

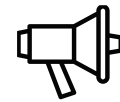
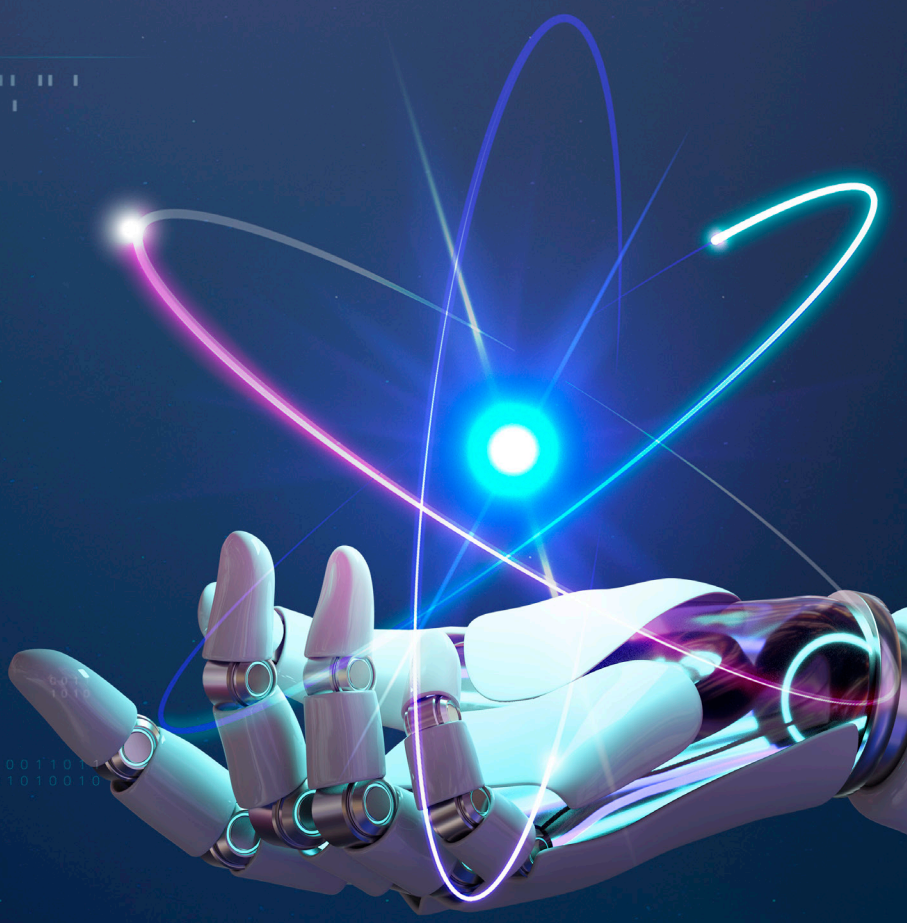
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CONTENTS

FINANCING OF SMALL BUSINESSES THROUGH INVESTMENT LOANS BY COMMERCIAL BANKS.....	15
Yangiboyev F.B.	
INTEGRATION OF THE TRANSPORT SECTOR INTO THE GREEN ECONOMY AND IMPACT ON SUSTAINABLE DEVELOPMENT: ECOLOGICAL TRANSFORMATION AND INNOVATIVE SOLUTIONS	20
Narziyev Umidjon Bakhriylayevich	
FOREIGN EXPERIENCE IN INCREASING THE INVESTMENT ACTIVITY OF JOINT-STOCK COMPANIES	24
Begamov. S.X.	
AN ENHANCED FINANCING MODEL FOR STARTUP PROJECTS IN HIGHER EDUCATION INSTITUTIONS OF UZBEKISTAN	27
Kasimova Nargiza Sabitdjanovna	
STRATEGIES FOR ENHANCING INVESTMENT POTENTIAL.....	32
Tillayeva Barno Ramizitdinovna	
THE IMPORTANCE OF USING ARTIFICIAL INTELLIGENCE IN HOTEL MANAGEMENT.....	36
Husenova Madina Farkhodovna	
MARKETPLACES AND ECONOMIC SECURITY IN UZBEKISTAN: RISKS AND REGULATION	42
Umarkhodjayeva Zaynabkhon Nodirkhonovna	
TECHNOLOGICAL STRENGTH AND PROPERTIES OF METAL OF AUSTENITIC JOINTS DURING WELDING WITH VARIOUS FLUXES.....	47
Khudoykulov Nurilla Zikirillaevich, Khudoyorov Sardor Sadullaevich	
MODERN SYSTEMS OF PRODUCT COST CALCULATION: METHODOLOGICAL FOUNDATIONS AND DIRECTIONS OF PRACTICAL TRANSFORMATION	51
Abdumalik Abdiraximovich Tulyaganov	
SUPPORTING ECONOMIC EXPANSION AND MAXIMIZING PRODUCTION EFFICIENCY WITHIN A MARKET ECONOMY.....	56
Aytmuratov Qutlimurat Jalgasovich	
SUCCESS FACTORS OF DIFFERENTIATION STRATEGY IN A MARKET ECONOMY.....	62
Sodiqov Miraxror Abbos ugli	
THE “MISSING MIDDLE” PROBLEM IN SOCIAL PROTECTION SYSTEMS AND MECHANISMS FOR ADDRESSING IT	67
Farrukh Juraqulovich Bafoev	
IMPROVING POPULATION INVESTMENT ACTIVITY THROUGH THE DEVELOPMENT OF BANK BROKERAGE SERVICES AND FINANCIAL LITERACY IN FORMING A SECURITIES PORTFOLIO IN THE KHOREZM REGION	72
Bakhtiyorov Khudaybergan Hamdam ugli	
DEVELOPMENT OF THE SERVICE SECTOR AND ITS IMPACT ON POVERTY REDUCTION.....	79
Dauletmuratov Adilbay Mirzabaevich	
THE ROLE AND IMPORTANCE OF A SYNERGETIC APPROACH IN DEVELOPING THE MANAGEMENT SKILLS OF SCHOOL DIRECTORS.....	84
Yusupova Dilnoza Fayzullayevna	
REGIONAL INNOVATION DEVELOPMENT INDICATORS AND THEIR EVALUATION SYSTEM	89
Xamrayev Quvvat Iskandarovich	
GADGETS AND VALUES: HOW DOES THE VIRTUAL WORLD IMPACT THE EDUCATION OF YOUTH?	97
Makhmudova Sohiba Ravshan kizi, Mirzaliyev Sanjar Makhamatjon ugli	
WAYS TO IMPROVE SERVICE QUALITY AND SAFETY IN THE HOSPITALITY INDUSTRY THROUGH DIGITAL TECHNOLOGIES	101
Musayeva Shoirazimovna	
DIRECTIONS FOR INCREASING HOUSEHOLD INCOMES BASED ON FOREIGN EXPERIENCE.....	104
Eshbaeva Shahnoza Faxriddinovna	

