

## THE PRACTICE OF BUDGET FINANCING OF EDUCATION EXPENSES IN UZBEKISTAN

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### Relevance of the Research Topic

In our country, the issue of ensuring a thorough education of young people, their respect for national traditions and values is one of the priorities of state policy. The ultimate goals of building a free democratic civil society, achieving high economic development and ensuring the well-being of the population cannot be achieved without radically changing the education system and rebuilding it on a modern basis. It is important for the country what the state of the education system in the country is, especially the public education system, and what kind of personnel will be trained in the future.

The introduction of effective mechanisms for managing the public education system, which is the main link in the education system, is the most important condition for raising the spiritual, moral and intellectual development of the younger generation to a qualitatively new level. Decree of the President of the Republic of Uzbekistan No PP-3931 dated September 5, 2018 "On measures to introduce new principles of governance in the public education system" amended the main tasks and activities of the Ministry of Public Education, as well as its organizational structure, central office and the structure of the territorial divisions was updated [1].

### The presence of problems within the research topic.

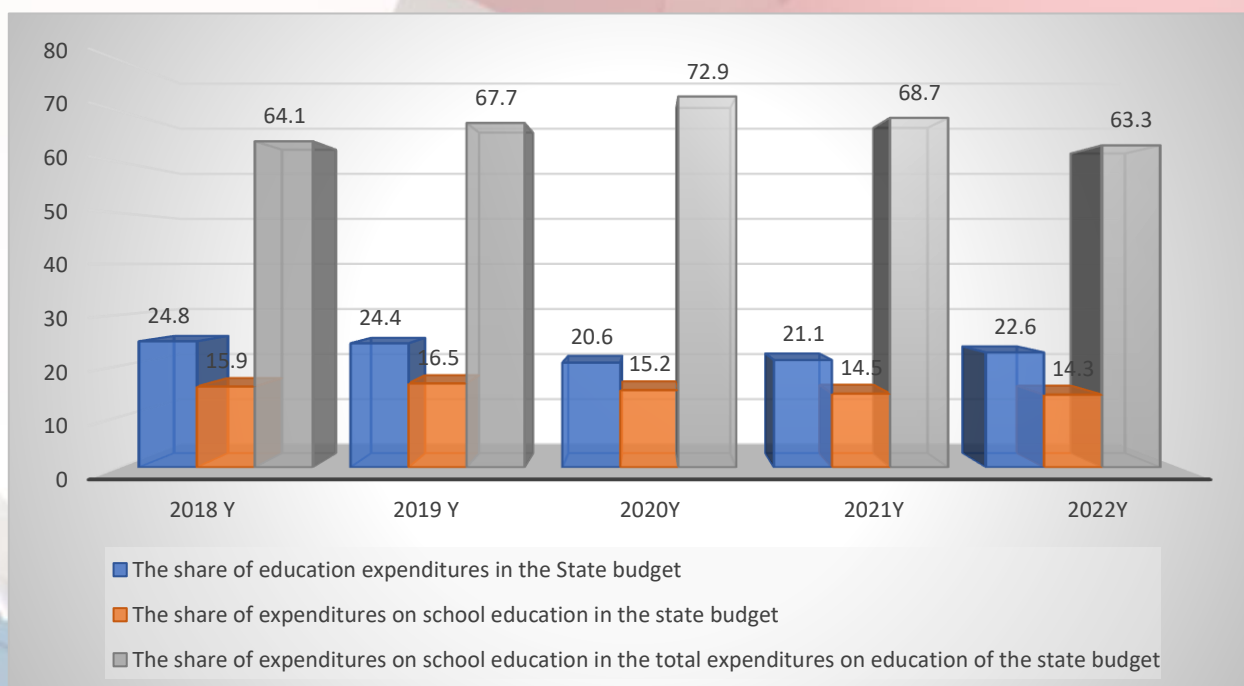
According to Chia-HuiLu, "Effective organization of the education system is important for economic development. In any country, primary and secondary education is supported by the state "[2].

