

# **Prospects for Developing Transport Services in the Republic of Uzbekistan and Transport Logistics**

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## **ABSTRACT**

This article is devoted to the consideration of the prospects for developing transport services in the Republic of Uzbekistan and transport logistics in reliance upon theoretical and practical analysis implemented within the framework of this research. In addition, as a case-study of Uzbekistan, the article discusses the advantages of transport services and the role of transport logistics in the national economy. In article was used statistic and system methods. By these methods were analysed main indicators of the transport performance of the Republic of Uzbekistan for 2014 – 2018. By author have been classified advantages and disadvantages of motor vehicles, were proposed the concept of logistics and, were found factors that influenced to developing transport services in the republic of uzbekistan and transport logistics. Relevant conclusions and recommendations have been developed on the research results. With the development of transport logistics in our country, it is crucially important to develop forecast indicators through the provision of accounting information, implementation and control of analytical activities on the basis of constant observations and studies.

## **KEYWORDS**

Transport, Revenue, Expenses, Logistics, Services, Infrastructure.

## **Introduction**

The development of each sector is directly connected with the services sector development. Whatever sector it is - industry, agriculture, or any other sector – the services sector is considered to be a driving force which unites all other sectors because the product made in each of the sectors is delivered to the consumer through the services sector. Therefore, it can be said that the transportation sector is the sector which interconnects industry and services sector and which serves as a bridge for all sectors. The development of this industry in a certain extent will inevitably cause the collapse of any industry. This issue is also reflected in the targeted programs, and definitely annually adopted state programs involve the issues for further development of the road and transport infrastructure, as well as determine certain objectives for this sector.

A number of measures have been recently implemented in our country to develop national transport. The Resolution of the President of the Republic of Uzbekistan № 4230 “On the measures for radical improvement of the transportation of cargo and passengers” as of March 6, 2019 aimed at further improvement of the transport system, creating favourable conditions for the carriers of all types of ownership, as well as enhancing transport-transit potential of the country, has resulted in further intensification of the measures undertaken in this sector. [1]

Among the emerging trends in the world economy, as well as in terms of the promising economic and social development of the world, transport services sector has become one of the most essential sectors in recent years. In addition, the transport service contributes to the formation and development of the international labour market as well. Definitely, development, expansion and multiplication of transport sector are accompanied by many factors throughout the world. These factors can be divided into geographical, economic, sociological, social and other factors. Transport infrastructure is an integral part of the transport system of any city or state. In connection with the development of society and intensification of international relations due to the globalization processes, the importance of transport as a factor for economic and social development has enhanced.

It should be noted that there is no possibility to develop all sectors without the transport system, in particular, in this regard the role of the movable transport is actually significant. The provision of convenient and affordable services to users of the transport services is a top-target priority for the state. Transport sector is considered to be an indivisible part of the economy.

The role of the transport in the economy is that it constitutes an integral part of any manufacturing and serves as the

delivery of the product from the manufacturer to the consumer.

## **Literature Review**

From the point of view of Bugromenko (2003), the development of the transport sector does not make a direct impact on the economic development. He believes that infrastructure development has no impact on transport.[11]

Bereshman (2001) supposes that economic prosperity is directly related to preferences in the transport sector. This includes improving the opportunities for transport use, reducing the ticket prices, raising passenger turnover, decreasing harmful substances and waste, as well as increasing the intermodal transport. [9]

In the opinion of Lakshmanan, all that contributes to the improvement of transport infrastructure and the formation and development of the market of transport services will lead to a decrease in the cost of transportation and an increase in access to various commodity markets.