IMPROVING METHODS FOR DETECTING FRAUD CASES IN CURRENT ASSET AUDITS.....	108
Mavlyanova Dilobar Makhkamovna	
GLOBAL TRENDS IN WORLD MARKETS AND THEIR IMPACT ON THE DEVELOPMENT OF INTERNATIONAL TRADE	113
Meliqulov Abduhalil Norinovich	
THEORETICAL ASPECTS OF FORMING AND APPLYING THE INTEGRATION MECHANISM OF SMALL BUSINESS	119
Rustambek Ibragimovich Israilov	
THE IMPORTANCE OF USING PERFORMANCE INDICATORS IN IMPROVING ROAD MANAGEMENT METHODS.....	125
Sirojiddin Yadgarov	
WAYS TO IMPROVE BANKING EFFICIENCY IN THE CONDITIONS OF TRANSFORMATION.....	131
Babakhanova Dildora Rustamovna	
THE ROLE OF PROGRAM-BASED BUDGETING MECHANISMS IN ENSURING STATE FINANCIAL SECURITY	137
Abduganiyev Uchkun Khabibulla ugli	
ANALYSIS OF THE IMPACT OF PUBLIC FINANCIAL MANAGEMENT EFFICIENCY ON SOCIAL JUSTICE THROUGH PEFA AND CEQ METHODOLOGIES.....	143
Zokirjonov Muhammadsodiq Ravshanbek ugli	
MANAGERIAL MECHANISMS OF CORPORATE HYBRID BUSINESS MODELS: FINTECH INTEGRATION IN E-PAYMENT SYSTEMS OF UZBEKISTAN	151
Mokhirakhon Abdullaeva	
TOKENIZATION OF REAL SECTOR ASSETS AND DEEPENING OF CAPITAL MARKETS: A NEW FINANCIAL ARCHITECTURE FOR EMERGING ECONOMIES	156
Oybek Qo'shboqov	
TECHNOLOGIES OF ARTIFICIAL INTELLIGENCE IN OPTICAL COMMUNICATION AND THEIR INTEGRATION INTO INTELLIGENT TUTORING SYSTEMS.....	162
Maxamadov Rustam Xabibullayevich, Djamatov Mustafa Xatamovich	
APPROACHES TO ENHANCING THE EFFECTIVENESS OF GOVERNMENT SUPPORT FOR SMALL BUSINESSES IN THE REGION	169
Madraimova Marxamat Raximberganovna	
INNOVATIVE WAYS TO INCREASE THE INVESTMENT CAPACITY OF REGIONS BASED ON DIGITAL TECHNOLOGIES.....	174
Qabilov Anvar Eshpulatovich	
TAXATION OF AGRICULTURAL ENTERPRISES AND THE ORGANIZATION OF THEIR ACCOUNTING SYSTEMS.....	179
Abdullayev Abdurauf	
DEVELOPMENT PROSPECTS OF THE VEGETABLE FARMING SECTOR IN THE REPUBLIC OF UZBEKISTAN	183
Sobir Xasanov	
AI FOR TEACHING ENGLISH AS A FOREIGN LANGUAGE TO UNIVERSITY STUDENTS.....	191
Nurzhanova Zhainash, Rajapova Guldon	
REVIEW OF THERMAL STRENGTHENING METHODS FOR ROLLING ROLLS MADE OF ALLOY STEELS USED IN THE PRODUCTION OF SEAMLESS PIPES	198
Saydumarov Botir Muradovich, Xasanov Kamoliddin Akmal o'g'li, Ergashev Davron Ortiq o'g'li, Saydumarov Botir Muradovich	
IMPROVING THE METHODOLOGY OF STRATEGIC MANAGEMENT IN ENHANCING THE COUNTRY'S INTERNATIONAL IMAGE: IN THE EXAMPLE OF SOUTH KOREA.....	203
Kurolov Maksud Obitovich	
SOCIO-ECONOMIC DEVELOPMENT OF TASHKENT CITY: TRENDS AND KEY INDICATORS.....	212
Karimova Shirin Zokhid qizi	
PSYCHOLOGICAL FACTORS INFLUENCING PROCRASTINATION AMONG GENERATION Z UNIVERSITY STUDENTS.....	216
Abdukaxxorova Durdona, Qadamova Rayhona, Muhammadova Shaxzoda, Salimov Ozodbek, Hojiyeva Iroda Avezovna	

