

INSURANCE RELATIONS AND DEVELOPMENT PROSPECTS IN UZBEKISTAN

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Abstract

Today, one of the important components and priority goals of the country's socio-economic policy management is the qualitative and effective socio-economic protection of the country's citizens. In this article, the development of the insurance market, its role in our country, the activation of insurance processes, and the quality of insurance services, especially the state of insurance coverage by insurers, the position of insurance in the country, the insurance culture of the population and their trust in insurance, are analyzed and relevant conclusions are presented.

Key words

insurance relations, economy, insurance services, insurance market, insurance, insurance contract, client, individuals, insurance premiums, insurance coverage, insurance agent, assistance, adjuster, actuary, infrastructure, insurance culture.

Аннотация

Сегодня одной из важных составляющих и приоритетных целей управления социально-экономической политикой страны является качественная и эффективная социально-экономическая защита граждан страны. В данной статье рассмотрены развитие страхового рынка, его роль в нашей стране, активизация страховых процессов и качество страховых услуг, особенности состояния страхового покрытия страховщиков, положение страхования в стране, страховая культура населения и их доверие к страхованию, сделаны соответствующие выводы.

Ключевые слова

страховые отношения, экономика, страховые услуги, страховой рынок, страхование, договор страхования, клиент, физические лица, страховые премии,

страховая защита, страховой агент, ассистанс, аджастер, актуарий, инфраструктура, страховая культура.

Introduction

Insurance relations are an important component of the economy, the relations between the insured and the insurers, the processes that ensure the emergence of their economic interests, as in other developed countries, are of great importance in the insurance market of the Republic of Uzbekistan. The experience of foreign companies shows that the latest innovations in insurance companies and their offer to companies, attracting modern innovative approaches to the field, improving the qualifications and skills of personnel in the field, creating the basis for digitization of insurance types in the economy, directing investment projects to the development of the field, and using new methods and mechanisms for this are of great importance. This, in turn, creates the need to expand and deepen scientific research in insurance companies.

Today, one of the important components and priority goals of the country's socio-economic policy management is the qualitative and effective socio-economic protection of the country's citizens. Improving the standard of living of citizens is related to its social protection and health. Today, the role of insurance in stabilizing and protecting the living standards of the people of our country is incomparable. In particular, special attention is being paid to the insurance network in providing quality services to the population.

On issues related to the development of the market of insurance services in the economy of Uzbekistan, the President of the Republic of Uzbekistan Shavkat Mirziyoev, at a meeting held on July 10, 2019, told the relevant officials to develop a strategy for the medium and long-term development of the insurance sector, to triple the amount of insurance premiums per capita by 2022, the share of the sector in the GDP and the task of doubling it was set ¹⁸⁰. In 2022, the indicators of the insurance sector in Uzbekistan were at a very low level compared to the average indicators in the world, and the share of total insurance premiums in GDP was 0.697 percent ¹⁸¹. This indicator is 11.7% in the USA, 11.1% in Great Britain, and 10.9% in South Korea ¹⁸². The fact that the share of insurance in the GDP of the mentioned countries is high indicates the development of the sector. In world practice, many scientists are conducting many studies on improving insurance

¹⁸⁰ <https://president.uz/uz/2703>

¹⁸¹ It was calculated based on the data of the Ministry of Economy and Finance and the Statistics Agency under the President of the Republic of Uzbekistan.

¹⁸² <https://www.iii.org/table-archive/215756>

relations. In this regard, today, in the national insurance market, special importance is attached to the improvement of the quality of services, in particular, to its digitization, as well as the introduction of new insurance methods and the improvement of existing ones.

Literature review

V.K. Reicher, A. Mane, K.G. Voblyy, S.A. Osenko, O.N. Kozlova, I.S. Yaroshenko, N.B. Scientific studies were carried out by Boltina, V.V.Shakhov, V.N.Grigoreva, S.L.Efimova, S.V.Ermasov, N.B.Ermasova, S.L.Efimov, 183and others.

Local scientists include T.Iminov [3], H.Sobirov, Kh.Shennaev [9], Q.Koldoshev, M.P.Eshov, A.U.Burkhanov, Kh.N.Khasanov, D.A.Baratova [10]. , J.T.Nosirov, Sh.Imomov, N.Iminova [4], I.Abdurakhmonov, S.Abdimuminova, taking into account the steady growth of the insurance industry, improving the methodology for assessing the achieved efficiency, revising the operation of service mechanisms, increasing their economic efficiency, and scientific works are being conducted to improve the method of assessing the regulatory limits based on modern trends, taking into account the conditions of digitalization and delivery of services corresponding to the level of the world market.

