

# THE MAIN DIRECTIONS OF DEVELOPMENT OF INTERNATIONAL TOURISM IN UZBEKISTAN

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## Abstract

*In this article was given current reforms in the tourism sector, has been analyzed current development of international tourism in Uzbekistan, as well as given suggestions and recommendations for the development of priority directions of international tourism in Uzbekistan.*

**Keywords:** *International Tourism, International Tourism Fair, Infrastructure, Hotel Business, Hotel Numbers, Tourist Services, Visas, Tourists, Economics*

## INTRODUCTION

Tourism is a very unique and there are no such capacities or industrial output, which can be felt by touch, there is no need to find new technology and some equipment, there are any major investments. Tourism for an ordinary person often involves some historical or cultural attractions, places of nature or human civilization. But beneath this screen, the enormous scale of the industry is hidden, which in terms of turnover it has already left the leading manufacturing industries behind. Uzbekistan has a huge potential for the development of domestic and international tourism.

We will be able to develop the international tourism market in the Republic of Uzbekistan, to build it based on world standards and thus to further serving the cause of the economy. In the international tourism market, in the conditions of a strong competitive struggle, it is necessary to first of all search for clear directions, continuous research and to the organize activities at the international level. According to the World Tourism Organization, 10% of the world's GDP, more than 11% of investments, and 7% of international exports account for tourism in 2018.

The most important condition for the development and growth of tourism is to diversify and improve the efficiency of production and exports, the successful integration of national economies into the global economic system which is a choice of the most effective tour projects. According to the International Monetary Fund and the World Tourism Organization, today's tourism industry figures on top in the world on accounts of the exports of goods and services, ahead of automotive, chemical and food industries. Last

year, the world was launched on to a landmark with the number of international tourists recording over one billion and the revenue from international tourism to the tune of USD 1 trillion<sup>1</sup> for the first time.

## Analysis of Topic Material

The comprehensive support of business entities engaged in tourism activities in Uzbekistan, the opportunities and privileges for their effective functioning contribute to the development of international tourism. In particular, due to adopted decrees and resolutions in the sphere of tourism, the number of countries that can come to Uzbekistan from the foreign countries increases and this direction of tourism is actively promoted. We analyze the opinions and evaluations of some authors in this area, summarize their results and briefly describe our ideas about the development and improvement of international tourism in Uzbekistan.

The work of Alexandrova (2017) on the development of international tourism dwells comprehensively on the social phenomenon of tourism. The author attempts for a scientific explanation on the spatial organization of tourism, the processes occurring in it, allows comprehending tourist practice, identifying the principles of rational management, justify the state policy in the field of tourism. Vavilova's (2005) work focus on the history and factors contributed to the development of international tourism - a complex sphere of the global economy that significantly influenced both the world economy and the economy of individual countries

<sup>1</sup> [www.unwto.org](http://www.unwto.org)

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and regions. On the basis of extensive factual material, the author analyzes the state and prospects of the global tourism market, special attention is paid to the problems of the development of international tourism in Russia.

Another notable attempt to explain the complexities of international tourism is attributed to Voskresensky (2006) who examined the theoretical and practical foundations of international tourism, the geography of international tourism demand and the recreational potential of countries. Tourism is also seen as a factor in the socio-economic growth of individual regions and the country as a whole. The geography of the world's tourist resources, touristic attributes of those countries most frequently visited by the tourists and the countries that continue to remain to negotiate with an underdeveloped tourism industry also figured in this work.

Belk and Costa (1995) undertook an assessment of international tourism with specific emphasis on the Third World. The analysis was based on a variant of world-systems theory in which the relative power imbalance between the developed core countries and less-developed periphery countries of the world brings about the dependence and de-facto exploitation of the later. The review of the literature available enables to summarise that the positive and negative effects of tourism on host cultures are real and in many cases, the later assumes upper-hand. Thus, it is imperative that careful and balanced consideration of the above critical aspects of tourism is necessary for research, development planning and marketing especially in the developing nations.

In our opinion, the scope of the research that is still to be done in this regard is widespread, and we have to take into account the well-established international experience of ensuring the mutually beneficial development of the international tourism in the formation of the national tourism infrastructure.

## RESEARCH METHODOLOGY

The methodology scheme for studying the development of international tourism should take into account the expected changes in every aspect of world tourism in recent years. Thus, the study of expert opinions was considered as relevant to identify the emerging trends in the development of international tourism through observation, comparison, empirical research, systematic and comparative analysis and expert assessments. Conclusions emerged thereof focused on the development priorities of international tourism in Uzbekistan until 2025 and specific recommendations were advanced to improve the efficiency of the tourism industry.