IMPROVING THE MANAGEMENT SYSTEM OF PRIVATE SCHOOLS BASED ON INNOVATIVE TECHNOLOGIES.....	222
Shohida Esanova	
ASSESSMENT OF TECHNICAL EFFICIENCY IN CENTRAL ASIAN TELECOMMUNICATION OPERATORS USING THE DEA-CCR MODEL: THE EXPERIENCE OF UZBEKTELEKOM AK	230
Salimova Husniya Rustamovna	
DETERMINANTS OF MUTUAL TRADE BETWEEN THE REPUBLIC OF UZBEKISTAN AND THE CIS COUNTRIES	235
Munisa Turdibaeva	
INTERNAL CONTROL SYSTEM IN THE DIGITAL ECONOMY: PROBLEMS AND SOLUTIONS.....	241
Mekhmonaliev Ulugbek Erkinjon ugli	
PROSPECTS FOR ENSURING SUSTAINABLE GROWTH IN INDUSTRIAL ENTERPRISES THROUGH THE USE OF GREEN TECHNOLOGIES	248
Abbosbek Jurayev	
COMPLIANCE OF BANKING AI SYSTEMS WITH EU AI ACT REQUIREMENTS AND THEIR ROLE IN RISK MANAGEMENT	253
Usmonov Faridun F., Zainalov Zh.R.	
A MODEL FOR DETECTING URBAN INFRASTRUCTURE PROBLEMS IN CITIZENS' APPEALS BASED ON GEOLOCATION FEATURES	258
Mallayev Oybek Usmankulovich, Gazatov Jamoliddin Abduvoidovich, Aliyev Jaloliddin Kokand oglu	
DETERMINATION OF THE INFORMATIVENESS OF INPUT PRINTS USING THE MULTI-CRITERIA DISPERSION METHOD	264
Turapov Ulugbek Urazkulovich, Akulbayev Musabek Islamovich, Dzhantayeva Sholpan Kalmakhanovna, Madalievna Gul'nar Urazalievna	
ANALYSIS OF MACROECONOMIC INDICATORS OF RECREATIONAL TOURISM DEVELOPMENT IN UZBEKISTAN	269
Polatova Mavluda Sanjar qizi	
OPTIMIZATION OF MANAGEMENT PROCESSES OF TOURISM INDUSTRIES THROUGH DIGITAL TRANSFORMATION AND INNOVATIVE TECHNOLOGIES.....	273
Saidova Dilfuza Abdufattohovna	
MODERNIZING AUDIT PLANNING STRATEGIES IN EMERGING ECONOMIES: CHALLENGES AND SOLUTIONS FOR ISA IMPLEMENTATION IN UZBEKISTAN	280
Saidova Sevarakhon Abdumumin kizi	
INTERNATIONAL EXPERIENCE IN ACCOUNTING FOR LONG-TERM ASSETS AND ITS APPLICATION	285
Gozieva Mokhira Rustamovna	
SCIENTIFIC BASIS FOR THE CLASSIFICATION OF TERRITORIES AND THE APPLICATION OF CORRECTION COEFFICIENTS.....	290
Dovutov Fakhridin Javliyevich	
MANAGEMENT OF THE PROCESSING TECHNOLOGY FOR COCOONS MODIFIED USING A NEW COMPOSITION BASED ON STANDARD REQUIREMENTS	296
Makhmudov Umidjon Bahodir ugli, Turdialiyev Umid Mukhtaraliyevich, Sulaymonov Sharifjon Abdumanabovich	
STUDY ON THE EFFECT OF THERMOPLASTIC DEFORMATION ON THE MICROSTRUCTURE OF XH56MBK10 ALLOY	302
Berdiyev Darob Muratovich, Saydumarov Botir Muradovich, Tashmatov Ravshan Kobilovich, Baxtiyorov Rustam Ravshan o'g'li	
THE IMPORTANCE OF PROMOTING COMPANIES' PARTICIPATION IN THE STOCK MARKET.....	306
Mamatalliev Babur Saidnazar ugli	
EFFECTIVENESS OF THE USE OF FINANCIAL LEVERS IN ATTRACTING FOREIGN INVESTMENTS IN JOINT-STOCK COMPANIES.....	312
Ibragimov Ganijon Gayratovich	
HR STRATEGIES FOR HUMAN CAPITAL DEVELOPMENT IN ORGANIZATIONS	316
Zaynutdinova Umida, Kholisakhon Nuriddinova	

