Experience in Reforming Housing and Communal Services: Uzbekistan and European Countries

Davletov Islambek Khalikovich
Candidate of economic sciences,
Professor, head of the department “Management in construction”,
Tashkent Architecture and Civil Engineering Institute, Tashkent, Uzbekistan.
e-mail address: i.davletov68@gmail.com

Sharahmanova Sayyora Bakhtiyor Qizi
Researcher of Tashkent Architecture and Civil Engineering Institute,
Tashkent, Uzbekistan.
e-mail address: sayyorka1126@gmail.com

Abstract—For the economy of Uzbekistan, improving the housing and communal complex is an important task that allows us to create conditions for the growth of indicators of the social standard of living of the country's population. The relevance of the research is due to the fact that it is the practice of foreign countries in Europe that allows us to form recommendations for solving and eliminating the most popular and urgent problems of the development of the housing and communal services system in the territory of the Republic of Uzbekistan. The scientific article is devoted to the review of foreign experience in reforming and improving the housing and communal complex in European countries. Within the framework of the work, the analysis of the current state of the housing and utilities sector in Uzbekistan was carried out and the most urgent problems and difficulties of its development were identified. A study of the experience of housing reform in European countries, including Germany, great Britain, France, the Netherlands and Finland. In the framework of the scientific work revealed that the main features of the improving housing sector in some European countries are de-monopolization of the market, a free market of competition policy between utilities, compliance with the principles of minimizing costs and improving the quality of housing services, and the availability of rights of freedom of choice of utility service providers.

Keywords—housing and communal services, housing and communal services, housing and communal services sector, European countries.

I. INTRODUCTION

The sphere of housing and communal services in the Republic of Uzbekistan is extremely important for our state for a number of reasons. It is through the work of the housing and utilities sector that the most optimal living conditions of the population are provided, which affects both the state of their health, performance and public mood. The quality of housing and communal services provided also affects the standard of living of the country's population.

The relevance of the study of housing and utilities reform in European countries is due to the fact that it is the practice of foreign countries in Europe that allows you to form recommendations for solving and eliminating the most popular and urgent problems of the development of the housing and utilities system in Uzbekistan.
The purpose of the scientific article is to study the foreign experience of reforming and improving the housing and communal complex in European countries.

To do this, within the framework of the work, it is necessary to solve the following tasks:

* analysis of the current state of the housing and utilities sector in Uzbekistan and identification of the main problems and difficulties of its development;

* research on the experience of housing and utilities reform in European countries, including the United Kingdom, Finland, Germany, France and the Netherlands.

II. LITERATURE REVIEW

The Central aspects of the experience of reforming housing and communal services in Uzbekistan and European countries are presented in the works Akifeva L. V. Problems of improving the quality of housing and communal services at the microzonal level (2020), Voronina V. M., Tsvauri R. G. Research of trends in the development of the Russian housing and communal services system (2017) and Merkulova V. S., Abakumov R. A. Analysis of applied organizational mechanisms of housing and communal services management in foreign countries (2018).

III. MATERIAL AND METHODS

The methodological basis for the research was the scientific works of domestic scientists-economists, devoted to the problems of housing and communal services, materials of international, all-Uzbek and regional scientific and practical conferences, publications in the periodical press. The following methods were used in the study: monographic, abstract-logical, computational-constructive, economic-statistical, observations, comparisons.

IV. RESULT AND DISCUSSION

The most popular and frequent problems and difficulties of the current period of management of the development of the housing and communal services system in the Republic of Uzbekistan include:

1. Inefficiency of the system of providing benefits for various categories of the country's population, which increases the structure of expenditures.

2. A large number of regional subjects of the Republic have a high level of losses in the housing and utilities sector. In this regard, some regions of our country do not receive the necessary amount of funding to meet their needs. Among these regions, in particular, the Republic of Karakalpakstan, where the cost of services increases due to unprofitability of housing and communal services enterprises and the degree of activity in updating fixed assets, carrying out their repairs, modernization and improvement decreases.

3. The transition to a public-private partnership model has not led to an increase in the economic efficiency of housing and utilities management. On the one hand, this model was aimed at stimulating the development of the housing and utilities sector in our country. However, the very economic efficiency of the management model does not justify itself. It is quite possible that this is a temporary difficulty that will disappear later.

4. Minimum amount of private and public investment. More precisely, the insufficient amount of financing for investments in fixed assets of housing and communal services enterprises, which leads to the following process: the rate of depreciation of fixed assets is greater than the rate of renewal of fixed assets [5].

5. The lack of an effective mechanism for the development of competitive market relations. The problem with existing housing companies is their lack of effective competition and interest in reducing prices for services they provide to the population. In addition, they are vertically integrated companies, as opposed to a well-functioning market where the benefits of specialization usually lead to the emergence of numerous firms [6].


7. There is no institution of active and responsible owners of premises in apartment buildings that have real rights and effective mechanisms for their implementation [1].

8. Difficulties of maintenance and technical operation of housing stock.

The issue of housing and utilities reform in all regions of Uzbekistan is one of the most urgent at present. This sphere is a whole complex that provides the population with vital resources, services for the maintenance and repair of residential buildings, thus creating conditions for comfortable and safe living of the population in General. The particular importance of the sphere of housing and communal services is determined by the fact that every person is a consumer of its services, so this sphere is more socially oriented [3].

In Europe, the housing and utilities sector is characterized by a variety of ownership forms. Housing cooperatives where owners and tenants live, private apartment buildings where apartments are rented, municipal houses for socially vulnerable segments of the population, apartment buildings-condominiums where apartment owners live, United in accordance with the law as associations of homeowners.