## ANALYSIS AND RESULTS

Tourism is a major source of income for many countries and it affects the economy of both the source and host countries,

and in some cases, it holds vital importance. Tourism is a major component of the services economy, representing 30% of international trade in services. As regards to the revenue, the T20 countries generate approximately 70% of global tourist activity. A vital contribution of tourism to economic growth lies in its indirect impacts, which in many T20 countries represent over 45% of tourism's total contribution to GDP. These indirect economic impacts correspond to both the goods and services purchased by the tourism sector, to investment and public spending generated by tourism and acts as an important driver of growth. Tourism, especially the hotel and catering segments, is one of the few sectors of the economy that is at the centre of the production chain, not only for farm and food products but also for consumer and capital goods.

An analysis of the T20 countries shows that tourism's contribution is particularly important in countries where there is strong domestic demand for tourism. The same is true of countries that have developed high value-added tourism by combining the two fundamental pillars of domestic and international demand. It is because there is strong representative (internal) demand, within the meaning of international economic analysis, that the tourism sector can expand, drawing on essential infrastructure to acquire the know-how that ensures a significant presence in the global marketplace (effects of scale).

There exists a varied and competitive range of tourism products and services on offer, from a comparative advantage standpoint, that a country's tourism industry can become competitive on international markets in terms of value for money. That is the case for many emerging T20 countries that have developed a competitive tourism production chain based on the development of tourism's indirect effects. The relative contribution of these indirect effects indicates each country's tourism specialisation in relation to the economy as a whole.

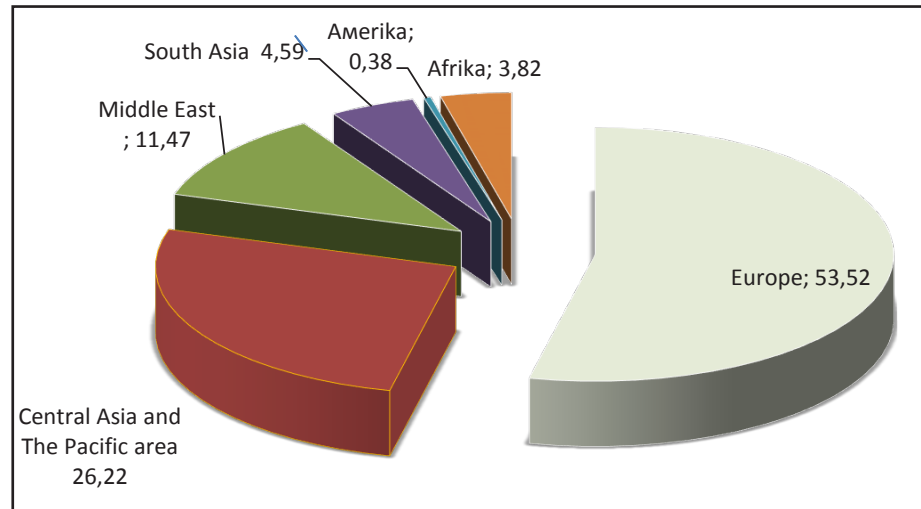
## Trend in Tourism

When it comes to tourism development, uneven distribution between resource and maintenance bases in regions of Uzbekistan can be observed. As per the latest accounts of the State Committee for Tourism Development of the Republic of Uzbekistan, the capacity of tourism is 40% of Tashkent city and Tashkent region, 37% of Bukhara, Samarkand and Khorezm regions, 16% of Fergana valley. Only 7% of tourism's capacity is attributed to the rest region that constitutes more than 50% of the country. Above figures also hold to infer as to why even the most advanced industrial countries rely on various types of tourism offerings and its development.

Uzbekistan is advantageously placed many ways in the international arena with its peculiarities and varied

attractions. These are more than 7000 objects of the material and cultural heritage of different epochs and civilizations, ancient cities of Samarkand, Khiva, Bukhara, Shakhrisabz and many others<sup>2</sup>. The arrays of these, the old and the new, the past and the present, and the nature of technological society allow developing almost all existing types of tourism from usual historical, cultural and religious to specific rafting, environmental and geological tourism. In no vain,

many people call Uzbekistan as ‘crossroads of time and civilizations’. Indeed, a country located in the heart of Central Asia has long been a regional hub of the Silk Road, which has united leading architects, poets and writers, culture and new technology. Uzbekistan is continuing this tradition, not only by developing its transport and transit potential but also by creating conditions for the development of cultures of dozens of nationalities, which worldwide are called Uzbeks.

