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CHALLENGES AND IMPORTANCE OF CENTRALIZATION AND DECENTRALIZATION OF LOCAL PUBLIC AUTHORITIES

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ABSTRACT

Local public authorities (in the Republic of Uzbekistan) are local government bodies. They resolve all issues of local significance within their competence, reconcile the national interests with the interests of the citizens living in the area, and ensure the implementation of decisions of higher state bodies as an integral part of a single state authority. After gaining independence, Uzbekistan, based on long historical experience and national traditions, studied the positive aspects of the experience of advanced countries and radically reformed its public institutions created the system. A number of laws and official documents have been adopted in the field of forming the system of local government. Among them are the Constitution of the Republic of Uzbekistan (December 8, 1992), the Law "On local government" (September 2, 1993), the Law "On elections to regional, district and city councils of people's deputies" (May 5, 1994.) play an important role.

KEYWORDS: *Local Public Authorities, Decentralization, Cautious Decentralization, Reform, Public Administration, Laws.*

INTRODUCTION

Chapter 20 of the Constitution of the Republic of Uzbekistan stipulates that local public authorities o. The constitutional and legal basis of its activity is reflected (Articles 99-104). In these articles local public authorities. The system, the position, the functions, the order of the structure are enshrined in the constitution. The Constitution strengthened the two-tier system of local representative bodies (ie, district and city councils of people's deputies - the lower level; regional and Tashkent city councils of people's deputies - the upper level), and this was reflected in the law on local government. Local public authorities ensuring law and order and security of citizens, economic, social and cultural development of the regions; formation and execution of

the local budget, establishment of local taxes, fees, creation of extra-budgetary funds; management of local utilities; environmental protection; ensuring the registration of civil status acts; adopts normative acts and exercises other powers that do not contradict the Constitution and laws of the Republic of Uzbekistan.

Implements the laws of the Republic of Uzbekistan, presidential decrees, decisions of the highest bodies of state power, directs the activities of lower councils of people's deputies, participates in the discussion of issues of republican and local authority. It is divided into 2: local representative bodies and local executive bodies. Local representative bodies operate on a collegiate basis. The main organizational and legal form of work of the local council is a session. All branches of local representative bodies are formed through elections. The law provides for the election of representative bodies with comprehensive knowledge, experience, broad, independent thinking, and the functioning of these bodies. On December 25, 1994 and December 5, 1999, local elections were held in Uzbekistan. Local executive bodies - khokimiyats are headed by khokims of regions, districts and cities, and they act on the principle of monopoly. Authorities consist of departments, divisions and subdivisions, the structure, organization and activity of which are determined by the relevant regulations approved by the Cabinet of Ministers of the Republic of Uzbekistan.

The structure and staff of the executive bodies of the regions and the city of Tashkent shall be determined and changed by the governor in coordination with the Cabinet of Ministers of the Republic of Uzbekistan within the budget approved by the relevant Council of People's Deputies. Structure and staffing of district, city executive authorities and executive bodies of the Republic of Karakalpakstan Local state authorities regulated by the law on in accordance with the legal documents regulating the relations of the Councils of People's Deputies and the governor, an advisory council under the governors was established to consult on important issues and problems in the region. However, the formation of such advisory councils does not undermine the principle of monopoly in the activities of the governor. The heads of the branches of the executive branch shall be appointed and dismissed at the sessions of the relevant councils of people's deputies in agreement with the higher bodies of state administration and on the recommendation of the governor. Documents adopted by local representative bodies and governors must not contradict the constitution and laws. Citizens, public associations, enterprises, institutions and organizations can appeal to the court against the documents adopted by the governor.

Since 2016, Uzbekistan has been actively taking steps to gradually decentralize public administration, however, there are a number of systemic problems along the way. Since the first days of independence, Uzbekistan has paid attention to the issue of gradual decentralization of the public administration system. Especially after 2016, this direction was identified as one of the priorities in the strategy of actions for the development of the republic approved in 2017. The importance of the phased decentralization of public administration was identified among the approved main directions and tasks of the administrative reform of public administration. [1] Cautious decentralization

The reforms carried out in the period from 2016 to 2020 in this direction demonstrate that Uzbekistan is still trying to carefully implement administrative and fiscal decentralization, while maintaining the status quo on the issue of political decentralization. The following decisions

should be noted, which were aimed at strengthening local government agencies: Strengthening the financial independence of the regions, supporting the growth of the revenue base of local budgets, and increasing the powers of local authorities to formulate priority expenditures at the level of oblasts, cities, and regions. At the first stage, the country's leadership decided to conduct an experiment with the local budgets of the city of Tashkent and its districts. Thus, on June 7, 2017, Presidential Decree No. UP-5075 "On measures to expand the powers of local government bodies in the formation of local budgets" and Resolution No. PP-3042 "On expanding the powers of local government bodies and increasing their responsibility for the formation of revenues of local budgets".[2]