To date, scientific research conducted by scientists is of great importance in the development of the insurance industry on a large scale, in the increase of the position of insurance in society, and in its formation as a science.

Therefore, until now, in the scientific literature, one can find different interpretations of scientists in revealing the economic essence of insurance. For example, the Russian scientist N. Nikulina defined insurance as follows: "Insurance is a necessary element of production relations. It is related to the compensation of material losses in the process of social production. The constant renewal of production is necessary to meet the existing needs of people in all socio-economic formations, including the developed society" [7]. In our opinion, the definition presented here sheds light on the social essence of insurance. On top of that, it's a

¹⁸³Raikher V.K. Socio-historical types of insurance / USSR Academy of Sciences. M., 1947. 55 b./ A. Manes. Basics of insurance business. M., "Ankil", 1992, 30 b. / Vobly K. G. Fundamentals of saving insurance. M.: Ankil, 1993. - P.104./Osenko S.A. Administrative responsibility in the field of insurance / S.A. Osenko // industrial and commercial law. - 2016. - No. 4. - P. 26-29./Kozlova O.N., Kotova O.N., Litvinova E.Yu. Current problems of life insurance, their solution using the marketing approach // Economic and Humanitarian Sciences. 2017. No. 5. P. 75-88/Yaroshenko I.S. Social security law: textbook. Benefit. Kyiv: KNEU, 2005, 232 b./Boltina N.B. Social protection law: textbook. Benefit: Knowledge. 2003, 405 b./Insurance Law: Textbook for Universities / Ed. V.V. Shakhova, V.N. Grigorieva, S.L. Efimova. M.: UNITY-DANA: Law and Law, 2002. 30-b./S.V. Ermasov, N.B Ermasova Insurance: Textbook. 2nd ed., rev. And additional M.: Higher education. 2008, 102-b/Efimov S.L. Economics and insurance. M.: Tserich-PEL, 1996. 20 b, Yuldashev. Introduction to selling insurance. - M.: 2005.6 pages.

bit more complicated, making it difficult to quickly understand the essence of insurance.

Another Russian scientist R.T. Yuldashev defined that "Insurance is a system of relations related to the protection of the property interests of individuals and legal entities by specialized organizations - insurance companies at the expense of the insurance fund formed at the expense of the contributions of policyholders" [11].

In addition to this, this scientist also said that insurance is the most important element of the market economy, as a performer of the functions of developing and selling insurance services. However, in our opinion, insurance is a fund that protects not only the property interests of legal entities or individuals, but also the health and life of individuals by providing them with insurance premiums in the event of unexpected accidents.

In order to reveal the economic nature of insurance, I.Kh. Adurakhmanov expressed his opinion by emphasizing the following: "Insurance is a set of economic relations (target money funds) organized and related to its use in order to compensate for the damage caused by various unexpected events and to provide financial assistance to citizens when relevant insurance events occur in their lives." [1]. In fact, the insurance covers the losses incurred at the expense of the special funds, and whenever the property interests of the citizens who participated in the formation of this fund are damaged, it is covered by the collected funds.

In their research, M. Mirsadikov and B. Shamsuddinov believe that the main task of insurance is to create an effective system of protection of property interests of individuals and legal entities, providing for the compensation of damages caused by unforeseen natural events, man-made accidents and social catastrophes [6].

In contrast to this, Sh.Imomov emphasized that insurance as an interconnected category is the main task of the insurance network to form an insurance system and a modern insurance culture from a financial point of view [5].

Research methodology

In the preparation of this article, the statistical data provided on the official website of the Ministry of Finance of the Republic of Uzbekistan, the analysis of structural changes, the articles published by foreign and Uzbek scientists and the data provided in the study guides were analyzed. In addition, the development of the insurance market, its role in our country, and the issue of activation of insurance processes were studied in a systematic way, looking at economic events

and processes. Logical analysis, synthesis, generalization, SWOT, induction and deduction methods were used to draw conclusions from the data.