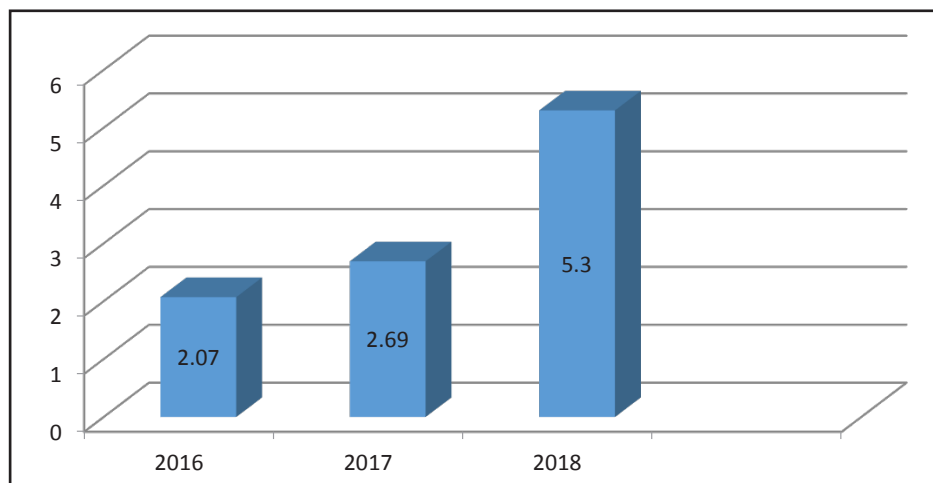


Source: State Committee for Tourism Development of the Republic of Uzbekistan

**Fig. 1: Inter-Zone Distribution of Visitors to the Republic of Uzbekistan**

The tourists can be seen arriving mainly from Europe (54%) and another 26% from Central Asia and the Pacific region. About 11% is accounted for the Middle East and 5% from South Asia whereas visitation from America and Africa are negligible.

The number of arriving foreign visitors to Uzbekistan is growing appreciably. In 2018, number of foreign visitors stood at 5346 thousand people and exceeded the numbers by 99% over 2017 with 2,690 thousand foreign visitors. Against this, the number of arrivals was 2,027 thousand (Fig. 2).



Source: State Committee for Tourism Development of the Republic of Uzbekistan

**Fig. 2: Foreign Tourist Arrivals Uzbekistan (Million)**

<sup>2</sup> From the report of State Committee for Tourism Development of the Republic of Uzbekistan.

The structure of foreign demand for tourist trips in Uzbekistan indicates the predominant growth in arrivals of middle and young people and a decline in the growth of arrivals of the elderly. There was a tendency to expand demand for tours with an individual set of services while providing the opportunity to choose a variety of quality and types of services on the spot. Analysis of the average duration of trips by foreign tourists to the Republic of Uzbekistan, allows us to conclude that trips lasting 1-3 nights are prevalent and this trend is fairly stable.

## Approach to Tourism Development and Promotion

Over the years, fairs have gained wide popularity not only in domestic but also among the foreign representatives of the tourism community. Traditional 24th Tashkent International Tourism Fair (TITF) on “Tourism on the Silk Road” was held in 2018. According to the organizers, attracting hundreds of foreign tour operators and representatives of the tourism business from overseas. It has become a showcase of TITF tour opportunities of Uzbekistan and a “beacon” for tourism. Therefore, the exhibition was organized in the National Pavilion “Travels in Uzbekistan”, where each region could present their zests, being able to attract local and foreign tourists.

The main theme of TITF-2018 was “Education in Tourism”, aimed to highlight the quality of service depending largely on their expressions that tourists will hold for a long time. And if the expressions are pleasing, tourists will probably come again to Uzbekistan and become friends and acquaintances. This year Business Program TITF focused on two themes: all the same education in tourism and ecotourism, which is, perhaps, the main trend of recent years.

Numerous monuments, reforms and positive changes taking place in Uzbekistan effectively attract more and more visitors. On its territory, for many centuries now, amazing caravans were passing to different Asian and European countries with a variety of silk, porcelain, precious stones, carpets of unusual beauty, medicines and spices. On the great crossroads, the country played an extraordinary role in the effective development of the Silk Road trade and economic relations on a large space. Now Uzbek travel companies offer guests amazing marvellous trips to the country where everyone can dip into the past and in its entirety to experience the charm of the East in the present time.

