observers, this is mainly due to the development of the tourism sector, and in 2018 the country's GDP grew by 7.5% [2].

A number of tourism development reforms are being carried out in our country. In particular, the increase in the number of state structures of the State Committee for Tourism Development and its regional structures, the creation of tourism departments, deputy governors in the regions play an important role in expanding the capabilities of these organizations.

On July 18, 2019, the Law of the Republic of Uzbekistan "On Tourism" was adopted, which introduced new concepts based on the current stage of development of the industry, defined the principles and main directions of state policy in the field of tourism.

Also, the subjects of tourist activity were divided into categories. The visa regime for citizens of 47 countries has been abolished, and the number of countries with a visa-free regime has been increased to 86. In addition, in order to simplify the visa process, the number of countries that have the opportunity to obtain an electronic visa was 57. "Civil", "Student", "Academic", "Guest" and "Medical" visas have been introduced.

The analysis of the results of the work shows that the number of tourists who visited our country in 2019 increased by 26.2% compared to the previous period. The number of tourists from countries where a visa-free regime has been introduced has increased by 58%.

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As a result, the occupancy rate of tourist facilities increased from 62% to 84%. In recent years, the development of the hostel market, which meets new trends in tourism and meets the requirements of a wide segment, has become increasingly important.

To this end, in 2020, the procedure for mandatory certification of hostels was canceled and a number of other requirements were simplified in order to further stimulate the low-budget tourist infrastructure and the hosting business in the country. In 2020 alone, more than 160 new hostels were built and commissioned in the country. They could simultaneously serve 5,666 tourists [9].

Airlines with low ticket prices for tourism development factors are also influenced by low-cost airlines. Studying the influence of airlines on the development of tourism in Poland, the study showed that budget carriers contributed to the development of tourism in less popular areas and contributed to the development of the industry in small towns. Other factors were also explored in this study. For example, the number of tourists visiting Norway increased dramatically in 2005 due to the high level of demand for winter tourism and the emergence of new routes for low-cost carriers serving new destinations.

Valencia, Barcelona (Spain) and Dubrovnik (Croatia) are among the most successful tourist destinations in 2005.

The rapid growth in the number of tourists was associated with a rapid increase in the number of budget airlines, which led to a doubling of the number of visitors from the UK.

The tourism potential of the Republic of Uzbekistan is developing rapidly. In recent years, comprehensive measures have been taken to develop tourism as one of the strategic sectors of the national economy. This is aimed at its rapid development, creating new jobs, increasing income, improving the standard and quality of life, as well as increasing investment attractiveness.

In the Message of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis dated December 28, 2018, the development of tourism, "We need to take comprehensive measures to attract investment in the sector, increase human resources, tourism is often limited to our ancient cities, historical and cultural monuments, the unique nature of our country, the presence of national reserves, great potential for the development of tourism in mountainous areas, the development of medical tourism, pilgrimage tourism and ecotourism will give a great impetus to the development of not only the economy, but also the social sphere", It was noted that by 2025, the number of foreign tourists visiting our country should reach 7 million, and the annual income from tourism exports - \$ 2 billion. [1]

In January-December 2019, the number of foreigners who visited the Republic of Uzbekistan amounted to 8,279.0 thousand people [7]. (In the total number of arrivals and departures to the Republic, one person can be counted more than once, and this is considered a special case).

In January-December 2019, about 7661.4 thousand foreigners arrived in the Republic of Uzbekistan from the CIS countries, which is 92.5% of the total number of foreigners who visited our country, and 617.6 thousand people from abroad (or 7.5% of those who went abroad).

In January-December 2019, 12,305.6 thousand citizens of the Republic of Uzbekistan left for the CIS countries. This is 95.2% of the total number of Uzbeks who went abroad, 627.0 thousand people (4.8% of Uzbeks who went abroad) went to foreign countries [7]. The analysis shows that in January-December 2019, 1846.0 thousand more foreigners visited our country than in January-December 2018.

