

# Tourism Development In Uzbekistan.

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**Abstract:** Tourism is a key sector contributing to economic growth, regional development, and employment generation. This article analyzes the current state of the tourism sector in Uzbekistan and examines the main factors influencing its development. The research findings indicate that, despite the growth in tourist flows and the volume of tourism services, the share of tourism in the country's gross domestic product remains below the global average. Insufficient infrastructure development, a shortage of qualified personnel, a low level of digitalization, and limited diversification of tourism products have been identified as the main challenges hindering the sustainable development of the sector. These circumstances highlight the need for further reforms in the tourism industry, the extensive adoption of digital technologies, and the implementation of comprehensive measures aimed at enhancing its competitiveness.

**Keywords:** Tourism, tourism services, tourism infrastructure, digitalization, sustainable development, competitiveness.

**Introduction.** Tourism plays a crucial role in the economic and social development of many countries, serving as a key driver for regional growth, job creation, and the enhancement of a country's international image. Globalization, intensified international competition, and the digitalization of the tourism market have further increased the significance of tourism within national economies.

Uzbekistan possesses rich cultural, historical, and natural heritage, positioning it among countries with significant potential for tourism development. However, despite these opportunities, the current share of tourism in the country's Gross Domestic Product remains below the global average. Therefore, in the context of increasing global competition, rising tourist mobility, and growing demand for high-quality and diverse tourism services, it is essential to modernize the sector, implement digital technologies, and enhance service quality.

Accordingly, the "Uzbekistan – 2030" Strategy outlines key objectives to promote domestic and inbound tourism: increasing the number of foreign tourists to 15 million, domestic tourists to 25 million, and visitors for pilgrimage tourism to 3 million; establishing 30 large tourism clusters through private investment; doubling the number of hotel accommodations; constructing 25 mountain routes; expanding the number of tourism localities to 175; raising tourism service exports to USD 5 billion; increasing medical and educational tourism exports to USD 1.5 billion per year; and introducing a "Tax Free" system for tourists at all international airports [1]. The consistent implementation of these objectives is expected to elevate Uzbekistan's tourism sector to a new level of development and competitiveness.

The study aims to identify the main challenges for sustainable tourism growth in Uzbekistan and to outline prospective directions for its development.

**Literature Review.** Analysis of existing studies on tourism reveals diverse interpretations of the concept within the economic context. Tourism is generally understood as human activity involving spatial movement, defined by the areas visited by tourists [2]. It is often associated with the resources, structure, and development of a specific territory, regardless of its size [3]. According to experts at the United Nations World Tourism Organization (UNWTO), "Tourism is a social, cultural, and economic phenomenon involving the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (who may be tourists or excursionists, residents or non-residents), and tourism is related to their activities, including tourism-related expenditures" [4].

Strategic planning for tourism development contributes to regional economic growth and poverty reduction [5]. Tourism also exerts significant social impacts, directly or indirectly influencing health, efficient use of leisure time, educational attainment, and strengthening family and interpersonal relationships.

Today, tourism has become one of the leading sectors of the global economy, necessitating the alignment of tourism market stakeholders' interests with environmental sustainability. Environmental quality and

ecological integrity are key drivers of tourist demand and play a critical role in ensuring the rational use of resources. Moreover, the economic efficiency of the tourism sector is strongly linked to the economic outcomes of tourism development and the degree of natural capital utilization [6]. Tourism is also among the most important instruments for developing and maintaining the quality of human capital [7].

Thus, tourism is a social, cultural, and economic phenomenon associated with people's movements beyond their usual environment and their engagement in tourist activities. It contributes to the development of regional economies, the reduction of poverty, and has a positive impact on social sectors such as health and education, playing a crucial role in the preservation and development of human capital.

**Methods.** In this study, economic and comparative analysis, statistical and comparative methods, and a logical approach were applied to examine the research problem.

**Results and Discussion.** The analysis indicates that in recent years, the global tourism market has experienced stable growth and profound diversification, establishing itself as one of the fastest-growing sectors of the world economy. According to the United Nations World Tourism Organization (UNWTO), in 2024, approximately 1.4 billion tourists undertook international travel, nearly fully restoring the sector to pre-COVID-19 levels (99%) [8].

Data from the World Travel and Tourism Council (WTTC) show that by the end of 2024, the global tourism market reached USD 10.9 trillion, representing an 8.5% increase compared to 2023 and 6% higher than the pre-pandemic peak in 2019. Tourism accounted for 10% of the global economy in 2024. Employment in the sector reached 357 million, marking a 6.2% increase from the previous year. This implies that roughly one in every ten jobs worldwide is related to tourism. Forecasts suggest that by 2025, the sector's value will reach USD 11.7 trillion, representing 10.3% of global GDP, while employment will increase by 14 million to 371 million jobs—surpassing the population of the United States. By 2035, the tourism market is projected to reach USD 16.5 trillion [9].