PROBLEMS AND SOLUTIONS IN THE INSTITUTIONAL TRANSFORMATION OF ACCOUNTING AND AUDITING SYSTEMS IN THE DIGITAL ECONOMY..... 324
Jumanazarov Ruzimurod, Rabbimov Elbek

LEGAL FOUNDATIONS OF CONDUCTING IPOS BY JOINT-STOCK COMPANIES IN UZBEKISTAN AND WAYS TO IMPROVE THEM: A FORMAL-LEGAL AND COMPARATIVE LEGAL ANALYSIS 328
Mamatmurodov Alisher Saparboyevich

CONTENTS

LEGAL FOUNDATIONS OF CONDUCTING IPOs BY JOINT-STOCK COMPANIES IN UZBEKISTAN AND WAYS TO IMPROVE THEM: A FORMAL-LEGAL AND COMPARATIVE LEGAL ANALYSIS

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Abstract: This article analyzes the current legal foundations for conducting IPOs by joint-stock companies in Uzbekistan through formal legal and comparative legal approaches. The study examines issuance, state registration, disclosure, and investor protection across the main stages of an IPO. By comparing Uzbekistan with the United States, the United Kingdom, and the European Union, it identifies regulatory gaps related to the legal definition of IPOs, prospectus architecture, liability chains, and listing standards. The article concludes with practical proposals aimed at consolidating the regulatory framework, strengthening disclosure standards, clarifying investor-protection mechanisms, and digitalizing IPO procedures.

Key words: IPO, joint-stock companies, capital market, prospectus, disclosure, investor protection, comparative legal analysis.

INTRODUCTION

IPO (Initial Public Offering) is an institution that refers to the initial public offering and placement of shares by a joint-stock company. Its legal essence primarily lies in creating subscription-based purchase and sale relations of shares with an unlimited range of investors through “public placement (open subscription).” In the legislation of Uzbekistan [5], although the term “IPO” is not enshrined as a separate definition at the level of primary law, the norms regulating the placement of shares through “open subscription” form legal consequences depending on the type of joint-stock company (open/closed) and the regime of “public placement” of securities issuance. In particular, the fact that an open joint-stock company has the right to conduct an open subscription for its shares, while a closed joint-stock company cannot offer shares to an unlimited range of persons, establishes the legal boundary of IPO in terms of its “public” nature [4].

From a legal perspective, the role of IPO in the capital market is manifested through two main functions. First, in the process of increasing the issuer’s charter capital or realizing the state’s share through market mechanisms, the principles of “public disclosure of information” and “protection of investor interests” are strengthened. Second, through the activation of the organizational (exchange, depository) and legal (registration, transparency, liability) infrastructure of securities circulation, a legal foundation is created for a liquid environment in the secondary market. In this regard, the rule stating that “the issuer must disclose information in the prospectus, quarterly and annual reports, as well as in material event disclosures” is considered a central norm that connects IPO to the capital market through disclosure [5].

The normative trajectory of IPO development in Uzbekistan has been shaped, on the one hand, by laws and departmental regulations establishing the general regime of issuance and disclosure, and on the other hand, by special resolutions aimed at the realization of state assets through market mechanisms. In particular, the resolution of the Cabinet of Ministers of the Republic of Uzbekistan [5], aimed at introducing the IPO/SPO procedure on the stock exchange (together with its attached Regulation), systematizes the practical mechanism (organizer, subscription campaign, pricing, treatment of unsubscribed shares, etc.) at the normative level [9]. At the same time, presidential resolutions focused on institutional improvement of the capital market, strengthening market infrastructure, and enhancing information-resource mechanisms continue to consolidate IPO within the agenda of “political and economic modernization” [6].

The relevance of the study lies in the fact that the IPO institution is broader than merely “raising public funds” or “selling state shares.” It requires a comprehensive set of legal guarantees, including informed decision-making by investors, liability for misinformation, prevention of market manipulation, and prohibition of transactions based on insider information. Although the national regulatory framework exists, its multi-layered nature (laws + departmental regulations + exchange rules + special government resolutions) necessitates a reassessment of the coherence of procedures, the legal clarity of the concept of “IPO,” the modernity of disclosure standards, and the reliability of liability mechanisms based on comparative legal criteria [8].

The objective of the study is to conduct a formal-legal analysis of the existing legal framework for IPOs carried out by joint-stock companies in Uzbekistan and, through comparison with the experience of the United States [8], the United Kingdom [5], and the European Union [11], to identify normative gaps and develop practical legal recommendations for improvement. The research tasks include analyzing national issuance and disclosure norms by “IPO stages,” examining the competencies of regulatory institutions and the architecture of liability, identifying differences in disclosure, investor protection, and procedural complexity through comparative analysis, and proposing a normative model for improvement. The object of the study is the legal relations arising in the IPO process, while its subject is the system of national and comparative legal norms regulating IPOs and the mechanisms of their application [9].

REVIEW OF LITERATURE ON THE SUBJECT

The legal foundations of conducting IPOs by joint-stock companies and their improvement constitute a complex scientific field formed at the intersection of modern corporate law, financial law, and capital market regulation systems. In the academic literature, this issue has been extensively studied in terms of the legal nature of the IPO process, mechanisms of investor protection, disclosure requirements, and institutions of state supervision.