Analysis and discussion of results

In the process of implementing decisions on modernization of the economy of our country, special attention is paid to the insurance sector. According to the official data of the Capital and Insurance Market Department under the Ministry of Economy and Finance, the total amount of insurance premiums in 2022 is amounted to 6.2 trillion soums, which is 59.7% higher compared to the same period last year. The volume of payments under insurance contracts increased by 46.2% and amounted to 2.6 trillion soums, 7,951,868 new contracts were concluded, 89% of which were with individuals, and this had a positive effect on the dynamics of the insurance market. The growth rate of life insurance premiums increased by 11.8%. In this case, the main intermediaries in the sales of insurance products are banks, which are related to the growth of loans and savings life insurance, a large part of which is sold through banks.

Table 1

SWOT analysis of the insurance market of Uzbekistan¹⁸⁴

Strengths	Weaknesses
High-income sector of large business; Joint activities with credit organizations; Consolidation and reorganization of insurance business; Having an insurance network; Sufficient number of clients; Most companies use all modern technologies; Increasing number of insurance agents; Differentiation depending on the types of insurance activity.	Lack of qualified personnel; Failure to use modern business mechanisms; Lack of development of marketing activities; Low capitalization; Lack of attention to customers; High cost; Profitability is low; Customer distrust. Non-rational formation of the insurance infrastructure; Failure of market participants to operate through a mobile application.
Opportunities	Threats
Delivery of services to any point in the Republic; Development of modern insurance services; The risk of an insured event is low;	Duplication of tariff plans; Dependence of market participants on banking activity; Obsolescence of existing service delivery methods;

¹⁸⁴Author development

<p>State attention to insurance activity and ongoing reforms;</p> <p>Increased investment attractiveness of individual insurance entities;</p> <p>to strengthen the protection of the rights of other subjects of insurance activity, to increase the insurance literacy and confidence of the population, to ensure the openness and transparency of the insurance market;</p> <p>Ability to work remotely with clients</p>	<p>Instability in the world financial market;</p> <p>Inadequate supervision over insurance intermediaries;</p> <p>Fraud (high level of fraud);</p> <p>Cartel agreements between appraisal firms and insurance companies in the event of an insurance event</p>
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In our opinion, customers interact with companies in two situations: when concluding an insurance contract and when receiving insurance coverage in the event of an insured event. However, customers don't care about the insurance brand, they just look at it as a commitment and choose based on someone's recommendation. From this point of view, in order to prospectively evaluate the insurance market of Uzbekistan, let's first consider its strengths, weaknesses, opportunities and threats (Table 1).

The development of the insurance market, its role in our country, and the activation of insurance processes are closely related to the quality of insurance services, especially the state of insurance coverage by insurers, the position of insurance in the country, the insurance culture of the population and their trust in insurance. First of all, it will be possible to rapidly develop the insurance business through the improvement of insurance services, new mechanisms that ensure the protection of property interests of policyholders, and consistent introduction of competitive insurance products.

In particular, digitization, new types of risks and customer demands are fundamentally changing the insurance industry, requiring the introduction of convenient, affordable and high-quality services for consumers. In this regard, today's modern stages of insurance relations, the integration process of the world insurance market require transformational changes of insurance relations in the Uzbek financial market as well.

The term transformation (lat. Transformatio) means re-change, re-formation. All industries are transformed and adapted to their times, depending on the time, demand and development. This is primarily related to the market structure. The structure of the insurance market is the processes between the relations between the institutions participating in insurance relations, that is, between its subjects

(insurance companies, insurers) and objects (types of insurance and technology), which are created and redeveloped according to pre-selected criteria (Fig. 1).

