



## Transport Logistics: Current Problems, Development Initiatives

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### ABSTRACT

This article determines data about the current problems in the development of transport logistics in the Republic of Uzbekistan and the activities being done in the country in this regard, as well as gives suggestions for the development of transport logistics.

### KEYWORDS

Transport, logistics, expenses, cost price, shipping, cargo, passenger, open sea, export, import, LPI, infrastructure.

### INTRODUCTION

Transport plays an important role in the socio-economic development of the Republic of Uzbekistan. According to the results of 2020, 1378.8 million tons (104.5% compared to last year) of freight and 5240.4 million people (87.0% of last year) were transported by all

types of transport in the country. Due to the location of the republic, it is not possible to use water transport, which has the lowest cost of direct sea access and transportation. Therefore, the export of goods produced in the country and the import of necessary products

require the use of rail, road, air and pipeline transport.

In his Address to the Oliy Majlis, President of the Republic of Uzbekistan Sh.M.Mirziyoev touched upon this issue: "Improving the transport and logistics system is also the most pressing issue today. "Because of our limited access to the sea, there are many difficulties in exporting the product." [1]

One of the priorities in the development of the transport potential of the country and the expansion of export opportunities, the development of a network of modern roads, taking into account the geographical location of the country, is to increase the competitiveness of the economy.

Over the past years, a number of measures have been taken to improve road infrastructure in accordance with international standards, to build modern highways, to increase the convenience and safety of traffic.

Funding for the construction and repair of roads has increased significantly, which has allowed to almost triple the volume of road construction and repair work performed in recent years.

New approaches to the management of the transport network, in turn, require the use of modern methods and techniques that allow to fully meet the needs of consumers through the rational use of available resources.

## MAIN PART

According to experts, a number of problems hinder the development of transport logistics

in our country at the level of developed countries.

First, the lack of development of transport infrastructure in the country. In particular, according to the International Logistics Performance Index (LPI), if we look at the international logistics index of our country, the highest results can be observed in the indicators of infrastructure and timely delivery (Table 1). According to these indicators, Germany (4.20 - 1st place), Sweden (4.05 - 2nd place), Belgium (4.04 - 3rd place) are leading in the world, while Uzbekistan has 160 countries with a rating of 2.58. ranks 99th in the series. The Central Asian countries lag behind Kazakhstan (2.81 - 71st place), Kyrgyzstan (2.55 - 108th place), Turkmenistan (2.41-126th place) and Tajikistan (2.34-134th place). from above. Afghanistan (160th place) finished this ranking with a score of 1.95 (Table 1).

It is known that the logistics index is determined on the basis of several indicators. If we look at the position of Uzbekistan in each indicator: in the customs service - 140 places (that is, out of only 20 countries included in the ranking, the rating of the republic on this indicator is high); on infrastructure - 77th place; 120th place in international transportation; on logistics quality and competence - 88th place; on supervision and control - 90th place; on timely delivery - 91st place.

From the above analysis, in order to increase the role of the Republic of Uzbekistan in the logistics index among the countries of the world, it is necessary to focus primarily on the activities of the customs system in international freight and passenger traffic.

**Table 1**  
**LPI (Logistics Performance Index) data for 2018**  
**(Between 160 countries)**

Country	LPI place in	Overall rating	Duty room	Infrastr ucture	Internati onal shipme nts	Logistics quality and competenc e	Monito ring and control	Timely delivery
Germany	1	4,20	4,09	4,37	3,86	4,31	4,24	4,39
Sweden	2	4,05	4,05	4,24	3,92	3,98	3,88	4,28
Belgium	3	4,04	3,66	3,98	3,99	4,13	4,05	4,41
Japan	5	4,03	3,99	4,25	3,59	4,09	4,05	4,25
United States	14	3,89	3,78	4,05	3,51	3,87	4,09	4,08
South Korea	25	3,61	3,40	3,73	3,33	3,59	3,75	3,92
China	26	3,61	3,29	3,75	3,54	3,59	3,65	3,84
Kazakhstan	71	2,81	2,66	2,55	2,73	2,58	2,78	3,53
Russia	75	2,76	2,42	2,78	2,64	2,75	2,65	3,31
Armenia	92	2,61	2,57	2,48	2,65	2,50	2,51	2,90
Uzbekistan	99	<b>2,58</b>	2,10	<b>2,57</b>	<b>2,42</b>	<b>2,59</b>	<b>2,71</b>	<b>3,09</b>
Belarus	103	2,57	2,35	2,44	2,31	2,64	2,54	3,18
Kyrgyzstan	108	2,55	2,75	2,38	2,22	2,36	2,64	2,94
Turkmenistan	126	2,41	2,35	2,23	2,29	2,31	2,56	2,72
Tajikistan	134	2,34	1,92	2,17	2,31	2,33	2,33	2,95

**Source:** <https://lpi.worldbank.org/International> [5].

The second is the high cost of transportation. In particular, the cost structure of road transport services differs significantly from similar indicators in developed countries. In particular, the share of fuel, depreciation costs, taxes and fees in the cost structure is several times higher, while the share of drivers' wages, which is the most effective means of incentives, is less than 3 times (Table 2) [2].