The export opportunities growth will lead to increased production and sales, reorganization of production lines of companies, creation of new supply chains and lower production costs. According to him, the reduction in the cost of transportation will lead to more access to markets, thus expanding the labour market. (Lakshmanan and Andersen, 2002).[10]

Some economists point to the significance of digitalization in the transport sector, saying that “Given the strategic approaches to digital economy development in different countries, we can focus on general guidelines for digitizing the economy: the main aim is to create a global digital infrastructure to ensure the competitiveness of our industry and companies, as well as the mass involvement of government agencies, businesses and the public in the digital space” (Popov and Semyachkov, 2018). [12]

The concept of logistics in ancient Greece was also called the “art of computing”. According to some sources, logistics originated in Greece in the IV century BC. In the National Encyclopedia of Uzbekistan it is written that logistics is the art of calculation, discussion (Rodnikov, 2000).[2]

Logistics is the management of materials, information and human flows with the aim of optimization (minimizing costs) (Shumaev, 2016).[3]

A broader definition of logistics interprets it as the doctrine of managing the movement of material, information and financial resources in various systems<sup>1</sup>.

From the practical point of view, the term “logistics” implies to choose the most efficient option to deliver the right amount of goods at the right time, in the right place with the account of the lowest costs (Shumaev, 2014).[5]

Burkhanov A., Tursunov B. O.[15], Kalandarovna, A. G., Gaibnazarovich, G. S. [16], Tursunov, B. O.[17,18], Yuldashev, N. K. [19], Tsvetkov (2016) made a comparative analysis of the application of logistics methods in two types of distributed systems. The content is generalized by summarizing the description of the first type of classical logistics systems and the second type of information and telecommunication systems. Logistic principles that can be applied to both systems have been outlined. The differences in the methods of optimization and development of the two systems have been demonstrated. The application of logistics principles in distributed information systems has been proven to be an objective necessity and will contribute to the development of both systems.[13]

Contradictory issues in the formation of the logistics system at the enterprise have been revealed, and the ways to improve the flow management of materials on the basis of logistics management have been identified (Levkin, 2017).[14]

Topolšek et al. (2018) commented on the concept of logistics in transport: “There are many concepts in the transport and logistics business: transport, logistics, forwarding services and so on. In addition, there are a number of types

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<sup>1</sup>This definition was formulated and adopted by the First European Logistics Congress held in Berlin from 20 till 22 March 1974.

such as transportation economics, transportation logistics, logistics management, etc. [15] All of them have to do with planning, organizing, and managing the movement of human, material, information, and financial flows. However, in practice they are often interrelated and misused. The results of the analysis have enabled to determine that there is no single logistic term. Moreover, the concept of “transport logistics” is perceived differently as well. [18]

## Research Methodology

Such research methods as data collection, observation, study of statutory acts, providing a comprehensive and systematic approach to the study of economic relations and events in their development, as well as interdependencies have been widely applied in this research. It should be noted, that general scientific and special methods of research - methods of analysis, logical, gross and systematic approaches to the assessment of economic phenomena have been used in the course of the research.

## Analysis and Results

Currently domestic and generally-used (universal) types of transport are distinguished in the world. Domestic vehicles are conveyors, cranes, specialised vehicles, and external vehicles include movable vehicles. The internal transport system is a component of the production process in the country and is usually intended to fulfill a certain task.

Extraction of oil or coal, the process of transporting cargo associated with agriculture is directly related to production and is one of the basic processes. The delivery of products from the place of production to consumers is carried out in generally-used vehicles. Generally-used vehicles include railway, river, water, air and motor vehicles. These vehicles provide an inseparable link between production and consumption. Therefore, although transport services do not raise the amount of blessings, they are considered to be a continuation of the production process, and material production, and such types of transport include those that are engaged in the transportation of passengers along with those that provide services to the production process. [19]

Subway, tram, trolleybus, bus, etc., which operate separately in different cities, қуқыуыте structural components of the transport system as well. Herewith, production transport vehicles are those that serve the immediate needs of enterprises of industry, agriculture, construction, trade and other industries.

