



Use Of Foreign Experience Of Insurance Through The Organization Of Risk Mutual Insurance Companies In Agricultural Enterprises

Utemuratova Rayhan
Bahadirovna

Student of Tashkent University of Applied Sciences

ABSTRACT

In the article, the risks associated with the activities of agricultural enterprises and the specific features and advantages of insurance through the establishment of mutual insurance societies and a long history in this regard are discussed. Canada's experience is highlighted as the experience of foreign countries, and recommendations for applying this experience in Uzbekistan are developed.

Keywords:

Agriculture, agricultural enterprises, agricultural risks, risk management, agricultural crop productivity, mutual insurance, microinsurance companies.

The insurance industry is one of the basic systems of the economy at its developed level. In order to reach this level, it is important that two main forms of insurance organization apply. These are: commercial-based insurance and mutual insurance. Mutual insurance provides large-scale insurance services in developed and many developing countries of the world.

A mutual insurance company is a separate non-profit organization, the purpose of which is to provide mutual insurance to natural or legal entities with the same or similar field of activity and at the same time located in the same area. combined, they insure the risks specific to their activities, the purpose of which is to protect the property and other property interests of the members.

In the experience of many developed countries, mutual insurance has been effectively used for agricultural insurance for many years.

In this regard, we believe that studying the experience of Canada, which is the world's leading country in the cultivation of grain crops, will give good results. More than two hundred

years ago, farmers' associations began to operate in this country, and they organized their activities based on the principle of «neighbor helps neighbor». These associations are organized in the form of mutual insurance companies, which mainly provide insurance against fire and agricultural risks. At the beginning of the 20th century, a process of consolidation (unification) took place between such associations, and as a result, the Association of Mutual Insurance Societies was formed. Now such societies are not limited to insurance of agricultural risks, but with the help of money organized with the participation of mutual insurance societies of the association, they also carry out automobile and liability insurance of automobile owners and other types of insurance. However, insurance against fire and agricultural risks related to the activities of farmers remained their main activity.

Mutual insurance in Canada is organized in three stages, which are as follows:

First level of management: Local mutual insurance companies.

One of the many members of the Association of Mutual Insurance Companies of Canada, Oxford Mutual Insurance Company was formed in 1973 as a result of the merger of two mutual insurance companies in Ontario. These two organizations were founded in 1878 as a farming union of Oxford, Middlesex, Elgin and Perth counties. Today, obligations taken by «Oxford Mutual Insurance Company» are guaranteed by the assets of 51 mutual insurance companies that are members of the association. The company's own assets amount to 16 mln. is US dollars. Annual insurance premiums collected by the company average 7.5 million. is US dollar. Since 1984, the company has made 4 large-scale insurance payments, each of which averaged 1 million. amounted to US dollars.[1]

4,500 members, 90% of the members of the mutual insurance society, live and work within a radius of 40 kilometers from the location of its central office. From among these members, they elect the heads of the office, and the elected heads elect their representative in the association from among themselves. This system ensures a high degree of democracy in the organizational structure, while mutual trust between members is ensured due to the fact that they know each other well.[2]

These societies, which are members of the association, carry out the following types of insurance as standard types of insurance:

insurance of agricultural machinery and equipment; real estate insurance; crop yield and other products insurance of farms; livestock insurance; loss of profit insurance; liability insurance, including environmental pollution insurance.

The second level of management: Associations of mutual insurance societies.

In the Canadian state of Ontario, the following three associations of CSOs are working in cooperation (with the same historical origin and development):

1) «Association of Mutual Insurance Societies of Ontario», which unites 51 mutual insurance societies in its structure. More than 250,000 people use the association's insurance services. At the same time, the Association is engaged in the field of education, collecting and

analyzing statistical data, and protecting the interests of farmers before the state.

2) «Farm Mutual Reinsurance Plan, FMRP». The association was founded in 1959 and includes 51 mutual insurance companies, which conducts reinsurance business. Today, the association not only reinsures the risks of its members, but also reinsures the risks of commercial insurance organizations.

3) «Fire Mutual Guarantee Fund». The association specializes in consolidation of fire insurance operations.