In analyzing the legal foundations of IPOs, the research of John C. Coffee Jr. is of particular importance. He substantiates the relationship between corporate transparency and investor protection, demonstrating that disclosure requirements are one of the key determinants of IPO success in developed capital markets. According to Coffee, strict disclosure mechanisms enhance investor confidence, which in turn leads to a reduction in the cost of capital. At the same time, he emphasizes that excessive regulation may increase compliance costs.

Issues of legal regulation and investor protection in the IPO process have been deeply analyzed within the “law and finance” framework developed by Rafael La Porta, Florencio Lopez-de-Silanes, Andrei Shleifer, and Robert W. Vishny. Their studies empirically demonstrate a direct relationship between the level of legal protection of investors and the development of capital markets across countries. In particular, they note that countries with common law systems tend to provide stronger investor protection and exhibit more active IPO markets.

The effectiveness of legal regulation and state supervisory institutions in IPO processes has also been widely examined in the works of Merritt B. Fox, Lawrence R. Glosten, and Paul G. Mahoney. They argue that the regulatory role of the state in securities markets is crucial for ensuring market discipline, reducing information asymmetry, and mitigating manipulation risks. At the same time, these scholars critically point out that excessive regulation may hinder access to capital markets.

The role of disclosure and the prospectus (issuance document) in the legal processes of IPOs is substantiated in the securities law concepts developed by Louis Loss and Joel Seligman. According to their view, the provision of complete and accurate information through the prospectus forms the legal basis for investor decision-making. Therefore, strict liability mechanisms for false or misleading information are considered essential in IPO processes.

The intersection of economic and legal aspects of IPOs is explored by Frank H. Easterbrook and Daniel R. Fischel, who advance the concept of “market efficiency” in securities regulation. They argue that state intervention should be minimal, with primary emphasis placed on market mechanisms. However, this approach has been criticized by some scholars for potentially weakening investor protection.

Within comparative legal analysis, different models of IPO regulation have been studied by Katharina Pistor, who demonstrates that differences between legal systems (common law and civil law) significantly influence the institutional development of capital markets. According to Pistor, effective organization of IPOs depends not only on the normative legal framework but also on its enforcement and the independence of the judiciary.

Furthermore, the role of international standards in IPO regulation is highlighted through the principles developed by the International Organization of Securities Commissions. These principles aim to protect investors, ensure market transparency, and reduce systemic risks, and they serve as a foundation for shaping national legislation in many countries.

The above scientific approaches indicate that improving the legal foundations of IPOs requires more than unilateral regulatory changes. It necessitates a comprehensive approach that includes strengthening investor protection mechanisms, enhancing disclosure standards, reinforcing the judicial and legal system, and ensuring alignment with international standards. From this perspective, the use of comparative legal experience is of significant scientific and practical importance for developing countries, including Uzbekistan, in improving the IPO institution.

RESEARCH METHODOLOGY

The study relies on the formal-legal analysis method, interpreting the text of existing regulatory legal acts, their systemic interconnections, legal constructions (definitions, obligations, prohibitions, liability), and their functioning across the “IPO stages.” In this context, the stages of securities issuance (decision-making, approval of the prospectus, state registration, recording in the central depository, disclosure of information, placement, and notification of results) are considered the procedural “skeleton” of the national model [8].

The comparative legal analysis method is applied based on the triangle of “disclosure — investor protection — market integrity,” using comparative criteria. This includes analyzing the legal status and content of the prospectus or registration document, the review model and powers of the regulator, as well as civil liability for misstatements or non-disclosure of information and prohibitions related to market abuse. The comparison is grounded in the United States’ registration requirements and liability framework—namely the Securities Act, SEC rules, 15 U.S.C. § 77e, § 77k, 17 CFR 229.105, and 17 CFR 240.10b-5; in the United Kingdom’s public offering and admission regime—namely POATRs 2024, FCA rules, London Stock Exchange admission standards, and UK listing rules; and in the European Union’s prospectus regime—namely Prospectus Regulation 2017/1129 and ESMA risk factor guidelines—as the primary normative benchmarks [10].

The doctrinal analysis method serves to interpret normative texts within the context of ratio legis (the purpose of the law) and regulatory policy. In particular, it assesses the extent to which national norms align with the objectives of informing investors and ensuring market reliability, while also formulating conceptual proposals for improvement, taking into account the planned direction of consolidating (codifying) normative legal acts within the national system. In this regard, the inclusion in the legislative program for 2025–2029 of the task to unify regulatory acts governing the securities market through the draft Law “On the Capital Market” provides a methodological basis for substantiating proposals aimed at systematization.

The main regulatory legal acts analyzed in the study include the Law of the Republic of Uzbekistan “On the Securities Market” dated 03.06.2015 No. O’RQ-387¹ and the Law “On Joint-Stock Companies and Protection of Shareholders’ Rights” dated 06.05.2014 No. O’RQ-370² (covering the regime of open and closed companies, methods of open and closed subscription of shares, corporate decisions, and pre-emptive rights of shareholders), as well as the rules on securities issuance and state registration (registration No. 2000), rules on information disclosure and publication (registration No. 2383), and the procedure for conducting IPO and SPO on the stock exchange, including the resolution of the Cabinet of Ministers and its attached Regulation.