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There are difficulties in the effective use of existing opportunities and conditions for the development of tourism in the country, and in the field of international tourism, meeting the needs of visitors to the country is not at the level of demand.

One of the main obstacles to this is that the infrastructure in this area is not yet sufficiently developed, and the problems associated with the introduction of the most effective methods of state tourism management have not been studied in depth.

Within the framework of this study, as a result of the analysis of laws and regulations adopted to regulate the tourism sector in the republic, we have witnessed the following inconsistencies and problems:

1. Special procedures have been developed for the activities of service guides in organizations working in the field of tourism, requirements for them, their certification and training. However, no legal document in the field of independent management mentions the requirements for them, their legal status and their professional development.

2. Guides-interpreters who provide tourists with information about historical monuments, historical figures, the territorial and administrative structure of the state, as well as the customs and traditions of the country, the issue of personal responsibility for the accuracy and reliability of their information and the types of punishment are specified in regulations, are not defined, etc. The elimination of the above-mentioned shortcomings and inconsistencies will directly contribute to the further development of the industry and further strengthening of the legal framework of this activity.

The study analyzes the issues of legal regulation of the tourism system and industry of the Republic of Austria, and based on the results of the study, proposals and recommendations on the regulation of tourism in the Republic of Uzbekistan have been developed. The Federal Republic of Austria is a state in Central Europe consisting of 9 federal territories. The country is one of the world's leading countries in the field of tourism, accounting for 35% of the country's GDP [11].

The tourist centers of the country are Vienna and Salzburg. The Federal Republic of Austria has not adopted a special federal law on the legal regulation of tourism.

But special laws and regulations have been adopted for each federal territory. Issues of development and regulation of tourism in the country are regulated by tax legislation, customs legislation, international trade and economic relations.

The most important document on the state and legal regulation of tourism in Austria is the EU Program for the Competitive and Sustainable Development of European Tourism. Austria, as a member of the European Union, will ensure the implementation of this Program.

The tourism sector in the country is being developed and regulated by the National Tourism Bureau of Austria, Österreich Werbung and the Ministry of Economy, Family and Youth of Austria. At the same time, the Austrian National Tourism Organization is engaged in the development of tourism marketing in the country and is the main organization in this area.

The Austrian Ministry of Economy, Family and Youth is responsible for state support, regulation, control, financing and other functions of the tourism industry [12].

Austria has adopted a national tourism development program, which serves as a legal and economic mechanism for state support of tourism.

The main objectives of the program are:

✓ Tax benefits, subsidies and grants;

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 $\checkmark$  Improvement of national legislation and regulations supporting the development of tourism and protection of the rights of consumers of tourist services;

 $\checkmark$  Reduction of visa restrictions on entry and exit from the country;

✓ Encourage tourism in the off-season by reducing prices and providing various other benefits;

✓ Development and support of social tourism;

 $\checkmark$  Stricter requirements for the safety of tourists and verification of legal documents in this area;

 $\checkmark$  Strengthening of state legislation on environmental protection, preservation of cultural and historical heritage [13].

It should be noted that the state programs adopted in our country for the development of tourism are more extensive and comprehensive, but the Austrian state program pays more attention to efficiency and innovation.

Here are the results of studying the Austrian experience on the problems and inconsistencies in the state regulation of tourism in Uzbekistan mentioned above:

1. There are no contradictions in the legal status of organizations that legislatively regulate and develop the tourism industry in Austria, i.e. the Ministry of Economy, Family and Youth of Austria is a state body that regulates, controls and supports the industry.

The Austrian National Tourism Organization is an organization that provides methodological support for the development of tourism in the country. It has no supervisory and licensing powers and is an organization managed by the Ministry.

2. During the analysis, it was noted that separate acts were adopted on the procedure for the arrival of foreign tourists in the Republic of Austria, the procedure for the departure of Austrian tourists abroad and the procedure for the movement of long-distance tourists within the country.