In addition, the transport network performs essential economic, political, social, cultural, agrarian, medical, defense and other functions throughout the country. The transport network is a large and complicated economic complex which operates independent networks, a variety of highways, cities and industries. Despite being independent from the administrative-economic point of view, all types of transport operate in a certain degree of interdependence, affecting both the process of direct transportation and the final technical-economic results of the activity, manifesting itself in a part of the productive forces and a required condition for ensuring high productivity of manufacturing and social labour. [17]

Vehicles at automobile enterprises operating in the republic constitute a significant part of the general production funds. A number of production networks serve for a partial or almost complete transport system. The first group of such industries includes oil refining, energy, chemical industry, metallurgy and other industries. The locomotive and wagon industry, the automotive industry, the shipbuilding industry belong to such industries which are working entirely for the transport system. [16]

Providing services by motor vehicles, including cargo transportation has been leading since the first years of independence and has been growing year by year. International transportation is also developing in Uzbek automobile sector. In recent years, there has been a steady increase in the volume of international import and export trade transportation.

It has become obvious from the study that the main part of passenger and cargo transportation in our country corresponds to the volume of the vehicle. The common and private reasons for this are the following:

- Convenience of transportation by car.
- High capacity even in small volume cargo transportation.
- High cost of air travel.
- Perfect development of domestic railways.
- Almost lack of access to water carriage transport.
- High opportunity of purchasing motor vehicles.

There is another reason for the development of the transport sector. It is the fact that motor vehicles are able to operate at almost any level of equipment of their technical assistance base, sometimes even without such a base, only having a territory for the stoppage of the content in the movement. Motor vehicle companies can also work with cars and drivers, as well as with a certain number of states of the administrative staff. In this case, the maintenance of motor vehicles and their current repair can be carried out using own resources with the help of simple tools, while the more complex work on repair is performed on the basis of technical assistance of another company. In addition, such a motor vehicle company can achieve high profitability (at least in the initial periods) with the less obsolete content in the movement, even without its own technical assistance base.

In this regard, the motor vehicle transport differs from other types of vehicles in the fact that it does not depend on the operation of existing vehicles such as the construction of roads, arranging of port operations and the passage of ships, availability of airfields and means of communication, etc.

The development of all types of transport is crucially important in the Republic of Uzbekistan. However, current studies illustrate that even in cargo and passenger transportation, transportation of motor vehicles is in the leading position. Definitely, in the process of passenger carriage, transportation by motor vehicles is the leader throughout the entire world, however, water transport evidently plays an essential role in cargo transportation. In our country, a motor vehicle holds a specific place in the cargo transportation services.

The increase in the volume of transport in the motor vehicle sector is ensured both by an extensible road (by directly increasing the number of automobile companies in the country), by intensive roads (by qualitatively improving the quality of the newly produced vehicles and by adapting them to the cheaper fuel type, raising the load capacity, and also by improving the indicators of the use of available motor vehicles). All this is directly related to the further development of the production and technical assistance base of the automotive sector which is now becoming crucially essential.

It is obvious that the main objective of the motor vehicle is to timely, qualitatively and completely meet the needs of the state and society for transportation, to enhance economic efficiency of its activities. The motor vehicle transport services consist of three interconnected parts. These include passenger and cargo loading, passenger and cargo transportation and debarking of passenger and cargo.

The motor vehicle technology comprises of the numerous technological processes determining the following procedures:

- The procedure for maintaining, repairing and rendering technical services to the motor roads, as well as other elements of technical equipment;
- The procedure for carrying out initial, final and movement operations, providing the process of transportation of cargo and passengers.

When considering the conditions and peculiarities of the formation of the production, technical assistance base of motor vehicle companies, it should be noted that this network is diverse and has various characteristics. The classification of motor vehicle companies is also associated with the size of the components, buildings and structures that make it up, as well as other specific features.

Motor vehicle companies have their own characteristics, even in any form of ownership, having both fixed assets and current capital. The implementation of the transportation by motor vehicles is associated with the consumption of

motor fuel and lubricants, payment of salaries and other costs. The results of financial and economic activities of motor vehicle companies are evaluated according to the data of accounting and reporting expressed in monetary terms.