The tourism sector is becoming a strategically important sector of the economy in the context of Uzbekistan’s promotion in the global tourism market. One of these trends is the active participation of tourism industry and the promoters in the leading international tour fairs and exhibitions annually held in Germany, Spain, France, Italy,

Russia, Turkey, Japan, Malaysia, China and other countries. For this State Committee for Tourism Development of the Republic of Uzbekistan jointly with travel agencies of the Republic, organize the National stand “Uzbekistan”, where the presentation of the cultural and tour potential of our country is held, many agreements in cooperation between domestic and foreign travel agencies at the invitation of foreign tourists to our country are concluded.

Tourism in the Republic of Uzbekistan is seen as a priority sector in the structure of the national economy and one of the main factors of regional development. In the republic with effective functioning of the tourism sector, the solution of the most important social and economic tasks, such as the growth of employment and the improvement of the quality of life of the population, the diversification of the regional economy, increasing the investment attractiveness of the region, improving the environmental situation and optimizing the environmental management process, and others. In the light of the current economic situation, the issue of developing tourism as a major component of the economic system is becoming increasingly important in order to use the tourist potential of the country in the most complete and effective way, taking into account the currently favorable conditions for the development of the tourism sphere.

However, due to the rapid pace of development of the world tourism market, many tasks to improve the tourism industry and turn it into a locomotive for accelerated integrated development of regions and related industries are still unresolved. The Republic of Uzbekistan is a country characterized by high tourist and recreational potential. According to data available, there are 7,300 objects of cultural heritage in the Republic, some of them are included in the UNESCO World Heritage List. The territory of Uzbekistan was integral to the Silk Road and foreign tourists interested in it make up 27% of the total number of tourists<sup>3</sup>.

It is well-known that Uzbekistan has a huge number of cultural and natural attractions, as well as other objects of tourist display<sup>3</sup>. According to statistics, 106 museums, 52 theatres, 187 culture and recreation parks, 1 circus, 2 zoos, 7.3 thousand historical and cultural monuments, 11 national nature parks and reserves, 12 reserves are among them. Currently, there are 3 museum-reserves in the republic, which play a major role in shaping the attractive image of Uzbekistan abroad. It should be noted that the growth rates and absolute figures of individual visits to museums exceed the number of tourists from the excursion groups. This suggests that museums should in many ways be guided by individual visitors, developing an interactive component of the exposition. On the other hand, it shows the available potential for the growth of excursion services.

The cities of Tashkent, Samarkand and Bukhara are the most important tourist centres of the country, where the

largest number of placements (51.7% of the total) are concentrated, most of which meet international standards. In general, placements offered outside of these cities do not meet international quality standards and are focused mainly on budget tourists. It should be noted that overly active development of private hotels (read B & B) and most of those do not meet international standards of service, overloads tourist infrastructure and spoils the city landscape.

The presence of international hotel brands in Uzbekistan is not encouraging but those are concentrated only in the city of Tashkent, where prices for accommodation are higher than in similar hotels in the world's leading tourist destinations. Accommodation to the tourists is also provided by the specialized facilities such as sanatorium and resort organizations, recreation organizations and tourist centres.

An important factor in the development of tourism in the country is the state of well-developed transport infrastructure. However, despite the positive changes that have occurred in recent years on passenger rail transport, the problems such as the lack of rail transport during the high season, the difficulty of buying railway tickets, lack of an electronic ticket for international transportation etc. remain unresolved. However, air transport is developed and connects more than 40 cities of the world in Europe, Asia and America. Representations of the airline operating in 25 countries of the world.

## Major Challenges for Tourism in Uzbekistan

Despite the renewal of the aircraft fleet by high-class aircraft, reconstruction of airports in certain regions remains unresolved due to various issues. Hence, it cannot contribute to the development of tourism and the increase in tourist traffic, in particular, low level of service at airports, the monopoly position of the national air carrier on domestic and international flights, The lack of budgetary air travel (according to the Loukoster system), the underdevelopment of domestic flights and the weak marketing policy of the national air carrier.

Over the past several years, the Republic of Uzbekistan has seen an increase in non-budgetary investments in the tourism infrastructure. In recent years, the large investment projects in the field of development of the tourist infrastructure have been implemented. This encompasses restoration and reconstruction of the historical part of Shakhrisabz, the construction of the Hyatt Hotel in Tashkent, cultural and entertainment parks in the cities of Andijan and Tashkent, the Angren-Pop railway, the stretching of the Tashkent-

Samarkand railway line to the cities of Karshi and Bukhara and procurement of 02 Boeing-787 aircraft.