3. Requirements for certification and professional development of tourist workers (guides) are developed by the Austrian National Tourism Organization and approved annually by the Ministry of Economy, Family and Youth of Austria.

Issues related to the activities of independent guides are regulated by the legislation of individual federal territories. For example, the Law on Tourism, adopted by the Federal Parliament of Upper Austria in 1992, deals with the issue of the activities of independent guides and the establishment of guide training centers.

4. Guides-interpreters who provide tourists with information about historical monuments, historical figures, the territorial and administrative structure of the country, the issue of personal responsibility for the accuracy and reliability of the information provided, as well as the type of punishment are not reflected in the Austrian legislation.

During the analysis, it became clear that the government has created huge legal and economic opportunities for the development of the tourism industry in Austria.

This is due to tax benefits - the absence of taxation of 20% of foreign exchange earnings of travel companies, the reduction of regulatory economic and other systems, a high level of training, long-term plans for sustainable development, the participation of all sectors of society in tourism and the creation of new services, as well as the fact that the country's management system is correctly selected and legislated. [14]

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Conclusions and recommendations today, the initiative "European Capital of Smart Tourism" is being promoted in developed countries. The initiative includes smart tourism tools and activities and aims to raise awareness of projects in cities in four categories: sustainability, special opportunities for people with disabilities, digitalization, cultural heritage and creativity.

The more the tourism development strategy supports local communities through this sector, the more sustainable it will be in the country. The best way to use the proceeds is to repair monuments, support the community, empower people and reduce poverty.[15]

Sustainable tourism should ensure the safety of both visitors and their host cities, prevent pollution and congestion.

Fair distribution of tourist flows is also important for sustainability. This is equally important for both developed and developing countries.

In conclusion, we will present the following suggestions and recommendations developed as a result of studying foreign experience, theoretical knowledge gained and analysis of a number of regulatory documents:

1. Development and approval of a separate document on the order of movement of tourists traveling on the territory of the country, conditions and benefits created for them in order to develop local tourism in the Republic of Uzbekistan;

2. Development and implementation of a special project aimed at improving the skills of guides working in the field of tourism, creating a special software system for assessing their skills and knowledge, with minimal human factor participation in the exam and training guides;

3. Development of a regulatory framework for the activities of individuals engaged in the activities of independent guides, and the creation of special training centers for the training of guides-interpreters, as well as the broad involvement of non-governmental organizations in this process;

4. The accuracy and reliability of information provided by guides about historical monuments, historical figures, the territorial and administrative structure of the state, as well as the customs and traditions of tourists in the country, should be clearly defined in the tourist legislation and type. strengthening of punishment in the Code of Responsibility;

5. In order to further encourage the introduction of foreign currency by tourist organizations in Uzbekistan, provide them with tax benefits, i.e. exempt from tax a certain part of their income in foreign currency. This will encourage entrepreneurs to invest more in the industry.

6. Revision and further simplification of the procedure for licensing tourism activities in the Republic of Uzbekistan;

7. Creation of regulatory legal acts regulating and developing inter-sectoral relations for the further development of the tourism industry in the Republic of Uzbekistan. At the same time, to create a legal basis for expanding the participation of the non-governmental sector in the development of the sector;

8. Creation of a Tourism Development Bank with the aim of further increasing the volume of investments in the tourism sector and expanding the possibilities of lending to entrepreneurs engaged in this activity;

9. Development of a special project on the introduction of new information and communication technologies in the field of tourism in Uzbekistan and organization of international conferences on this topic;

10. Effective use of smart tourism tools;

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11. The base of normative legal acts, which are the basis of activities in the field of tourism, should be created and constantly updated in each economic entity engaged in tourism activities.

In conclusion, it should be noted that today our country has achieved great success in the development of tourism and legal regulation by the state.

The main factor in the development of the industry was the creation of huge advantages and opportunities for entrepreneurs. At the same time, there are some shortcomings and untapped opportunities that need to be eliminated and the positive experience of developed countries in this direction should be effectively used.

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