



AKTUAR MOLIYA VA BUXGALTERIYA HISOBI ILMIY JURNALI

Vol. 4 Issue 09 | pp. 43-47 | ISSN: 2181-1865

Available online <https://finance.tsue.uz/index.php/afa>

ANTIMONOPOLY REGULATION AT THE PRESENT STAGE: CHALLENGES AND OPPORTUNITIES



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Abstract. The article discusses current challenges in the area of antimonopoly regulation in Uzbekistan and proposes solutions to address them. It emphasizes the significance of regulation and provides a summary of the actions of monopolistic entities in the country's economic landscape.

The paper outlines the principal areas of antimonopoly efforts in Uzbekistan at present and examines the shortcomings of Russia's antimonopoly regulations. It identifies the fundamental causes of these issues and offers suggestions for government authorities to enhance the situation.

In addition, the article provides a critical analysis of the activities of the Committee for the Promotion of Competition and Protection of Consumers in Uzbekistan, supported by relevant examples and statistical information. The article also presents the views of authoritative international sources regarding the work of this committee. The measures taken at the legislative level, as well as potential solutions to current problems and methods for regulating the country's anti-monopoly policy, are discussed.

Keywords: business activity, antimonopoly regulation, competition, monopolies, business law, business law

Introduction

Monopolism in the economy is one of the major and most challenging socio-economic issues on a global scale. It gives rise to numerous contradictions and leads to serious problems in the economic sector, such as price increases, reduced production, deterioration of product quality, etc. The unchecked activities of monopolies are hazardous for both consumers and the overall economy of a country. Therefore, along with the existence of monopolies, there is a need for their regulation. In most instances, the government acts as such a regulator, fulfilling its responsibility towards society by creating an environment that guarantees a decent standard of living and welfare for citizens, as well as ensuring the smooth functioning of the national economic system and protecting it from abuses by monopolies. Furthermore, the government protects and supports different economic entities from the adverse effects of monopoly activities, thereby fostering a competitive market system.. As a result of implementing various measures to limit the activities of monopolies, the concept of "antimonopoly regulation"

emerged. Antimonopoly regulation in Uzbekistan is relatively new compared to developed countries in Europe and the United States, and it has a specific character due to the economic processes and phenomena that have taken place in our country over the last 33 years. This regulation continues to evolve under the influence of state and societal demands.

Methods and analysis

In this regard, the focus of the study within the framework of this paper was on the examination of modern anti-monopoly regulation in Uzbekistan, its challenges and potential solutions. Broadly speaking, anti-monopoly regulation can be understood as a framework of measures designed to protect competition by curbing the monopoly power of firms and overseeing their operations. At the current stage of development in the economy of Uzbekistan, the primary objectives of anti-monopolistic activities include:

Ensuring equal conditions and liberty of economic activity for all market actors, their viability by granting them equitable access to commodities (works, services), facilitating licensing procedures, and providing public services;

Preventing abuse of dominance by an economic entity with the aim of bolstering its economic concentration within the market or a particular segment thereof (for instance, the execution of vertical contracts that contravene applicable laws);

· Creating conditions for improving the quality of goods (works, services) produced, limiting unjustified increases in prices and thereby ensuring a high level of satisfaction of internal demand;

· Prohibition of unfair competition resulting from the receipt of illegal benefits by public authorities;

· Monitoring the actions of monopoly enterprises that may lead to a decrease in the quality of products, works, or services provided due to the imperfection (obsolescence) of the production process and intentional resistance to its renewal.

To date, the primary body responsible for implementing antitrust regulations in Uzbekistan is the Committee for Development of Competition and Protection of Consumers. This executive body is responsible for monitoring compliance with antitrust legislation and adopting new regulatory legal acts in this area. The principal regulatory legal act governing antitrust legislation in Uzbekistan is Law No. ZRU-850ot of the Republic of Uzbekistan on Competition, dated 3 July 2023.

The foundation for antitrust and competition policy in Uzbekistan was laid by the Law on Restriction of Monopolistic Activity, adopted on 2 July 1992. This law was developed with consideration for international experience in the field and the specific legal system and economic transition of the Republic of Uzbekistan. The law was enacted at a time when state ownership of the means of production predominated in the economy. The initiation of the non-governmental sector's involvement in the economy began in 1994, on the initiative of the President of the Republic of Uzbekistan.

The establishment and development of market infrastructure for anti-monopoly regulation and promotion of competition are reflected in the newly enacted Laws "On Competition and Limitation of Monopolistic Activities in Commodity Markets" (December

27, 1997) and "On Natural Monopolies" (April 24, 1997). [3,4] Additionally, the Law of the Republic of Uzbekistan on Advertising [6] was enacted. In August 2000, the State Committee for Demonopolization and Promotion of Competition was established.

A significant event in the history of antimonopoly activities in Uzbekistan was the holding of the International Conference on Competition Policy on July 5-6, 2003 in Tashkent. The conference was titled "Competition Policy: Enforcement Experience and Prospects" and was attended by representatives from the World Trade Organization (WTO), the United Nations Conference on Trade and Development (UNCTAD), as well as officials from Great Britain, Poland, Romania, the Netherlands, South Korea, Turkey, Russia, Ukraine, Belarus, Latvia, Kazakhstan, Kyrgyzstan, and Tajikistan.