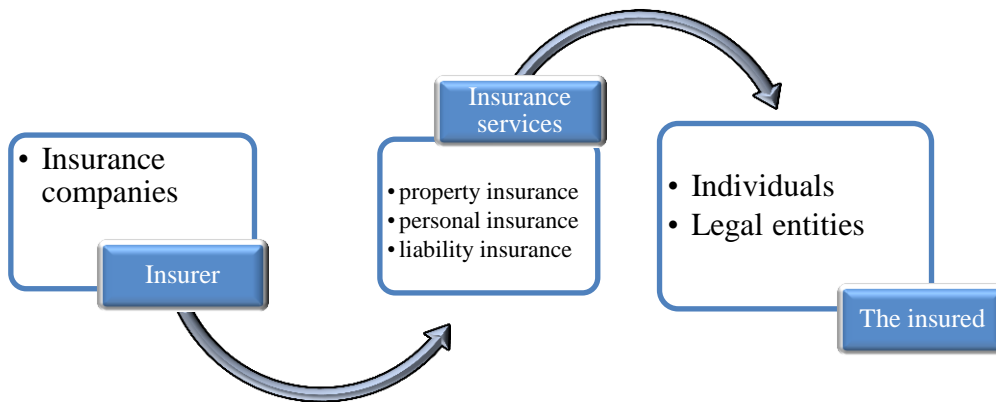


Figure 1. The structure of insurance relations¹⁸⁵

In a broad sense, the insurance market is a form of monetary relations, and in a narrow sense, it is an economic space. It consists of major segments, which include insurers (insurance companies), insured (individuals and legal entities) and insurance services.

The transformation of insurance relations is based on the following conditions:

- elimination of imbalances between the levels and scale of development of important links of finance, such as money-credit, budget, currency;
- protection of property interests related to economic and financial security, improving the quality of life of the country's population;
- establishment of monetary and credit relations, including by insurance companies, which are inextricably linked with investment potential in economic development.

Today, like other industries, the insurance relationship is also being transformed by digital technologies aimed at the customer audience. In the past, when entering into an insurance relationship, there was little contact between the companies and the customers, basically, the insurers had almost no opportunity to build relationships with their customers. Most of the time, customers have come into contact with the company during the insurance event or during the sales process. This means that compared to other industries, there is very little information to collect about the customer and learn about their wishes.

Today, the transformation of insurance relations will not fail to have a positive effect on the socio-economic situation of the entire country. After all, the level of

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development and activity of the insurance network, its economic potential and its level are determined by the capital of companies and the level of risk management.

Therefore, the relationship between insurance companies and their clients has always been complicated due to some factors. However, the insurance market, like other sectors of the economy, is being enhanced by customer-centric digital technologies. Digital technologies help to improve transformational processes in the insurance market. The development of the insurance market is related to the effective introduction of digital insurance technologies, which allow to compete with the world's innovative technologies that ensure information security in today's global world. After all, the transformation of the insurance market will help to form a modern financial infrastructure. In the modern economy, not only companies producing insurance services, but also other professional participants in insurance relations occupy a special place in insurance. In accordance with Article 12 of the Law of the Republic of Uzbekistan "On Insurance Activities", they are:

- Insurers,
- insurance brokers,
- adjusters,
- actuaries,
- insurance surveyors,
- assistants ¹⁸⁶.

Among the professional participants of insurance relations provided for by the law, it is necessary to mention the infrastructure. In any type of activity, infrastructure is of great importance as an indicator that determines the level of development of one or another segment of the national economy. Today, the concept of infrastructure is widely used in science and practice. Taking into account the division of our national economy into production and service sectors, infrastructures are also different depending on the type of these sectors. Necessary conditions created for the successful implementation and development of infrastructural activities in production sectors such as industry, agriculture, construction, etc., in turn, contribute to the development of infrastructure in the field of services (health care, education, science, sports, finance, etc.).

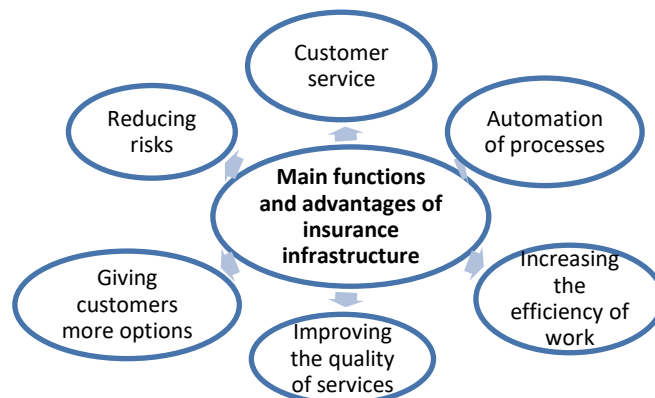
In foreign literature, the infrastructure of the insurance market is understood in a narrow sense, a system of mutual relations between professional participants and other market participants, in a broad sense, all conditions aimed at ensuring the continuity of insurance relations, that is, aimed at providing quality insurance

¹⁸⁶ <https://lex.uz/docs/5739117>

services, while not creating insurance funds, increasing insurance efficiency is called a set of implementing organizations.¹⁸⁷

I. Abdurakhmanov and others¹⁸⁸ state that the infrastructure of the insurance market of Uzbekistan is based on insurance intermediaries (insurance agents, brokers), adjusters, actuaries, which envisage the order of relations and cooperation between professional participants of the insurance market, specialists of various fields and specialties, and the types of activities that help for the effective operation of insurance. , insurance surveyor and assistance, etc [2].