International expert organizations identified the main long-term trends in the development of international tourism until 2030.

- Sustainable development of international tourism, followed by an increase in the number of tourist arrivals and revenues from international tourism;
- Exceeding the growth rate of the number of travelers to neighboring countries or countries of the nearest regions over the number of travelers to distant countries;
- An increase in the share of the asia-pacific region (especially China and India) in the world market and, correspondingly, a decrease in the share of Europe and the American region, mainly due to the slower growth of North America;
- Decrease in the attractiveness of certain countries of the middle east as a tourist destination for international tourism due to the growing instability of the political situation;
- Strengthening of international competition in the field of tourism services between countries, both within and outside the region;
- Ensuring the increased requirements of tourists to the level of service provided, which contributes to an increase in the number of individual tourists and a reduction in the volume of mass tourism, an increase in the length of stay during international travel;
- Reorientation of international tourist demand from resort (beach) tourism to cultural-cognitive and nature-oriented tourism;
- Increase in the proportion of the elderly population, while the working-age population is experiencing stagnation, the result is a growing demand for a tourist product intended for the so-called «mature» segment of the tourist market.

The emerging trend suggests having a direct bearing on the development of major tourism projects in the Republic of Uzbekistan for the period 2019-2025. However, the main factors that hamper the accelerated development of tourism and the effective use of tourist potential in the Republic are:

- Lack of national standards for a unified system of classification of hotels in terms of comfort and accommodation;
- The imperfection of statistical accounting of the indicators of the development of the tourism industry in Uzbekistan, which makes it difficult to carry out a comprehensive assessment and obtain real data on tourism activities and its contribution to the economy of the country;

<sup>3</sup> From the report of State Committee for Tourism Development of the Republic of Uzbekistan

- Imperfect engineering, transport and social infrastructure in tourist centers; Inadequate quantity and quality of service of roadside infrastructure facilities;
- Insufficiently comfortable tourist information environment (signs of tourist navigation) and lack of information centers; Deficiency and high degree of depreciation of vehicles used to transport tourists; Outdated and under-utilized resource base in the sphere of sanatorium, health resort and medical tourism; Lack of access roads, equipped areas for amateur nature-oriented tourism; Low capacity of international airports;
- Non-competitiveness of the national tourist product due to high tariffs for accommodation and air travel; Limited and low service in tourist centers; Insignificant assortment of events in the republic, able to satisfy the dynamic and demanding demand of the modern consumer; Lack of a client-oriented policy for the management of cultural institutions; The duration of the “non-season”;
- There is a high turnover of employees among the service sector due to seasonality, in small and medium-sized businesses there is no modern methods of human resource management;
- The weak advertising campaign of the Republic of Uzbekistan on the international market of tourist services is associated with the insufficient promotion of the national tourist product and low information support of tourists about the available tourist potential.

## CONCLUSIONS AND SUGGESTIONS

Tourism holds considerable potential for the socio-economic development needs of the Republic. It enjoys the advantage on account of its strategic location in Central Asia that boasts of a great past with rich history and culture, but the multitudes of opportunities that it unfolds are constrained by a variety of factors of endogenic and exogenic in nature. Financial resources are a major challenge and that warrants prioritization of areas for the development and management of tourism. The actions to be considered are many. To expand international cooperation in the field of tourism, proactive cooperation with the UN World Tourism Organization (UNWTO), international and national tourism organizations of foreign countries, active participation in the regional and global markets of tourism services, universal international conventions and agreements participation in international and interstate standards and norms of tourism activities are to be pursued.

In all regions of the country, accelerated development of the modern world standards to meet the fast-changing requirements of tourists and the tourist industry should needlessly be a priority. It ranges from accommodation facilities, public catering establishments, transport and logistics structures, information centres, cultural and sports establishments, accelerated construction and reconstruction of transport and engineering-communication infrastructure to road infrastructure. Greater involvement of foreign investors in strategic areas is also to be encouraged.

Taking into account the tendencies of international tourism development and the use of modern marketing tools, development of competitive tourism products and services, development of strategy for promoting them on domestic and international tourism markets, organization and development of favorable tourist information environment, broad advertising and information activity, opening tourist information centers and tourism travel agencies abroad, The active use of the Internet is the formation of a positive image of the country in the tourism sector through annual international tourism fairs.

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