Due to the peculiarities inherent in these companies, high mobility of the service, possibility to deliver the cargo to the address at the discretion of the customer, they hold a specific place in the provision of logistics services in the general infrastructure of the state for some types of transportation, such as within the city and around the city.

Herewith, there is a decrease in the share of transport services of motor vehicle companies in the total volume of cargo and passenger transportation because the economy liberalization provides numerous opportunities for developing competitive sectors. However, the peculiarities specified above create prospects for motor vehicle companies to win in the competition. Moreover, accurate formulation of accounting policies on the basis of specific characteristics and the development of a system of accounting methods oriented in compliance with the motor vehicle companies is one of the obligatory conditions of market relations.

Cargo and passenger transportation is considered to be the product of the motor vehicle companies, and its peculiarity is that the manufacturing of the product comes with its sale. That is, as it has been noted above, there will be no unfinished production in the motor vehicle companies. The process of manufacturing the product happens outside the company. Between the process of production and consumption, as a result of the product migration, there is a significant material change in the location of the product in relation to the consumer. The value of a transport product is formulated according to laws specific to all branches of material production. Providing services implies alive labour of all employees hired in the motor vehicle sector. Accordingly, the issue of cost reduction is a major factor in raising the profitability level of companies and the volume of profit.

Like all enterprises, motor vehicle companies have their own network characteristics, they can effectively manage revenue and expenses, divide them into groups, maintain accounting, improve the quality of services, make efficient management decisions through analysis, as well as facilitate efficiency improvement.[4]

The transport system development in our republic and the role of motor vehicle in it are considered to be rather high. This system which connects the supplier - manufacturer and the consumer in all areas has been improving and becoming more interconnected over the years. There is no product, work or service that did not need a transportation system at least at some stage.

The transport system in our republic has been steadily developing and the motor vehicles hold a specific role in it. It is an obvious fact that the development of economic relations between the countries of the world, increase in mutual relations between the countries, development of the countries, production of products, growth of services and consumption, as noted above, result in occurrence of the need for transportation services, which, in turn, justifies the necessity for rendering transport services.