At this second level of self-management, there is no direct communication with the insured. The main tasks performed by these associations are the accumulation of insurance reserves, the distribution of accepted risks in time and place, and the organization of reinsurance protection. In addition, one of the important tasks performed by associations is the implementation of actuarial calculations. Mutual insurance companies do not have the right to apply tariffs lower than those recommended by the association.

The third level of management: Union of Associations.

This is the highest level of management of the insurance conglomerate Farm Mutual Financial Service Inc. (FMFS), its founders are the three Associations listed above.

The main tasks of the FMFS are:

1) Formulation of the development strategy of a comprehensive mutual insurance institution in Canada;

2) formulation of marketing policy and development of Association services in the insurance market;

3) attracting new policyholders to local mutual insurance companies;

4) coordination of activities of associations;

5) consulting services.

The heads of the FMFS are representatives of the lower two levels of self-management systems. Thus, the formation of all management structures is carried out on the basis of the principles of election and taking into account the interests of all members. This makes it possible to preserve the principles of democracy and flexibility. [4]

It should be noted that the relationship between mutual insurance companies and the state is not a direct responsibility of the FMFS. This task is included in the second level of management, that is, the task of Associations. From this it becomes clear that the main part of scientific and analytical work is carried out at the second level of self-management. Regulation of legislative and farming activities of mutual insurance participants is carried out mainly at this second level. At the third highest level of self-government, relations with the state take place in matters of strategic development.

Thus, in Canada, agricultural risks are carried through a three-pronged form of mutual insurance, the advantages of which appear to be that the insured is at the same time an insurer in the business of society. participates, and this ensures that the provided insurance services are provided with the characteristics desired by the insured, as well as being affordable and reliable. The fact that each member of the mutual insurance society is interested in the occurrence of fewer insurance events in this society and, at the same time, a higher income from the investment of insurance reserves ensures the effectiveness of its work.

It is known that there are a large number of private homesteads, peasant farms and farms in Uzbekistan. There are many cases of them falling into bankruptcy due to the lack of sufficient capital for their operation and the lack of opportunities to diversify risks. The only way to prevent such a situation is to use insurance services. But in commercial insurance organizations, the high cost and at the same time unreliability of this service makes it difficult for them to purchase such a service, on the one hand, and on the other hand, it reduces interest.

Active use of the mutual insurance mechanism allows full coverage of farms with agricultural insurance in Uzbekistan. For this, we believe that it is necessary to apply Canadian experiences, taking into account the peculiarities of Uzbekistan's conditions. Owners of private estates operating in rural areas can pool their material resources on the basis of neighborhoods in order to insure their property interests. The legal basis for this is the Law «On

Farms» adopted on April 30, 1998 (Article 22) and the Law «On Farms» adopted on August 26, 2004 (Article 25) farmers and farms on a voluntary basis, at the same time on the basis of a share (share) production, purchase, processing and sale, material and technical supply, construction, technical, water supply, veterinary, agrochemical, consulting and We would like to remind you that it is possible to join companies, societies, unions, associations and other associations specialized in providing other services. [3]

By establishing a mutual insurance society, the farmer will have the right to receive insurance coverage in return for the contribution he has paid. By paying the insurance premium, he becomes a general participant, has the right to participate in the management of this society, to develop new insurance products (based on his needs) together with other members. Each member can make proposals for the development of this society, increase the amount of insurance coverage, etc. In a mutual insurance society, one member or another person cannot be the sole owner or manager of this society. His property cannot be owned separately by any individual. Each member-farmer has only one vote, regardless of the size of his contribution. [5]

When surplus funds are generated based on the results of the annual activity, these funds can be directed to the formation of the insurance fund for the next year or equally distributed among the members. Members who have worked without loss during the year may be eligible for reduced insurance tariff rates for the next year's premium. This will be a factor for them to continue their activities without harm. In this way, a double effect is achieved: the possibility of constant control is created, as a result of which the number of insurance events decreases, and this in itself leads to a decrease in the price of insurance protection.