Let us look at examples of housing and utilities reform in some European countries, the experience of which can be borrowed when improving the domestic system of housing and communal services management.

1. Finland. The main direction of housing and utilities reform in the Scandinavian country was the creation of Apartment joint-stock companies for the regulation and management of apartment buildings. Apartment joint-stock companies in Finland allows you to settle many residential issues by following the following rules:
Experience In Reforming Housing And Communal Services: Uzbekistan And European Countries

The effective functioning of the housing and communal complex in Finland is due to compliance with three basic rules:

- cost minimization;
- the elimination of waste;
- application of advanced technologies and innovations.

About 70 percent of Apartment joint-stock companies are managed by operators represented by management companies, and 30 percent – by themselves. The operator manages Apartment joint-stock companies on the basis of a written contract that specifies all types of work, their prices, tariffs, remuneration, duties and obligations, etc. At the same time, management companies hire operating organizations that are able to provide Apartment joint-stock companies with utilities.

2. Great Britain. Every citizen of the country has the right to choose their own provider of public services, which are private enterprises. At the same time, the right to choose allows you to change these suppliers no more than once a week, as well as to form the supply of various utilities from different suppliers (utilities).

The reform of the country's housing and utilities system itself has been carried out for a long 15 years. An important stage of housing and utilities reform was the consolidation of municipal water utilities in the country, first into the ownership of ten regional state-owned companies, and then their further privatization.

The next steps of the UK Government were to write off all debts and debts of utilities, after which they were transferred not to private ownership, but under the management of municipalities. Local authorities themselves create a market for housing and utilities services, where their utilities are transferred under management and leased to private owners [5].

3. France. In this country, the conditions for managing residential real estate in the form of so-called syndicates have been formed. The key feature of providing public services is the lack of hot water and heat supply. Each resident has a separate boiler in their home that heats water. At the same time, the supply of heat occurs by signing syndicates contracts with gas companies that supply this resource for heat supply. The volume and its regulation is based on the wishes of the residents themselves.

The housing and communal services themselves can be provided both by the state at the level of national corporations and by private enterprises. The latter have the opportunity to sign contracts with various municipalities, which act as intermediaries between residents and utility companies.

As for the reforms, they began in the 1990s, when the Government decided to privatize the water supply system, garbage collection services, and streets. Also, utilities and separate bus routes were transferred to the private sector.

4. Netherlands. The Dutch experience includes the formation of so-called housing corporations. They first appeared in Amsterdam in 1852. Until the 1960s, housing corporations operated and distributed ready-made housing. Since the 1970s, they have been assigned a leading role in the construction of new housing, as well as its maintenance, distribution of residential space, and sales.

The main task of housing corporations is to manage the condition of the house and provide comfortable living conditions for residents.

5. Germany. The German experience includes the formation of housing cooperatives for the management of apartment buildings. Their principles have been adopted at the legislative level and include:

- internal democracy;
- economic support of members of the cooperative;
- joint responsibility;
- Non-commercial nature of the activity.

Utilities (hot and cold water, gas, heating, etc.) are paid at the rate set each year. At the end of the year, the utility services actually used are recalculated according to the meter readings. If, based on the data obtained, a larger amount of utility services was spent, the consumer must pay the resulting difference. If less was spent than paid, the balance is returned [4].

To solve the problem of housing and utilities market development, such as monopolization, active work was carried out on the privatization of utilities. However, their implementation in private hands was not complete. For the most part, demonopolization has led to the formation of two new types of organizations:

- city companies in the form of joint stock companies;
- Utility companies in the form of joint-stock companies.

Their property rights are mixed, however, under management is the provision of almost the entire range of public services to German citizens.

Thus, the foreign experience of reforming housing and communal services in European countries is systematized, and it is possible to identify common characteristics that are inherent in them:
Experience in Reforming Housing and Communal Services: Uzbekistan and European Countries

- The main goal of the reform is to demonopolize the market and create a free market competitive policy between utilities;
- The principles of effective management of the housing and utilities system are to minimize costs and improve the quality of housing and utilities services provided;
- An important emphasis is placed on the transfer of control rights over the housing and utilities system from the state administration to the municipal authorities, which often control the activities of public utilities;
- Citizens and residents of European countries have the right to freely choose public service providers and influence the management of apartment buildings.

V. Conclusion

Summing up the results of scientific research, we can draw the following conclusions:

1. The most popular and frequent problems and difficulties of the current period of managing the development of the housing and communal services system in the Republic of Uzbekistan can be attributed to the inefficiency of the system of providing benefits for various categories of the country's population, a large number of regional entities that have a high level of losses in the housing and utilities sector, the lack of efficiency in the transition to the public-private partnership model, the minimum amount of private and public investment, and the lack of an effective mechanism for developing competitive market relations, lack of long-term planning of tariff policy, lack of active and responsible owners of premises in apartment buildings with real rights and effective mechanisms for their implementation, difficulties in maintaining and maintaining the housing stock;

2. The main features of the improving housing sector in some European countries such as Germany, France, UK, Finland and the Netherlands are the demonopolization of the market and a free market of competition policy between utilities, compliance with the principles of minimizing costs and improving the quality of housing and communal services, the focus of attention on the transfer of control over the system utilities from the state apparatus of control of the municipal authorities, availability of rights of freedom of choice of public service providers and impact on the management of multi-apartment buildings for residents and consumers of housing and communal services.

REFERENCES