It can be seen that in the researches of our country and foreign scientists, special attention is paid to market infrastructure as well as risk assessment. However, despite the conducted research, including the existence of actuarial calculations in insurance companies, today in our country no research on the assessment of risks related to the insurance infrastructure has been found, in particular, the legal framework for the activities of insurance agents and brokers has been formed in the legislation, and the studied foreign based on their experience, other participants of the market infrastructure also show that they are relevant in insurance relations. As a component of the market infrastructure, the insurance institution plays an important role in its development. From this point of view, the transfer of risks in insurance activities , in turn, depends on the level of development of the market infrastructure¹⁸⁹[8].



2 – picture. Main functions and advantages of insurance infrastructure¹⁹⁰

¹⁸⁷ https://studme.org/1774050319895/strahovoe_delo/infrastruktura_strahovogo_rynka

¹⁸⁸ I. Abdurakhmanov, M. Abduraimova, N. Abdullaeva. Theory and practice of insurance. Textbook; - T.: Economy-Finance, 2020. p. 103.

¹⁸⁹ Koldoshev Q.M. Theory of insurance. Textbook. - Ministry of Higher and Secondary Special Education of the Republic of Uzbekistan - T.: "NEW EDITION", 2022 p. 175.

¹⁹⁰ Author development

Insurance infrastructure helps insurance companies automate document storage, personal data protection, customer service, and financing processes. They can be the following (Figure 2).

Customer Service: Insurance companies use insurance infrastructure to improve customer interactions. This event will help customers to receive online inquiries, resolve complaints and improve other services.

1. Automate their processes: Insurance companies are looking to automate their financing processes to improve processing and billing. Insurance infrastructure will be able to increase the quality and speed of these processes.

2. Improve operational efficiency: Insurance infrastructure helps improve operational efficiency for insurance companies and others. This event speeds up work and prevents errors through automatic processes and technical tools.

3. Improving the quality of services: Insurance infrastructure helps to improve the quality of products. This event provides an opportunity for insurance companies to keep documents complete and accurate through automated systems.

4. Providing more options to customers: Insurance infrastructure helps in providing convenience and options to customers.

Today, the infrastructure of the insurance market in our country ¹⁹¹is served by the Law of the Republic of Uzbekistan "On Insurance Activities" , the Civil Code of the Republic of Uzbekistan ¹⁹², and the Statute "On Professional Participants of the Insurance Market" . ¹⁹³The Ministry of Economy and Finance supervises their activities by the state. As for the national insurance infrastructure, today there are 5 actuaries, 5 adjusters, 3 assistances, 7 insurance brokers and 9155 insurance agents operating in the country.

The third paragraph of Article 12 of the Law on Insurance Activities clearly states that " Insurance broker, reinsurance broker and insurance agent are insurance intermediaries ". ¹⁹⁴In this regard, insurance intermediaries are divided into two groups: insurance agent and insurance (reinsurance) broker. They differ from each other according to several factors, such as qualifications, duties, and responsibilities when concluding contracts. Insurance agents are one of the most common insurance intermediaries in our country today.

The activity of insurance agents in our country is regulated by Article 18-19 of the Law "On Insurance Activities", the Regulation "On Professional Participants of the Insurance Market" and the Regulation "On Insurance Agents" approved by Order

¹⁹¹ <https://lex.uz/acts/40253>

¹⁹² <https://lex.uz/docs/180552#195958>

¹⁹³ <https://lex.uz/mobileact/1168263>

¹⁹⁴ <https://lex.uz/docs/5739117>

No. 19 of the Ministry of Finance of the Republic of Uzbekistan dated January 28, 2003 regulated by