According to Table 2, the main items of transportation costs are accounted for by vehicle maintenance and fuel lubricants. The level of obsolescence of vehicles used in the regional road transport associations of the country remains one of the main reasons for their inability to compete in the market of road transport services.

**Table 2**  
**Structure of the cost of transportation by road [3]**

Cost name	Percentage of transportation costs	
	Uzbekistan	European Union
Fuel	37-40	16-20
Lubricants	2-2,2	3
Driver's salary	15-16	52-55
Tire costs	2-2,5	1-1,1
Depreciation allowances	10-12	5-6
Taxes and fees	6-7	2
Other expenses	20-21	16

Third, bilateral and multilateral agreements within the region are not at the level of demand. In particular, the absence of the Agreement on International Road Transport between Uzbekistan and Tajikistan and the fact that the existing "unauthorized" agreements do not address issues of transportation to and from third countries have a negative impact on transport between the two countries.

Based on the above, it should be noted that in recent years, international cargo passing through the territory of Uzbekistan has been declining. The main factors influencing the reduction of international cargo transported through the country are the high tariff rates for transport, the complexity of customs control over international goods, in particular transit cargo, and the launch of alternative transport corridors around the country.

One of the most important external factors hindering the development of transport and logistics in Uzbekistan is the underdeveloped transport infrastructure that provides foreign economic relations, which requires the development of the transport network in the country.

## RESULTS AND DISCUSSION

Achieving the main goal of sustainable development of the national economy is directly related to solving the problem of developing alternative transport corridors to access world markets.

The National Strategy for Sustainable Development, developed by the Government of the Republic of Uzbekistan, emphasizes the development of alternative transport corridors to enter the world market. Today, Uzbekistan is actively involved in the development and implementation of projects for the joint construction of international roads within a number of member organizations.

These roads will allow Uzbekistan to access southern seaports, international transport networks (automobile railways, sea routes), goods and capital to world markets.

At the current stage of economic reforms, Uzbekistan has confidently entered the world market, solving the task of achieving macroeconomic stability. By increasing its

exports, it has created favorable conditions for attracting large-scale foreign investment. Now, in order to develop export and import relations, our country must in the process of sustainable growth of its economy correctly choose the alternative ways of exporting goods that meet the requirements of the world market. Special attention should be paid to the economic, political and international aspects of this issue.

Given the fact that Uzbekistan's entry into the system of global economic processes is an objective necessity, it is time to identify ways to quickly establish independent relations with foreign countries at the expense of its export-import relations.

It can be said that the problems of freight and passenger traffic between Uzbekistan, Russia, Ukraine, Belarus and the Baltic states are likely to be resolved in the near future within the Commonwealth of Independent States.

Based on the above factors, there is a need to develop, rationally and consistently implement the formed concept of clearly defining the place of Uzbekistan in the world community. This requires, on the one hand, a comprehensive and objective assessment of the challenges and new opportunities associated with the process of globalization, and, on the other hand, the clear internal capabilities to counter emerging risks and the existing potential to realize new opportunities.

The work on the construction and effective use of modern logistics centers in our country is being continued. The basis for consideration of the issue of establishing logistics centers in Uzbekistan was the policy of modernization of the economy of the republic. In this regard,

special attention is paid to the development of the country's transport infrastructure, including the establishment of logistics centers that promote the development of both domestic and export, import and transit trade. The Republic of Uzbekistan has acceded to a number of major transport conventions and international agreements, and in this regard, work is underway to diversify transport corridors.

By 2030, the total amount of investments in the transport sector will reach about 46.7 billion. The annual volume of investments will increase from \$ 2.1 billion in 2015 to \$ 5.1 billion by 2030. It is expected to increase to USD. In order to achieve the goals of economic transformation while increasing investment, transport policy in Uzbekistan should focus on improving institutional issues, further optimizing the consumer-oriented transport and logistics system, improving the quality of services and diversifying transport routes for future export / import and transit of goods. will be required [4].

To develop the segment of transport and logistics services, the network of multimodal transport and logistics centers can be expanded through:

- Harmonization of the regulatory and legal framework, intermodal and multimodal forms of cargo transportation, technical and technological regulations and standards of logistics centers, the activities of freight forwarding companies applying international standards;
- Integration of information bases to ensure the efficient operation of multimodal transport);

- Formation of a network of national transport and logistics centers with the level of transport and logistics operations in them to at least 3 PL.

The development of road transport in the country is aimed at improving the quality of road transport, reducing the negative impact of the road transport sector on the environment and improving the environment, the introduction of modern innovative ideas, developments and technologies in the public administration system to renovate and replenish the Palace of Passenger and Trucks. technical support, state support for the establishment of intelligent transport systems.

In addition, it is necessary to finance projects for the development of the road transport network, improve the system of integration into the global transport space and the country's transit potential, increase the competitiveness of domestic carriers in the international road transport market, as well as create conditions for human resources policy.

## CONCLUSIONS

The ongoing work on the development of road transport in Uzbekistan and the implementation of planned tasks in the future will serve to improve the quality and efficiency of transport services, as a result of which the country's transport infrastructure will take its rightful place among developed countries.

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