There is another aspect of this issue related to mutual insurance, that is, in mutual insurance, the activities of all members are similar to each other, knowing each other well is the key to the insurance event. other members will be able to assess how conscientiously this member approached the process related to the

occurrence. They know the essence of such problems. Therefore, as a warning measure, from time to time, all members should jointly monitor their activities, identify possible risks in advance, and give recommendations to the property owner based on their experience. It gives its good effect in the reduction of incidents.

Thus, measures to prevent the occurrence of risk in mutual insurance are carried out administratively, as well as by the members' own actions. In such conditions, there is no need for the state to take measures contrary to market requirements, such as the introduction of compulsory insurance in order to reduce losses in agriculture.

The advantage of GSOs for agricultural producers: insurance reserves are directed to investment based on their interests; investment funds can be used to enrich this activity and the main activity with new technologies. Collected insurance premiums can also be used for short-term lending. The tax payment of the agricultural enterprise will be reduced by insurance against low harvest. Because according to the established legislation, the funds allocated for these purposes are included in the cost of the product and are excluded from the tax base.

For agricultural producers, it will be convenient in all respects to establish the organizational and legal form of the OJSC as an agricultural cooperative (company). The existence of a special law for membership-based agricultural cooperatives (companies) from all other forms of non-profit organizations makes it easier for them to operate. This law clearly states that the satisfaction of the material and other needs of the participants of the agricultural cooperative is carried out in exchange for the consolidation of their property contributions, on the basis of which this society has the opportunity to fulfill its obligations to its members.

References.

1. Oxford Mutual Insurance Company sayti ma'lumotlari: <http://www.oxfordmutual.com/>
2. «Qishloq xo'jalik kooperativi (shirkati) to'g'risida»gi O'zbekiston Respublikasi Qonuni. 1998 yil 30 aprel.
3. Qo'ldoshev Q.M. O'zbekistonda o'zaro sug'urtalashning metodologik asoslarini takomillashtirish. Monografiya. T.: Iqtisodiyot 2020.
4. K.Kalenov «O'zbekiston Respublikasida sug'urta bozorini davlat tomonidan tartibga solishda xorij tajribasidan foydalanish» QMU «Xabarshi» jurnali.
5. K.T.Kalenov The Way of Science International scientific journal. «The Way of Science» – 0.543 (Global Impact Factor, Australia) 2022. №12 (106).14-16. «Prospects for livestock insurance in the Republic of Uzbekistan»
6. Kalenov K., Utemuratova R. Qishloq xo'jaligi korxonalarida xatarlarini o'zaro sug'urtalash jamiyatlari tashkil etish orqali sug'urtalashning xorij tajribasidan foydalanish //Евразийский журнал академических исследований. – 2023. – Т. 3. – №. 3 Part 2. – С. 100-105.
7. Utemuratova R. O'zbekiston Respublikasida sug'urta xizmatlari yo'lida chorvo'chilik muammolari va yechim yollari. // Toshkent moliya instituti. «Iqtisodiyotni raqamlashtirish va moliyaviy xavfsizligini ta'minlash sharoitida biznes jarayonlarini transformatsiyalash» mavzusida xalqaro ilmiy-amaliy anjuman. 2023 yil 28 fevral Tashkent. 480-482.
8. Каленов К., Утемуратова Р. Ўзбекистонда инсон капиталидан самарали фойдаланиш муаммолари // Innovatsion texnologiyalar: ilmiy g'oyalar va ishlanmalarni amaliyotga joriy etish masalalari va yechimlari" mavzusidagi xalqaro qo'shma ilmiy-amaliy anjumani/ – 2023. – Т. 1.1. – С. 224-226.
9. Baxadirovna U. R., Istamovich R. N. O'zbekiston qishloq xo'jaligida elektron sug'urtalashni rivojlantirish istiqbollari //Eurasian Journal of Academic

- Research. – 2024. – T. 4. – №. 7S. – C. 1301-1303.
10. Tlegenovich K. K., Istamovich R. N., Baxadirovna U. R. Modern Trends and Factors of Financial Development of the Agricultural Sector in the Republic of

Karakalpakstan, Taking Into Account Agricultural Insurance //Information Horizons: American Journal of Library and Information Science Innovation (2993-2777). – 2024. – T. 2. – №. 1. – C. 97-101.