" Insurance agent is a natural or legal person who carries out activities related to the conclusion of an insurance contract and organization of its execution on behalf and on behalf of the insurer ¹⁹⁵." In this regard, an insurance agent is an authorized representative of an insurance company, and individuals can also engage in this type of activity. An insurance agent is interested in selling more insurance policies because he receives a certain share of the amount of insurance proceeds based on the agency agreement. The advantage of this activity is that there is a high possibility of earning income. However, an insurance agent performs a highly responsible job in front of insurance companies when concluding insurance contracts. Therefore, it requires agents to have professional qualifications. In our country, the training and qualification of agents is carried out independently by companies, while in developed countries, agents have special requirements, including professional, human qualities, and psychological knowledge, as well as a special license. In particular, in the USA, insurance agents are highly paid (an average of 51,936 thousand USD per year ¹⁹⁶) and are considered a prestigious profession, and their professional knowledge, in particular, being polite and good looking, and having sufficient qualifications in the field, are required ¹⁹⁷.

When recruiting an agent, special training is organized and those who successfully pass the exam at the end of the course are hired. According to the data, 62.1% of those who take the exam for the first time ¹⁹⁸pass the exam successfully. Recruited agents are constantly demanding to work on themselves, employers improve the professional skills of agents by conducting trainings and round-table discussions. The average age of agents is 46 years, and their number has grown by 6% in the country over the last 10 years(Table 2).

Table 2

US insurance sector employment figures, annual average¹⁹⁹

Years	Insurance agents and brokers	Employees performing other insurance services	Total
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¹⁹⁵ <https://lex.uz/docs/5739117>

¹⁹⁶ <https://www.agentmethods.com/insurance-agent-trends-and-statistics>

¹⁹⁷ <https://www.insureon.com/small-business-insurance/insurance-agent-broker>

¹⁹⁸ <https://www.agentmethods.com/insurance-agent-trends-and-statistics>

¹⁹⁹ <https://www.iii.org/fact-statistics/facts-statistics-careers-and-employment>

2019	843	349	2802
2020	856	352	2836
2021	886	354	2825
2022	928	361	2907

Based on the existing literature and detailed study of the activities of insurance companies, we highlight the following shortcomings in the activities of agents formed in the insurance market of the Republic:

- a system for training, retraining and improving the skills of senior insurance agents has not been formed in the country. As a result, the quality of service of agents is not up to the required level. In most cases, the insurance agent performs the function of the agent himself, and there are many cases of formalizing the agency premium to the agents;

- as a result of the development of the insurance market, the rules and principles of insurance management are acquired by the insured. As a result, the function of an insurance agent is gradually being performed by the insured. This reduces the need for an insurance agent. Such a trend is not observed in Uzbekistan;

- insurance agents are very slow in developing and recommending insurance rates. As a result, these tariffs are not based on actuarial calculations, but on the basis of mutual agreement between the insurer and the insured. This leads to an increase in wild competition in the market, and as a result, to the deterioration of the insurer's financial condition.

Another type of insurance intermediaries is an insurance (reinsurance) broker, which is regulated by Article 15-16-17 of the Law "On Insurance Activities", the Regulation "On Professional Participants of the Insurance Market" and the Decree of the Cabinet of Ministers of the Republic of Uzbekistan dated November 27, 2002 The regulation "On measures for the further development of the insurance services market" approved by order No. 413 and "On qualification requirements for the manager and chief accountant of the insurer (insurance broker)" approved by order No. 61 of the Minister of Finance of the Republic of Uzbekistan dated June 11, 2008 " is regulated by the regulation.

In accordance with the law, an insurance broker is a legal entity licensed to conclude an insurance contract and organize its execution on behalf of the policyholder.

An insurance broker provides services on the basis of a contract concluded between him and the policyholder, and may also perform brokerage activities in reinsurance transactions. The main difference between an insurance broker and an insurance agent is that an insurance agent receives a commission from the insurer,

while an insurance broker receives a commission from the insured. That is, it helps the policyholder to choose the most suitable one after analyzing several offered insurance services. In some countries, in particular, in the Czech Republic, Estonia and other countries, they ²⁰⁰are called "insurance brokers" and in Italy they are called "insurance moderators". The demand for brokerage activity in insurance is different in other countries, and in countries such as Great Britain, USA, Canada, Australia and Ireland, most of the insurance operations are carried out by insurance brokers. For example, 70% of insurance contracts in the UK and 80% in the USA are carried out by insurance brokers. In Uzbekistan, the institute of insurance brokers is very poorly developed, and they mainly operate in the direction of reinsurance, that is, in transferring large risks to foreign reinsurance companies.