According to Uzbek economists Z. Sirojiddinova, B. Sugirbaev and B.Nurmuhamedova, "Education is a strategic resource of society, an important priority of state and society building, so the state plays a leading role in the management of the education system" [3].

As general secondary education is compulsory in our country, most of the expenditures are financed from the state budget. In order to determine the effectiveness of budget expenditures in the field of education, we need to analyze the situation with the planning and allocation of budget funds.

As general secondary education is compulsory in our country, the costs are mainly financed by the state. According to Article 31 of the Law of the Republic

of Uzbekistan "On Education", the financing of public educational institutions is carried out at the expense of the national and local budgets, as well as extrabudgetary funds. If we see the share of education costs in the structure of the state budget expenditures, the total education costs amounted to 34.8 percent in 2018, 24.4 percent in 2019, 20.6 percent in 2020, and 21.1 percent in 2021, in 2022 will be 22.6 percent, having increased by 1.5 percent compared to the previous year.



**Fig. 1 The share of educational expenses in the state budget expenditures [4]**

The share of public education expenditures in total education expenditures was 64.1% in 2018, 67.7% in 2019, 72.9% in 2020, 68.7% in 2021, and in 2022 the expenditures of the education system amounted to 36,937 billion soums, or 63.3% of this amount or 20885 billion soums will be directed to general education.

In order to determine the priorities of systemic reform of general secondary and extracurricular education in the Republic of Uzbekistan, to raise the spiritual, moral and intellectual development of the younger generation to a qualitatively new level, to introduce innovative forms and methods of education in the educational process Decree of the President of the Republic of Uzbekistan PF-5712 "On approval of the Concept of development of public education in the Republic of Uzbekistan until 2030" was signed.

In this decree, the following problems in the area of financing of public education system were noted:

➤□ In the financing of the public education system requires the allocation and use of funds on the basis of an efficient and transparent system;

➤ the main part of the state budget allocated to public educational institutions is spent on wages, and insufficient funds are allocated for the renovation of school equipment and materials, repair of school buildings.

In order to overcome these problems, a number of innovations were introduced in 2020 to finance the public education system. In particular, in accordance with Article 21 of the Law of the Republic of Uzbekistan “On the State Budget of the Republic of Uzbekistan for 2020” No. URK-589 dated December 9, 2019, the costs of secondary schools, ie the first and second groups were transferred from the national budget while it was left to local budgets. Also, as a pilot project, capital investments for the design, construction (reconstruction), overhaul and equipping of secondary schools in Tashkent were financed from the city budget of Tashkent.

Expenditures of the public education system will be covered by the Ministry of Public Education in order to ensure the efficient allocation and use of funds in the financing of the public education system from next year on the basis of an efficient and transparent system.

Decree of the president of the Republic of Uzbekistan “on measures to organize “modern schools” was signed on November 26, 2019 in order to restore new types of secondary education institutions corresponding to modern requirements and to bring General secondary education to a new level by applying modern pedagogical technologies in the educational process, ensuring free competition in the training of personnel. This decree envisages the construction and equipment of “modern schools” on the basis of advanced architectural solutions and energy-saving technologies suitable to the world standards, and on the basis of this project it is planned that funds in the amount of 4,05 trln soums are planned to be directed to the construction, reconstruction, repair and equipment of secondary schools in 2020-2022.

### **Evidence-based suggestions and recommendations**

In conclusion, on the way to radical reform of financial management in the public education system of the country, strengthening the material and technical base at all levels of general education, providing modern equipment, teaching and laboratory equipment, improving state educational standards, creating new textbooks, most importantly, further improvement of the practice of financing the public education system to improve professional skills and competencies remain one of the urgent tasks of today.

In our country, the cost of public education is mainly financed from the budget, and a significant share of these costs falls on the cost of wages. Over the past two years, the increase



in salaries of employees working in this system has led to an increase in budget expenditures. There are not enough local budgets to finance social expenditures, especially education, financed from district and city budgets. Therefore, from January 1, 2020, the transition to the financing of salaries and single social payments from secondary schools will be aimed at the effective organization of the financing of the public education system.

## References

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