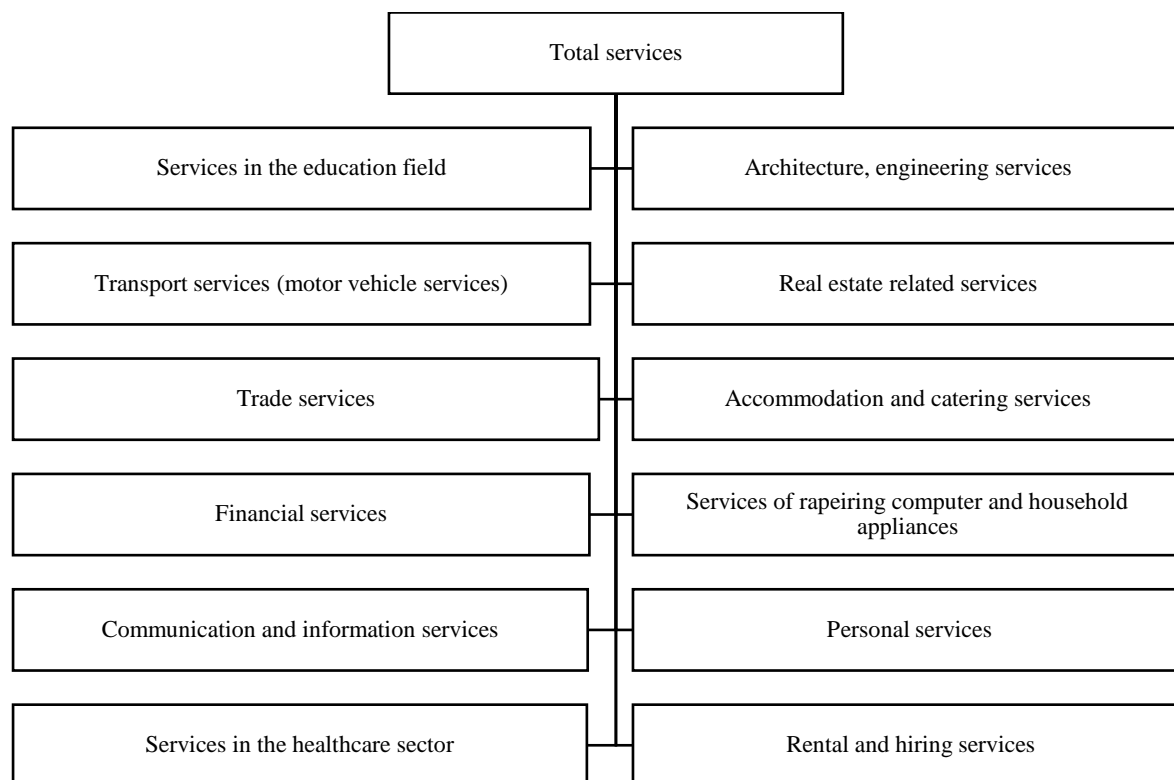
The efforts to improve the welfare of the population in the Republic of Uzbekistan, improve the system of passenger and cargo transportation, establish international transport, ensure the safety and quality of cargo transportation have resulted in the establishment of motor vehicle companies corresponding to the world demand. Currently a number of step-by-step activities are implemented in terms of rendering high-quality transport services to the population and legal entities by the companies in the automobile system. In addition, the Action Strategy for the further development of the Republic of Uzbekistan determines such objectives as modernization of production, technical and technological renovation, implementation of active investment policies aimed at production, transport and communication and implementation of social infrastructure projects (Decree, 2017). These objectives prove the necessity to improve the accounting of revenues and expenses in motor vehicle companies. [6]

Researches aimed at analyzing expenses, summarizing the data of the initial accounting documents for expenses, studying the database of information and analysis in the management and accounting of expenses, improving the theoretical and practical basis for the development of low-cost high-efficiency projects, providing quality services with reduced expenses are conducted throughout the world.

In our republic, the types of services have also diversified due to the demand of society and have found their place on the basis of the program for developing the services sector. We can see it on the basis of the statistical data (see Figure 1).

Transportation services have become one of the trends in the global economy, as well as one of the significant areas of transport and logistics in the following years in the prospective economic and social development of the countries of the world. The population growth throughout the world has caused the need for the global transport development.

The transportation system of each state serves to meet the needs of the society. Entire satisfaction of the needs of users of these services has always been at the forefront of the states. Therefore, the transport system with its inherent role has been considered an integral part of the economy both now and always.



**Figure 1.** Services structure in our republic

Source: Developed on the basis of the data of the State Committee of Statistics of the Republic of Uzbekistan. Tashkent, 2019

According to the data, in the XIX century when the railway transport was the main leader in the use of transport services, in the XX century the leadership belonged to motor vehicles. Nowadays motor vehicle is dominating in the world by constituting 80 percent of passenger carriage. In the case of cargo transportation, the main role belongs to the water transport. According to research done by Bulko (2016), around 62% of the cargo is transported by exactly this type of transport. However, not all countries have the opportunity to use this type of transport. Since the water transport can transport small amounts of cargo concentrated in one place, it is inexpensive as well as the possibility of carrying a very large amount of cargo, which can be transported by several cars at the same time.[8]

Thus it is obvious that in our opinion, taking into consideration domestic opportunities of each country and peculiarities of rendering transport services it is advisable to evaluate both the efficiency and the role of this type of transport.

Moreover, at the nation-wide level, the public transport network performs essential economic, political, social, cultural, agricultural, medical, defense and other functions. This network is considered to be large and complicated and independent networks, various types of long linehaul transport, city and industrial transport operate within this network. In spite of being independent in terms of administrative and economic aspects, all types of the transport operate within mutual interrelation and make a direct impact on both carriage process and technical – economic results of its performance. It is considered to be an obligatory prerequisite of providing high efficiency of the social labour and fair allocation of production in terms of reflecting a certain portion of production forces.