An insurance broker, unlike an insurance agent, is an independent legal entity acting on its own behalf, which is responsible for preventing misrepresentation of clients, thereby placing risks. His main tasks before the client are:

- Analysis of possible risks of an insurance event;
- Determining the necessary amount of insurance coverage;
- Searching for the most optimal company for the insured.

In the table below, we have mentioned the difference between an insurance agent and an insurance broker (Table 3).

Table 3

Comparative analysis of insurance intermediaries

Activity	Insurance agent	Insurance broker
Whom does it serve?	To the insurer	To the insured
On whose behalf does it work?	Insurance company	On his own behalf
Payment procedure	In the form of a commission fee from the insurance company	From the insured
Form of activity	Legal/physical entity	Physical person
Type of activity	Insurance	Insurance, reinsurance
The requirements for it	No license required	License required

The main difference between an insurance agent and an insurance broker is that one works for the benefit of the insurer and the other for the benefit of the insured.

Another common type of activity is suveyeri (insurance inspector). Its activities are regulated by Articles 24-25 of the Law "On Insurance Activities" and the

²⁰⁰ https://studme.org/1774050319895/strahovoe_delo/infrastruktura_strahovogo_rynka

Regulation "On Professional Participants of the Insurance Market". He is a legal entity with relevant experts in his state or an individual with professional knowledge and qualifications to ²⁰¹inspect and inspect the object of insurance (reinsurance) before the conclusion of the insurance (reinsurance) contract; analysis of all facts and risk situations, determining the level of risk before concluding an insurance (reinsurance) contract; is a special expert who makes a conclusion on the inspected insurance object. In a word, the surveyor is responsible for inspecting the property accepted for insurance (buildings, vehicles, etc.) and giving a conclusion on insurance risk assessment. Its importance in insurance services is that it can bring benefits to the insurance company due to having professional knowledge, and not using it can lead to huge losses for the insurance companies. A clear example of this is the large earthquake in Turkey and Syria, which shook the whole world. Unfortunately, in our country, the activities of insurance surveyors are carried out in an unprofessional manner by company employees.

After an insurance event occurs, adjusters are experts who review and assess the damages. In many insurance infrastructure literature, the concepts of adjuster, accident commissioner and dispatcher are confused. First of all, this is due to the lack of a legal framework regulating their activities, and secondly, the lack of foreign experience.

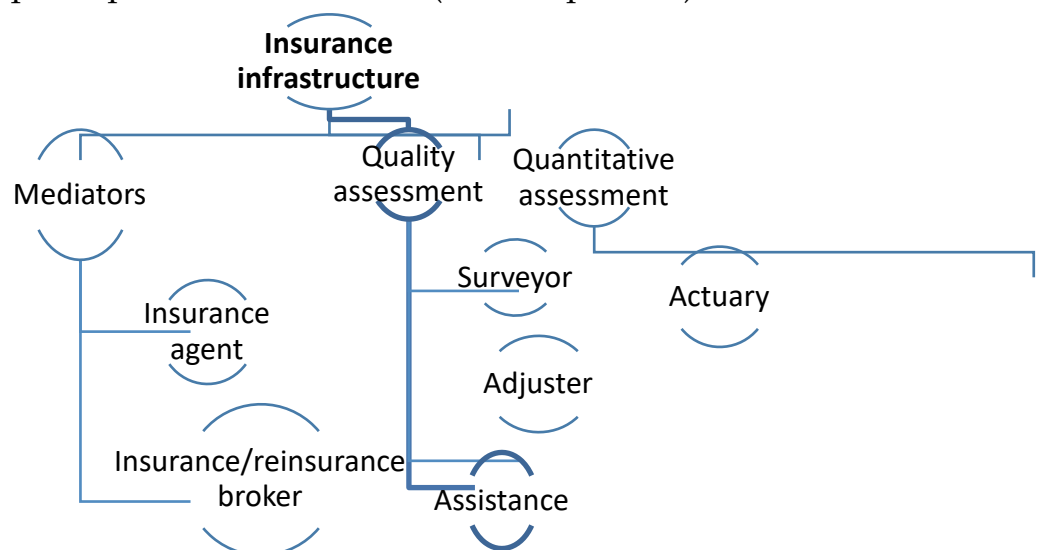
Actuaries are the most important and responsible type of activity in the activity of insurance companies. Actuarial activity is regulated by Articles 22-23 of the Law "On Insurance Activity", the Regulation of the Ministry of Finance of the Republic of Uzbekistan "On the Procedure for Issuing the Actuarial Qualification Certificate". In accordance with the legislation, they are engaged in: performing calculations of the mathematical probability of the occurrence of an insurance event, determining the frequency of damage and the severity of its consequences, both in separate risk groups and in the insurance package as a whole, and performing other insurance-related calculations, is an individual who has received an actuarial qualification certificate and resides in the state of the actuarial organization or has entered into a civil law contract with the actuarial organization. The actuarial organization can provide only actuarial services on the basis of payment in accordance with the contract. Despite the fact that 5 actuarial organizations operate in our country today based on the regulation "On the procedure for issuing actuarial qualification certificates", we can see that actuarial accounting books are carried out by employees who do not meet the requirements of actuarial knowledge in most insurance