The rapid growth of tourism revenue plays a crucial role in generating millions of jobs worldwide and significantly contributes to the balance of payments and tax revenues in many countries. This growth is not only explained by increased economic activity but also by global social interactions, cultural exchange, and sector expansion. The tourism sector faces increasing demands for customer-oriented services, rising international competition, and the need to ensure a safe environment, all of which create conditions for further development.

In Uzbekistan, tourism has also emerged as one of the fastest-growing sectors of the economy. Since 2017, the volume of tourism services has more than doubled, and in 2024, the sector accounted for 22.4% of total services. In 2024, Uzbekistan received 8 million tourists, with an annual growth rate of 20.1%, ranking first among Central Asian countries. According to the Travel & Tourism Development Index (TTDI), Uzbekistan ranked 78th out of 119 countries, improving its position by 16 places within a single year. Experts attribute this significant progress to the development of tourism infrastructure, the introduction of digital services (online booking, virtual tours), and the simplification of visa procedures (e-visa) [10].

However, the share of tourism in Uzbekistan's GDP remains only 3.5%, significantly below the global average [11]. Several challenges continue to constrain the sustainable growth of the sector in Uzbekistan:

1. Underdeveloped tourism infrastructure. While major tourist centers have relatively developed infrastructure, remote and rural areas lack adequate transport connections, engineering networks, accommodation facilities, and service amenities.
2. Shortage of qualified personnel. The competitiveness of tourism services is closely linked to the level of human capital. The availability of skilled professionals with proficiency in foreign languages and knowledge of international service standards remains insufficient, negatively impacting service quality and tourist satisfaction [12].
3. Low degree of digitalization. The adoption of digital technologies allows faster, higher-quality, and more efficient service delivery. Currently, the use of online booking systems, digital guides, unified information platforms, and e-marketing tools does not meet contemporary standards. Studies show that 68% of tourists prefer international platforms like Booking.com and Airbnb due to multilingual support, user-friendly interfaces, and secure payment systems, while only 17% use local platforms [13, 14]. This highlights the need to modernize digital services to meet international standards.

4. Limited tourism product diversification. Uzbekistan's tourism primarily relies on cultural-historical routes. While this showcases the country's rich heritage, other tourism segments—such as pilgrimage, ecological, agro, medical, and gastronomic tourism—remain underdeveloped.

5. Regional disparities in tourism development. Tourism activity is concentrated in Tashkent, Samarkand, Bukhara, and Khiva, while other regions lag behind, exacerbating regional economic inequality.

6. Environmental sustainability challenges. Improper use of natural resources, weak waste management, and inadequate ecological monitoring in some areas threaten the long-term sustainability of tourism development. Recent years have shown that tourism has become a priority sector for socio-economic development in Uzbekistan. Consistent measures are being implemented to promote the sector and enhance its visibility domestically and internationally [15].

To ensure sustainable tourism growth in the context of a digital economy, a comprehensive approach is necessary, including:

- Developing tourism infrastructure through public–private partnerships;
- Enhancing service quality by implementing international standards and certification systems;
- Improving human resource training aligned with labor market requirements;
- Expanding the use of digital technologies for service delivery;
- Diversifying tourism products through the development of pilgrimage, ecological, agro, medical, and gastronomic tourism;
- Strengthening the national tourism brand and promoting it in international markets;
- Integrating environmental standards and “green tourism” principles into sector development.

It is important to note that the digitalization of society, including electronic commerce and digital services, positively affects tourism development. Internet and modern information technologies allow tourism providers to disseminate information efficiently to large audiences at low cost and facilitate effective interactions among service providers, intermediaries, and consumers. Global technology integration and increasing worldwide demand for tourism services require professional processing, systematization, and delivery of information using modern technologies and appropriate software. The application of information and telecommunication technologies, including specialized tourism systems, supports efficient management across transportation, hospitality, and entertainment services while enhancing marketing, sales, human resource management, and customer relationship processes [16, 17].

**Conclusion.** In conclusion, the analysis demonstrates that in recent years, Uzbekistan has experienced significant growth in tourist arrivals and the volume of tourism services. Despite its considerable economic and social potential, the sector still faces challenges related to infrastructure, service quality, human resource development, product diversification, marketing, and environmental sustainability. These factors negatively affect the competitiveness and rapid growth of tourism services. Therefore, continued reforms and the implementation of comprehensive measures particularly strengthening digital transformation are essential to accelerate tourism development in Uzbekistan and enhance its competitiveness in the international tourism market.

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