Specialists and scholars from Uzbekistan also participated in several international seminars on antimonopoly regulations. Among other events, a seminar was organized with the assistance of the Antimonopoly Authority of the Republic of Korea on the topic of "Competition Law and Market Economy Policy", held in Seoul, Korea. Additionally, a training was held on the topic of "Competition Law and Anti-Monopoly Policy of Japan" in Osaka, Japan, as well as international seminars were held in countries such as Turkey and Egypt.

The promising areas of competition policy and consumer protection are associated with the fact that the economic situation in 2008 was undergoing significant change. Firstly, the non-government sector of the economy saw strong development. Medium and small businesses provide the majority of products and services to the population. Foreign economic relations of the republic have strengthened, and the private sector has seen significant development.

Denationalization and privatization have significantly limited state monopolies, but new legal and illegal monopolistic structures have emerged.

Conclusion and suggestions

Despite the breadth of measures applied by the Committee for the Development of Competition and Consumer Protection to demonopolize certain sectors of the national economy, the regulator's activities are constantly criticized. The antimonopoly service is reproached for the inconsistency of actions on demonopolization with modern trends in the economy of Uzbekistan and, as a result, insufficient efficiency. Antimonopoly legislation in Uzbekistan is criticized for its imperfection and lack of elaboration in comparison with similar legislation in the EU and the United States. But is this criticism constructive? What are the real problems of antimonopoly regulation in Uzbekistan at the present stage? The main problem of applying antimonopoly legislation in practice is to determine the set of actions necessary to prevent violations of existing legislation by any company and impose appropriate sanctions on it. At the same time, the deterioration of the business climate and a decrease in the productivity of firms operating in a particular market or in a separate segment of it should not be a consequence of such regulation. In order to avoid extremes when interfering in the activities of monopolists, a comprehensive economic analysis is necessary. Its results allow us to objectively determine the degree of monopolization of a particular market. Based on the analysis data, an action plan can be drawn up to curb the illegal activities of monopolists and improve the health of the

relevant market or its segment. Just such a necessary multilateral analysis is not carried out by the competent authorities. When considering antimonopoly cases, some problems are studied superficially, which leads to a decrease in the effectiveness of countering unscrupulous monopolists.

Despite the fact that in recent years the antimonopoly legislation of Uzbekistan has made a significant step forward, the problems hindering its effective application still remain. What should be done to eliminate them?

First, it is necessary to finally move to the application of comprehensive economic analysis of markets in practice. Models of such analysis should be multifactorial and take into account the widest possible range of elements that affect the degree of monopolization of a particular market or its individual segment. This will help to find the necessary balance between behavioral and structural criteria of regulation. A superficial, private analysis, often used now, will not bring the desired results.

Secondly, it is necessary to change the nature of the activities of the Committee for the Development of Competition and Consumer Protection of Uzbekistan in order to increase its effectiveness by creating new structural divisions within with an expanded range of powers and responsibilities. This will help to expand the staff of the Committee for the Development of Competition and Consumer Protection of the Republic of Uzbekistan by specializing individual departments in specific areas of the economy and legislation. The organization's activities should not limit the scope of activity of small and medium-sized businesses. In the future, it is possible to create related organizations to control monopolies and even a higher-level independent supervisory authority, which would become a link between the Committee for the Development of Competition and Consumer Protection and the Government of Uzbekistan. Both government officials and business representatives (especially small and medium-sized ones) should be involved in the work in this body.

Thirdly, the state antimonopoly policy should be reviewed. The low level of guarantees, the inconsistency of decisions, the lack of clearly defined standards — all this indicates the lack of elaboration of modern state antimonopoly policy. The directives and recommendations that the Government of Uzbekistan gives to the Committee for the Development of Competition and Consumer Protection should take into account the current specifics and prospects for the development of the socio-economic situation in the country. A balanced state antimonopoly policy is a necessary condition for creating and improving the antimonopoly environment.

Fourth, it is necessary to reform the existing antimonopoly legislation in order to expand its scope and eliminate existing contradictions. For example, it is necessary to limit the list of cases in which criminal sanctions can be applied to monopolistic companies only to cases related to price collusion. When reforming, it would be correct to take into account the antimonopoly laws of the advanced countries of the world, their key provisions, history, causes and essence of the changes being made.

Fifth, in addition to carrying out government reforms, changes in the activities of the monopolists themselves are also necessary. Such actions include, in particular, the diversification of production, the transition to new standards, the creation of distribution networks and enterprises in related areas around the monopoly (which was done in the

West back in the 70s of the twentieth century). Monopolists should increase the socio-economic effect of their activities and contribute to the development of the domestic economy. To do this, the state needs to create appropriate conditions and, of course, support them, as well as ensure that all players follow the established rules. When implementing these measures, the state will be able to improve the quality of antitrust regulation, promote the development of small and medium-sized businesses, as well as protect the domestic economy from unfair competition and ensure stable economic growth in the future.

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