²⁰¹ <https://lex.uz/docs/5739117>

companies. After all, in addition to insurance, actuaries should be well versed in the theory of symbols, mathematics, and statistics in calculating insurance rates, insurance reserves, insurance premiums, and other indicators that are important for covering insurance liabilities.

It should be noted that it is reasonable to say that the activity of the Institute of Actuaries in the insurance market of Uzbekistan does not meet the requirements. For this reason, the weight of scientifically based insurance tariffs in the construction of insurance contracts is very low. This has a dramatic impact on the amount of income of insurance companies. Usually, the company's income collected as a result of the insurance tariff formed on the basis of actuarial calculations should cover all its needs and create a net profit for its development in accordance with the requirements of the times. However, many companies in the insurance market do not have this opportunity.

Unlike other infrastructure participants in our country, assistance services are relatively developed. Their activity is regulated by Articles 26-27 of the Law "On Insurance Activities" and the Regulation "On Professional Participants of the Insurance Market". According to the law, Assistance is a natural or legal entity that provides assistance, technical, medical and other services to policyholders (insured persons, beneficiaries) and insurers within the framework of the insurance contract, as well as provides them with financial support. He performs his activities in accordance with the contract concluded with the insurer and is paid only by the insurers without the participation of the insured (insured persons).



3 – figure. Insurance market infrastructure ²⁰².

²⁰² Compiled by the author based on the data.

In addition to the main infrastructure participants mentioned above, professionals who help to manage insurance activities efficiently, including financial advisory firms, valuation services, legal services, etc. can also be included.

Based on the above, we divided the insurance infrastructure into two groups in risk assessment, which are (Figure 3):

1. Quality assessment.
2. Quantitative assessment.

In our opinion, experts such as surveyors, adjusters, and assistants will check whether there is an insurance event or not during the quality assessment, and help to determine the probability of risk and the value of damage.

Actuaries mainly play a role in quantitative assessment, that is, they calculate insurance rates by summarizing the probability of occurrence of a risk event and the amount of damage on the basis of the collected data.

Summary and suggestions

To date, many scientists have different definitions on insurance relations, and based on the analysis, research and the opinion of the above scientists, the concept of insurance is given the following definition: " Insurance is an economic relationship between several persons who agree to cover damage caused by a certain risk and to pay for it".

The development of the insurance market, its role in our country, and the activation of insurance processes are closely related to the quality of insurance services, especially the state of insurance coverage by insurers, their position in the country, the insurance culture of the population and their trust in insurance.

Weaknesses of insurance companies in our country are mainly related to the low level of customer belief in insurance and capitalization, companies' attention is not focused on the customer. Due to poor customer interactions, insurers are often unable to develop relationships with their customers.

Based on the analysis of development stages, further development directions can be determined as follows:

- increase in capitalization of insurance companies;
- rapid development of the infrastructure of the insurance sector, including the emergence of brokerage companies, insurance funds, self-organizing structures (strengthening the role of the association of professional participants in the insurance market);
- increase insurance literacy of small and medium-sized business leaders and the population;

•developing new forms of organizing insurance (cooperative and mutual insurance) taking into account the specific features of the organization of the economy and social structure in Uzbekistan.

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