ANALYSIS AND RESULTS

Under the current legal regime, the “procedure for conducting an IPO” is formed at the intersection of corporate law (internal decisions of a joint-stock company and methods of share placement) and securities market law (issuance stages, registration, prospectus, disclosure, prohibitions, and liability). In the context of an IPO, the open joint-stock company model corresponds to the requirement of “publicity,” as it is authorized to conduct an open subscription for its shares, whereas a closed joint-stock company cannot offer shares to an unlimited circle of persons. Moreover, in an open company, the methods of share placement are defined in the charter. In the absence of such provisions, placement may only be carried out through open subscription. These rules link the IPO to an “institutionally permitted” corporate-legal form [4].

The issuance prospectus (referred to in national terminology as the “securities issuance prospectus”) constitutes the informational and legal core of the IPO. First, it is explicitly established that the issuer must disclose information in the prospectus, as well as in quarterly and annual reports and material event disclosures. Second, the minimum content of the prospectus is defined at the legislative level. It includes the issuer’s details and identification data, financial statements for recent years, areas of activity, composition of management bodies, affiliated persons, subsidiaries and dependent entities, information on sanctions and legal proceedings, as well as the terms of issuance and placement of securities. These disclosures ensure the legal minimum necessary for investors to make informed decisions [5].

1 <https://lex.uz/docs/-2662539>

2 <https://lex.uz/docs/-2382409>

The procedural model of securities issuance imposes a step-by-step approach to IPOs. According to issuance rules, the process typically includes several stages: adoption and approval of the decision to issue securities, approval of the prospectus in case of public placement, state registration of the issuance, recording of the issuance in the Central Securities Depository, disclosure of information regarding the issuance, placement of the securities, and submission of a notification on the results to the registering authority. This construction normatively defines the IPO not as a simple transaction, but as a process accompanied by state registration and disclosure requirements [8].

Table 1 below summarizes the current legal model of IPOs in Uzbekistan by stages (Table 1).

Table 1. The current legal model of IPOs in Uzbekistan: stages, normative basis, and legal function³

Stage	Main content	Normative basis	Legal function
Corporate decision	The authorized body of the company adopts a decision on issuing additional shares and organizing an IPO.	Law on Joint-Stock Companies and IPO/SPO Regulation	Initiating the IPO from a corporate law perspective and defining powers.
Prospectus and registration	The prospectus is approved, the issuance is registered by the state, and recorded in the central depository.	Law on the Securities Market and issuance rules	Providing necessary information to investors and granting legal status to the issuance.
Organizer and exchange infrastructure	The organizer, stock exchange, and other professional participants implement the placement mechanism in practice.	Government resolution on conducting IPOs on the stock exchange	Activating market infrastructure and organizing the pricing process.
Public placement	Shares are offered publicly, the subscription process is conducted, and results are reported.	Issuance rules and exchange rules	Establishing legal relations with an unlimited range of investors.
Ongoing disclosure and liability	The issuer continues to disclose reports, material facts, and other information. Liability for false information remains in force.	Law on the Securities Market and disclosure requirements	Maintaining investor confidence, protecting market integrity, and ensuring ongoing supervision.

As shown in Table 1, the national model regulates IPOs through a sequence of legal stages, starting from a corporate decision and extending to continuous disclosure and investor protection. The interconnection of these stages demonstrates that an IPO is not merely a placement of shares, but a procedurally and institutionally integrated legal mechanism.

The registration stage performs the function of a “legality filter” in the IPO process. The rules establish the obligation of the registering authority to review submitted documents within a specified timeframe and to adopt a decision either to register the issuance or to issue a reasoned refusal. Upon registration, the relevant mark and registration number are recorded on copies of the issuance decision. At the same time, the liability of the registering authority is limited to verifying the “completeness of the submitted information,” which highlights the issue of the regulator’s substantive review scope, particularly the question of “material accuracy review,” as an area requiring further legal clarification [8].

The organization and listing of an IPO are closely linked to the rules of market infrastructure. According to the Regulation of the Cabinet of Ministers on IPO/SPO, for conducting an IPO, the authorized management body of the company must adopt a decision on issuing additional shares and entering into an agreement with an organizer. The organizer may conduct a preliminary assessment of the company and engage experts, while the offering price is determined by the organizer based on supply and demand. Issues not regulated by the Regulation are governed by stock exchange rules. This approach formalizes the IPO mechanism through the triad of “regulator — exchange — organizer,” while simultaneously indicating a high level of reliance on exchange rules [9].

Regarding the regulatory authorities and mechanisms governing IPOs, the Law of the Republic of Uzbekistan dated 03.06.2015 No. O’RQ-387 “On the Securities Market” establishes the main directions of state regulation in the securities market. In particular, these include licensing professional activities, including

³ Author’s elaboration

exchange activities, or setting mandatory requirements for them; registering securities issuances; monitoring compliance by issuers with the conditions provided for in regulatory acts; and ensuring the disclosure of information related to securities. Within the current institutional configuration, these powers are aligned with the functions of the National Agency for Advanced Projects of the Republic of Uzbekistan, which is responsible for developing and implementing unified state policy in the capital market, ensuring compliance with investor rights and interests, and taking measures in cases of legal violations [5].