Until 1991 a major part of transport vehicles and their spare parts were imported in the Republic of Uzbekistan. This, in turn, negatively affected the production process. Currently our republic has its own independent automotive industry. In our country, over 200 statutory acts have been recently developed. They are aimed at the development of automotive transport sector, ensuring traffic safety, further improving the culture of passenger service.

If a primary aim was to set up production of motor vehicles, then it was followed by the series of the reforms. These reforms were aimed at manufacturing components and spare parts for motor vehicles with involvement of foreign investments, further improving the production of buses and lorries in Uzbekistan, as well as enhancing their competitiveness, replenishing and updating the public car transport parks, enhancing safety of transportation of passengers and cargo, reducing emissions of hazardous wastes in the atmosphere, occupying and maintaining a worthy place in the international market, expanding the product range through manufacturing commercial auto cars, as well as ensuring the increase of the trade volume in the internal and external markets.

The statements given above have discussed provision of transport services around the globe and their role. Now we are studying the trends of developing transport services in our republic and we can see that in the process of cargo transportation the biggest share belongs to the motor vehicles. In our republic the major part of the cargo transportation is performed by namely motor vehicles.

As it is obvious from the statistic indicators, rendering services by motor vehicles, in particular, in terms of cargo transportation, has emerged since the early years of the independence and this trend is growing year by year. If in 2014 motor vehicles transported 1327,4 million tons of cargo, then in 2018 this indicator constituted 1 billion 68 million tons. (See Table 1).

**Table 1.**Main indicators of the transport performance of the Republic of Uzbekistan for 2014 – 2018

Indicators	2014	2015	2016	2017	2018
<b>I.1. Cargo transported – total(million tons)</b>	<b>1458,9</b>	<b>1527,0</b>	<b>1132,5</b>	<b>1146,2</b>	<b>1209,0</b>
<i>including:</i>					
by railways (mln. tons)	65,7	67,2	67,6	67,9	68,4
by airways (mln. tons)	0,0230	0,0246	0,0265	0,0264	0,0131
by gas pipelines (mln. tons)	65,8	60,0	62,2	65,1	72,4
by motor vehicles (mln. tons)	1327,4	1399,8	1002,8	1013,1	1068,2
<b>2. Cargo turnover(mln. tons-km)</b>	<b>85711,3</b>	<b>86915,7</b>	<b>65264,8</b>	<b>66902,6</b>	<b>70560,6</b>
<i>including:</i>					
airways(mln. tons-km)	22895,3	22897,8	22936,7	22939,5	22942,1
airways(mln. tons-km)	125,1	129,9	132,2	156,9	123,4
gas pipelines (mln. tons-km)	31189,8	29989,9	28898,1	30198,5	33643,2
motor vehicles (mln. tons-km)	31501,1	33898,1	13297,8	13607,7	13851,9
<b>II.1. Passengers transported, total (mln. people)</b>	<b>7319,8</b>	<b>7586,0</b>	<b>5560,4</b>	<b>5679,0</b>	<b>5818,0</b>
<i>including:</i>					
airways(mln. people)	19,1	20,1	20,5	21,1	22,3
airways(mln. people)	2,3	2,2	2,1	2,2	2,6
motor vehicles (mln. people)	7244,4	7511,4	5480,8	5591,3	5719,1
electrical means of transportation (subway) (mln. people)	54,0	52,3	57,0	64,4	74,0
<b>2. Passenger turnover, – total, (mln. passengers - km)</b>	<b>100032</b>	<b>106230,1</b>	<b>125999,8</b>	<b>129970,4</b>	<b>134426,5</b>
<i>including:</i>					
airways(mln. passengers - km)	3701,5	3811,1	3932,1	4293,9	4350,1
airways(mln. passengers - km)	7028,2	6801,2	6734,3	7549,2	8835,1
motor vehicles (mln. passengers - km)	88901,2	95202,3	114910,3	117649,6	120696,3

electrical means of transportation (subway) (mln. passengers - km)	401,1	415,5	423,1	477,7	545,0
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Source: State Committee of Statistics of the Republic of Uzbekistan. Annual statistic collection. Tashkent, 2019.

