

SOME ISSUES OF CORPORATE GOVERNANCE IN UZBEKISTAN AND FOREIGN EXPERIENCE

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This article analyzes several current issues related to corporate governance in Uzbekistan, including the protection of minority shareholders' rights, the practical activities of independent directors, and certain problems connected with corporate disputes. The article also examines the experience of foreign countries and presents several proposals aimed at improving national legislation in this field.

Introduction

Today corporate governance plays an important role in the development of the economy, attraction of investments, and improvement of business efficiency. In particular, transparent and effective management of joint-stock companies increases investor confidence and helps create a stable business environment.

In recent years a number of reforms have been implemented in Uzbekistan in order to improve the corporate governance system. Special attention has been paid to modernization of joint-stock companies, protection of investors' rights, and introduction of international standards into national practice.

At the same time, some practical problems still remain. In particular, the recommendatory nature of the Corporate Governance Code, insufficient protection of minority shareholders, and the lack of fully unified judicial practice in corporate disputes show the necessity of further legal analysis in this sphere.

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The concept and significance of corporate governance

Corporate governance is a system of legal and organizational mechanisms aimed at regulating relations between shareholders and management bodies, ensuring effective company administration, and protecting the interests of investors. The main objectives of corporate governance include:

- protection of shareholders' rights;
- ensuring transparency of company activities;
- creation of a favorable investment environment;
- prevention of corporate disputes;
- strengthening control over management bodies.

International practice shows that countries with an effective corporate governance system usually have a more attractive investment climate and stronger economic stability.

Certain problems of corporate governance in Uzbekistan

Although important reforms have been carried out in Uzbekistan, several practical problems still exist in the field of corporate governance.

First, the Corporate Governance Code mainly has a recommendatory character. As a result, in some joint-stock companies the principles of corporate governance are applied formally and do not always function effectively in practice. Second, the issue of protecting minority shareholders' rights remains relevant. In some situations shareholders with small ownership interests do not have sufficient influence on important corporate decisions. Certain difficulties may also arise in matters related to dividends and access to company information.

Third, the institution of independent directors is not always effective in practice. In some cases questions arise regarding the actual independence of directors from company management.

Another important issue concerns corporate disputes. Certain procedural difficulties still exist during the consideration of corporate disputes in economic courts. In practice, approaches to resolving such disputes are not always fully uniform.

In addition, the level of transparency in some joint-stock companies remains insufficient. Limited disclosure of important information may negatively affect investor confidence.

Foreign experience in corporate governance

Developed countries have formed effective corporate governance systems over many years and pay serious attention to the protection of investors' rights.

In the United States independent directors play an important role in company management. Considerable attention is paid to strengthening the independence of supervisory bodies and increasing transparency.

Germany uses a two-tier management model where executive bodies and supervisory boards operate separately. This system helps reduce conflicts of interest and improves corporate control mechanisms.

Foreign countries also pay special attention to disclosure of corporate information. Investors usually have broad access to important information concerning company activities. Such experience may be useful for the further improvement of corporate governance in Uzbekistan.

Proposals for improving corporate governance

In our opinion, the following measures may contribute to improving corporate governance in Uzbekistan:

granting mandatory status to some important provisions of the Corporate Governance Code;

strengthening legal mechanisms for the protection of minority shareholders;

developing clearer criteria for independent directors;

forming more unified judicial practice in corporate disputes;

expanding transparency requirements for joint-stock companies;

improving electronic information systems for investors.

It would also be useful to develop additional explanations and recommendations regarding judicial practice in the consideration of corporate disputes.

Conclusion

In conclusion, corporate governance remains one of the important legal institutions for economic development and improvement of the investment climate. Despite ongoing reforms in Uzbekistan, several practical issues still require attention.

In particular, improvement of minority shareholder protection, strengthening the role of independent directors, and development of more consistent judicial practice in corporate disputes remain important tasks.

The study and proper implementation of foreign experience may help improve the effectiveness of corporate governance and increase investor confidence in Uzbekistan.

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