Disclosure requirements in the national regime are structured at two levels. First, at the legislative level, it is determined in which documents the issuer must disclose information, as well as the basic content of the issuance prospectus. Second, the Rules registered under No. 2383 detail the procedure for providing and publishing information in the securities market, establishing disclosure mechanisms for issuers, trading organizers, securities holders, and investors. These include obligations such as notifying when a significant shareholding arises. The Law on Joint-Stock Companies also reinforces the obligation of companies to disclose information in accordance with established procedures and deadlines [5].

Figure 1 below schematically illustrates the procedural-legal mechanism of IPOs in Uzbekistan and the inter-institutional relationships involved (Figure 1).

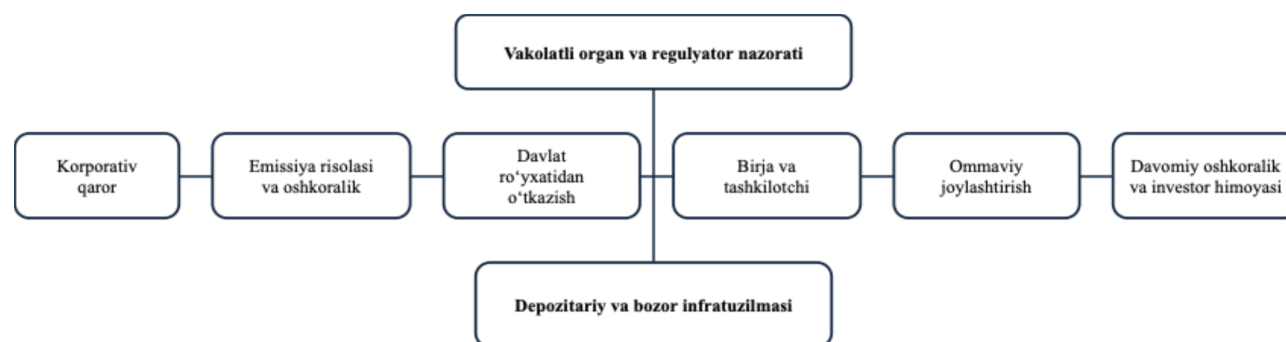


Figure 1. Procedural and Legal Mechanism of IPO in Uzbekistan⁴

As illustrated in Figure 1, the national IPO mechanism integrates the corporate decision, prospectus, state registration, exchange infrastructure, and public placement into a single legal chain. The stage of ongoing disclosure and investor protection demonstrates that an IPO is not merely an initial offering, but an institution linked to subsequent market discipline.

The strengths of the current legal framework are manifested in several directions. First, the normative sequencing of issuance stages ensures procedural discipline in IPOs. Second, the requirement to approve a prospectus during public placement establishes a legal minimum for disclosure. Third, the prohibition of certain actions in the securities market—such as issuing securities without disclosure, placing, circulating, advertising, or offering unregistered or suspended securities, as well as engaging in fraudulent practices—serves to protect market integrity. Fourth, issuers and professional participants are held liable to investors for damages caused by the provision of false information, violations of issuance procedures, and unfair advertising within the scope of property (financial) liability [8].

At the same time, several legal problems and gaps can be identified. The first issue is that the term “IPO” is not defined at the level of primary legislation, and certain aspects of the institution are largely delegated to special government resolutions and practical exchange rules. While this provides flexibility, it also indicates insufficient consolidation of universally applicable IPO standards at the legislative level [5]. The second issue concerns the liability of the registering authority, which is limited to verifying the “completeness” of submitted documents. In this context, the question of “material accuracy” and “due diligence,” namely the alignment of prospectus or decision-related information with actual conditions, reveals the lack of clear legislative delineation of responsibility among the issuer, auditor, organizer or underwriter, and advisors [8]. The third issue lies in disclosure standards, where key elements of modern prospectus architecture, such as “risk factors” and “management discussion,” are not enshrined by distinct methodological and hierarchical legal requirements. This creates a normative need for structured and comparable disclosure to support informed investor decision-making [5].

A comparison of the national system with the framework of the Securities and Exchange Commission (SEC) demonstrates, first and foremost, the strict legal linkage of the “registration — prospectus — liability” chain. In the United States, under the Securities Act, the principle of illegality of public offerings without filing

⁴ Author's elaboration

or before the effectiveness of a registration statement is clearly established. According to SEC guidance, the registration statement consists of two parts: Part I, which is the prospectus and must be delivered to potential investors, includes information on business operations, financial condition, risks, management, and audited financial statements. In addition, specific regulatory requirements—such as 17 CFR 229.105—mandate the disclosure of “material risk factors” [10].

Another key distinction of the U.S. model is the stronger institutionalization of investor protection through civil liability. Under 15 U.S.C. § 77k (Section 11), investors who have purchased securities may bring claims if the registration statement contains material misstatements or omissions. The range of liable parties includes the issuer, signatories, directors, experts, and underwriters. In parallel, 17 CFR 240.10b-5 (Rule 10b-5) prohibits fraudulent and deceptive schemes, providing an anti-fraud layer against market abuse. This model indicates the need in national law to further differentiate property (financial) liability rules, clarify standards of proof, and precisely define the scope of liable parties at the legislative level [11].