It is obvious from the table that cargo transportation reduced in 2014 in relation to 2018 and the main growth was observed in 2015. However, the volume of the cargo transportation by railways and through pipelines increased. Even though the cargo transportation through gas pipelines constituted the biggest percentage of 10 percent, this indicator is very small in terms of the transportation volume. The biggest indicators in terms of cargo transportation are represented by the railways and motor vehicles.

It should be noted that motor vehicles are dominating in terms of passenger transportation. The biggest indicator of 10,5 percent is represented by the railways, however, the number of passengers transported is very low. In conclusion we can say that in our republic cargo transportation by motor vehicles is dominating in comparison with other types of transport. (See Figure 3).

As we have already mentioned, the lack of rivers flowing along our republic, inadequacy of internal regional railway lines, the high cost of using the air transport have laid the foundation for the automotive transport to be a leader in the cargo transportation.

If in 2014 passenger turnover transported by motor vehicles accounted for 88,0 billion passengers – km, in 2018 this indicator constituted 120,7 billion passengers-km, so this indicator increased 1,3 times in comparison with 2014.

It should be noted that the major part of the cargo and passenger transportation belongs to the motor vehicles and certain factors definitely impact its development.

The dominating role of this type of transport in rendering transport services is justified by the convenience of this type of transport, and relatively cheap prices constitute the reason for developing this kind of transport.

Overall development of all types of transport in the Republic of Uzbekistan is crucially important. However, current studies illustrate that motor vehicles are dominating in the cargo and passenger transportation. In case of passenger transportation motor vehicles definitely play a leading role, but in case of the cargo transportation the role of rivers is essential.

The basic factors considered by foreign researchers and scholars as the common factors impacting the development of motor vehicles, cannot be suitable for all countries.

In our opinion, the main reasons of dominating motor vehicles in the cargo transportation are the following:

- Convenience of motor vehicles for cargo transportation;
- High opportunities of transporting the cargo in small amounts;
- High costs of air transport;
- Inadequate development of railways;
- Unavailability to use water transport;
- Availability of opportunities of buying a motor vehicle.

In conclusion it is possible to say that not only the development level of motor vehicles can be influenced not only by the development of the overall transport system, but geographical location as well.

As the researches show, there are several advantages and disadvantages of motor vehicles. (See Table 2).

**Table 2.** Advantages and disadvantages of motor vehicles

Advantages	Disadvantages
Delivery of a product from a manufacturer to a consumer	Wasting much time in the delivery process

Urgent delivery of products, that is prevention from their gathering in one place	Demand of much labour force
Avoidance of loss and damage to a product	Inability to carry big amount of cargo
Quick and reliable delivery of products	Consuming much fuel (in general)

*Source:* Developed on the basis of the author's proposal

In reliance upon the research we can make a conclusion that motor vehicles make a significant contribution to the development of our republic and they serve as a “bridge” between manufacturers and consumers.

## Discussion of the Results

Currently the passenger transportation services are provided not at their own expense, but they are rendered a constant support from the budget, provided with various incentives and preferences, as well as financial assistance. This can be seen even from a relatively small number of researches devoted to the study of passenger transportation because recently no researches devoted to the revenues and expenditures of motor vehicle companies, in particular, prime-cost of the services have been done. As a result, nowadays motor vehicle companies challenge the problem of raising their revenue and profit and decreasing their expenses, which, in turn, result in the profitability reduction. Therefore it is advisable for motor vehicle companies to organize accounting of revenue and expenses of motor vehicle companies in reliance upon current requirements of the market economy.