According to the above legal acts, a number of receipts as a flat tax on certain types of entrepreneurial activity, property tax and land tax from individuals and legal entities, a single tax payment for micro firms and small enterprises to the revenues of regional budgets. As well as tax for the use of water resources, tax on the consumption of gasoline, diesel fuel and gas, as well as other fees were redistributed in full or in part in favor of the city budget of Tashkent and local budgets of its districts.[3]

Already at the end of 2018, it was decided to extend this practice to other regions of the republic. It was decided, in addition to the above types of taxes and fees, to the regional budgets to transfer part of the most important receipts in the form of taxes on personal income and value added tax, as well as fully receipts from the excise tax on alcoholic beverages, beer, retail sales of gasoline, diesel fuel and gas.[4]

However, unfortunately, the increase in the volume of revenues of local budgets is not always associated with a parallel increase in the level of accountability of local authorities and the introduction of a transparent system for their spending. In many cases, additional revenues are used only to strengthen the material and technical base of local khokimiyats [local administration – ed.], and not to develop social infrastructure. Transfer of decision-making powers from central government bodies to local authorities and increasing their responsibility for the socio-economic development of regions, cities, and districts.

At the end of 2018, local authorities were also transferred from the republican budget to local funding for a number of state-funded organizations. For example, financial departments / sectors of khokimiyats, departments of justice, territorial plant quarantine inspectorates, information and library centers, territorial departments of state financial control and treasury, museums and theaters of regional significance, as well as departments / sectors of the off-budget Pension Fund.[5] Along with this, in order to activate the independent activity of local kengashs of people's deputies, it was decided to form separate secretariats that will provide organizational, technical and other services for the activities of local deputies.[6] Strengthening the financial independence of the regions, supporting the growth of the revenue base of local budgets, and increasing the powers of local authorities to formulate priority expenditures at the level of oblasts, cities, and regions.

Challenges in implementing decentralization measures

Despite the measures taken to increase the responsibility and importance of local authorities, there are a number of systemic problems on the path of the decentralization policy in Uzbekistan: While there have been some changes in the legislation, the fundamental legal act

regulating the activities of local authorities, the Law on State Power in Localities, is still being implemented in the outdated version, approved in 1993. [7]

Back in May 2019, it was reported about the development of this legislative act in a new edition, but so far it has not been adopted. According to this project, it was proposed to expand the powers of khokims on the ground, including in their list the coordination of the activities of territorial law enforcement agencies in matters of ensuring the observance of public order, the safety of citizens, the protection of their rights, freedoms and health, the prevention of offenses, compliance with the passport and visa regime, the social rehabilitation of persons who committed offenses of law. [9]

Obviously, it is necessary to adopt this normative legal act in a new edition in accordance with modern realities and within the framework of a cardinal transformation of the public administration system in accordance with the launched administrative reform. Along with this, the approval of the Strategy for the consistent decentralization of public administration with the indication of specific terms for each stage of the transfer of powers from central bodies to local authorities, increasing the independence of local authorities, their financial support, high responsibility, and transparent accountability.

In recent years, the powers of local authorities, especially khokims and khokimiyats, have significantly expanded. Currently, according to the legislation, they perform about 300 tasks and functions, while 175 of them are not included in the main competence of khokims and duplicate the functions of other departments. [10]

Decentralization in the country is developing according to the type of deconcentration, when the powers transferred from the center are consolidated in the hands of the local khokim. Effective decentralization requires greater involvement of non-governmental organizations in the work of local authorities. The transfer of certain functions and the involvement of NGOs to address pressing socio-economic issues in the field of protecting the rights of persons with disabilities, youth, supporting vulnerable groups of the population, as well as education could relieve local executive structures. It would also help to improve the targeting of government support and the role of civil society in resolving significant local issues.

The concept of decentralization implies a gradual decrease in the role of the central government. However, in recent years, there has been a tendency towards an increase in the number of central administrative structures and their staff headcount. Compared to 2016, the number of ministries was increased from 14 to 22 units, state committees from 8 to 10, agencies from 6 to 7, committees from 2 to 4, inspections from 7 to 8. In this vein, currently, khokims of the regions, cities and districts can have up to eight assistants on various issues compared to three to six assistants at the beginning of 2016.

To sum up, it should be noted that the decentralization of public administration is often perceived only as a simple strengthening of the powers of local authorities. In fact, effective decentralization is possible with thoughtful allocation, rather than division of overall responsibility between central and local governments. Effective decentralization implies the creation of a new model of relationship between the central government and local authorities, based on closer cooperation and a strategic role of central government. At the same time, many cases in Uzbekistan demonstrate that the expanded financial independence of local authorities at

the current stage of development and, considering the existing gaps in the legislation, is detrimental to ensuring financial discipline and financial stability of the regions.

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