



IMPORTANCE OF THE DEVELOPMENT OF THE SERVICE SECTOR IN THE REPUBLIC OF UZBEKISTAN

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Abstract

In the modern world, due to the accelerated development of competition and consumer demands, various types of services are emerging. Thanks to the dynamic modernization of scientific, technical and technological progress, new areas of service activity have been created. Enterprises and organizations in the service sector, through the integration of information technologies and communication tools, have been able to move to a qualitatively different level of business management.

At present, the role of services as one of the most important sectors of the economy is very significant and relevant. This is, in particular, associated with the increasing complexity of production, the saturation of the market with goods of both everyday and individual demand, and the rapid growth of scientific and technological progress, which leads to innovations in the life of society. In addition, services are an integral component of trade in goods (especially technically complex goods), since the sale of goods requires an increasingly developed network, which mainly consists of services provided during the sale process and after-sales services. Undoubtedly, the creation of new enterprises and organizations, as well as the use of innovative technologies and the expansion of the range of services provided by existing enterprises and organizations, will further contribute to the increase in jobs and the improvement of the welfare of the population. Its scale, structure and level of development occupy a special place in assessing the economic status of the country.

The development of the service sector is the key to the economic growth of the Republic of Uzbekistan. An important pattern of economic development



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throughout the world is the relationship between economic growth and the increasing role of services in the national economy, which is expressed in the growing share of labor, material and financial resources used in the service sector. As society develops and productive forces grow, this sphere undergoes a certain development. It is characterized by increased employment, growth in the technical equipment of labor, and the introduction of increasingly advanced technologies; it plays a huge role in the modern economy. In services, such key factors of economic growth as scientific knowledge, intangible forms of accumulation, information technologies, as well as the integration of entrepreneurial activity are formed.

The service sector plays a key role in the economy of Uzbekistan, forming a significant part of the gross domestic product (GDP) and contributing to job creation. In January 2025, the volume of services amounted to **64,784.6 billion soums**, which is **11.4% higher** than in the corresponding period of the previous year. [1]. This growth is associated with an increase in the number of enterprises in the service sector, the digitalization of the economy, growing consumer demand, and government measures to support business, including the implementation of the program “On Measures for the Accelerated Development of the Service Sector” (PP-5113 dated May 11, 2021). The greatest contribution to the increase in the total volume of market services was made by:

Financial services – +16.8%. The volume of financial sector services amounted to **11,864.5 billion soums** (+13.2% compared to January 2024). Particular importance in the state's economic policy is attached to the development of modern types of financial services (banking services, leasing, insurance, auditing, consulting, etc.).

Trade services – +11.4%. The volume of trade services amounted to **10,295.2 billion soums** (+10.2%). More than half of all trade services (52.7%) account for retail trade, including trade through electronic platforms.

Transport services – +7.3%. The volume of transport services amounted to **13,162.4 billion soums** (+8.7%). Road transport services accounted for **49.2%** of all transport services, of which **43.5%** were taxi services. The Republic of Uzbekistan is located in the central part of Central Asia and is the only country that shares common borders with all countries of the region. At present, our



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republic has great opportunities for the development of transport infrastructure and for meeting the country's needs in the movement of both cargo and passengers in all directions and by all possible modes of transport.

Communication and informatization – +16.9%. The volume of communication and informatization services amounted to **5,312.2 billion soums** (+21.6%). In this category, computer programming services predominate (41.7%). The development of network information technologies has opened new prospects in the field of education. The integration of modern educational methods and information technologies has made it possible to form new integrated learning technologies, in particular those based on Internet technologies.

Small business continues to play a leading role in the development of the sector. It accounts for **53.7%** of the total volume of services, including:

-**32.5%** – the share of small enterprises and microfirms

-**73.8%** – the share of newly established small business entities in the service sector.

In recent years, there has been a tendency toward an increase in the number of new enterprises in the service sector. In January 2025, **5,731 new enterprises** were registered, which is 25.8% more than in January 2024.

The service sector remains one of the most dynamically developing sectors of the economy of Uzbekistan. Sustainable growth, the active development of financial and digital services, the expansion of small business, and government support create favorable conditions for further increasing the contribution of this sector to the country's GDP. However, the key challenges remain the need for further automation of business processes, the development of professional skills of personnel, and the attraction of investments into innovative areas.

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