Profitability of motor vehicle companies and their ability to get profit make an impact on all sectors in terms of improving the quality. In this regard it is required to provide getting revenue by motor vehicle companies, optimize expenditures, and to render high-quality services as well. To achieve this aim it is recommended to arrange the performance of the company by conducting comprehensive analysis of motor vehicles.

Rendering transport services is directly connected with the logistics. In this regard, annually adopted state programs particularly focus on the transport and logistics issue. Recently adopted government resolution has outlined the main objectives of the Ministry of Transport. In compliance with this resolution, the Ministry of Transport has the following objectives:

- Integration of all types of transport in the unified transport network of the Republic of Uzbekistan and development of the unified state transport policy in reliance upon efficient use of sophisticated efficient logistics system.
- Encouraging development of the transport and logistics market, providing coverage of the consumers of all categories, implementing a unified tariff policy aimed at attracting investments in this sector.
- Developing international transport corridors, working out proposals on improving the logistics system and implementing relevant measures, ensuring efficient use of the national transport potential, reducing expenses on using logistics services by entrepreneurship entities.
- Developing public-private partnership in the transportation sector and enhancing investment attractiveness of the country.
- Introducing advanced IT technologies for digitalization of the overall transport system, elaborating and implementing the Development strategy for unified system connecting the overall transport system of the Republic of Uzbekistan.
- Implementing a unified technical policy in the field of highways, providing complex solutions to the issues of financing, design, construction, repair and use of highways, airfields and airports, railway stations, railways and other objects of transport infrastructure with the account of users' interests and benefits.
- Exercising control in the transportation sector, arranging and carrying out inspections on civil aviation and experimental aircraft accidents and diasters, as well as on accidents happened on railways and rivers;
- Ensuring the national interests of the Republic of Uzbekistan in the market of global transport services due to the development of international and regional cooperation in the field of transport and road economy.
- Systematic implementation of advanced technique of training, qualification upgrading, retraining and professional development of the personnel with the account of the current and future needs in the transport sector.

In addition, the Center for the study of problems of development of transport and logistics has been operating under the Ministry of Transport.

Obviously, information about the types of logistics and its scope is presented by various scientists. However, due to the current essence of logistics, it is possible to expand it and substantiate each of them.

Logistics is a study performed by scientists and its results are divided into two groups. While the first group was determined by scientists as the management of the flow of materials in the production process as the direction of the activity of a particular economic entity, the second group was defined as the direction of the flow of materials and as a scientific area and aimed at seeking new opportunities for enhancement.

The concept of logistics as a term is provided in more detail in the literary sources by Rodnikov (2000) and is based on the information collected in reliance upon the changes by periods.[2]

The issue of logistics has always deserved a particular attention in terms of the economic reforms implemented during their later stages. In particular, the development of transport logistics in recent years and the activities carried out in this regard, establishment of logistics centers, increase in the quality of services provided by them is one of the essential steps.

In our opinion, with the development of transport logistics in our country, it is crucially important to develop forecast indicators through the provision of accounting information, implementation and control of analytical activities on the basis of constant observations and studies.

## Conclusions

The following conclusions can be made in reliance upon the research results:

First of all, the concept of logistics should be defined as follows: "Transport logistics is based on the efficient management of the movement of material and financial resources in order to reduce transport expenses and minimize costs".

1. Such factors as the absence of rivers flowing along the republic, inadequacy of railway lines, high costs of air transport in some extent have contributed to the dominating role of motor vehicles in the process of cargo transportation.
2. The following reasons justify the fact that the major part of the cargo transportation volume belongs to the motor vehicles:
  - Convenience of the cargo transportation by the motor vehicle;
  - High opportunities of carrying small amounts of cargo;
  - High cost of the air transportation;
  - Insufficient development of domestic railways;
  - Absence of opportunities to use water transport;
  - Availability purchasing motor vehicles.

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