The United Kingdom model is characterized by the institutional separation between “prospectus approval” and market admission. The Public Offers and Admissions to Trading Regulations 2024 (POATRs) establish a new legal framework for public offerings and admission to trading on regulated markets. The Explanatory Memorandum notes that this instrument replaces the existing prospectus regime, introduces a new legal framework, and enables institutional innovations such as electronic public offering platforms. Furthermore, the 2025 Policy Statement of the Financial Conduct Authority indicates that the new rules, effective from 19 January 2026, are aimed at reducing costs and complexity in the admission process to public markets [2].

In the United Kingdom, listing and admission practices rely on standardized disclosure and institutional accountability. Documents of the London Stock Exchange emphasize that admission and disclosure standards are closely integrated with the rules of the Financial Conduct Authority (FCA Handbook), meaning that the normative basis of the prospectus is embedded within regulator-defined rules. From a modernization perspective, this provides a comparative signal for Uzbekistan: the need to harmonize exchange rules and state registration requirements into a unified “expertise standard,” and to codify listing and prospectus review requirements within subordinate legislation under a single conceptual framework [3].

Table 2 below summarizes the key comparative criteria of IPO regulation in Uzbekistan, the United States, the United Kingdom, and the European Union (Table 2).

Table 2. Comparative criteria of IPO regulation in Uzbekistan, the United States, the United Kingdom, and the European Union⁵

Criterion	Uzbekistan	United States	United Kingdom	European Union
Main legal framework	Combination of laws, issuance rules, and government resolutions	Securities Act, SEC rules, and federal liability mechanisms	POATRs, FCA rules, and LSE admission standards	Prospectus Regulation and ESMA guidelines
Prospectus model	Content of the issuance prospectus defined by law and regulations	Clear separation between registration statement and prospectus	Institutional separation between prospectus approval and market admission	Standardized disclosure architecture for prospectuses
Role of regulator	Registers issuances and monitors compliance	Securities and Exchange Commission reviews filings and oversees disclosure quality	FCA approves rules and manages the admission regime	National competent authorities with methodological guidance from ESMA
Investor protection	Property liability and prohibitions exist, but clarification of responsibility chain is needed	Section 11 and anti-fraud rules provide strong civil protection	Protection ensured through prospectus, admission, and market standards	Clear requirements for risk factors and inside information
Implications for Uzbekistan	Need for normative consolidation, standardized risk factors, and strengthened listing requirements	Experience in clearly defining liability subjects is relevant	Institutional balance and cost-reduction approach is useful	Importance of regulating specific and material risk factors

⁵ Author's elaboration

The data in Table 2 indicate that while Uzbekistan's model possesses the core institutional elements, it requires systematic adoption of advanced practices from developed jurisdictions, particularly in terms of prospectus architecture, differentiation of liability, and minimum listing standards. In particular, the disclosure and liability standards of the United States and the European Union serve as important comparative benchmarks for improving the national system.

Within the European Union model, Prospectus Regulation (EU) 2017/1129 establishes that a prospectus must be published in cases of public offering or admission to trading on a regulated market, thereby creating a unified "prospectus passport" and a standardized disclosure paradigm. Specifically, Article 16 requires that risk factors be specific to the issuer and the securities and be "material" for investment decision-making, while limiting the inclusion of generic disclaimer-type risks. ESMA guidelines further provide methodological direction, requiring that risk factors be concise, understandable, and both specific and material. This approach highlights the need for Uzbekistan to introduce a more structured and quality-based regulatory framework for risk disclosure, despite the existence of minimum prospectus content requirements [1].

Differences are also evident in investor protection and market integrity. In the European Union, under the Market Abuse Regulation (MAR), issuers are obliged to disclose inside information (Article 17), which serves as a mechanism to prevent market distortion and insider dealing. In national law, the prohibition of using confidential information for transactions or disclosing it to others reflects a similar legal concept; however, there remains a need to more clearly define proactive disclosure obligations of issuers, such as immediate market disclosure requirements [5].

The directions for improvement, that is, normative and practical recommendations, can be conceptually justified along several lines. First, simplification and systematization of legislation are necessary. The planned consolidation of regulatory acts within a unified draft Law "On the Capital Market," as outlined in the legislative program, creates a normative opportunity to integrate IPO-related definitions, stages, documents, and the legal status of participants into a single framework [7]. Second, strengthening investor protection is essential. In this regard, it is advisable to align the national "property liability" norm more closely with the structure of Section 11 in the United States by clarifying at least three elements at the legislative level: the scope of liable subjects for material misstatements or omissions in the prospectus or decision, the balance of the burden of proof for claimant investors, and the establishment of due diligence standards, including the normative formalization of "reasonable investigation" practices for professional participants [5].

Third, disclosure standards must be enhanced. In addition to, or within the framework of, the national minimum content requirements for the issuance prospectus, it is advisable to introduce the principle of "specific and material" risk factors through a dedicated legal provision and methodological guidelines. This would limit the inclusion of generic, boilerplate risk lists and ensure that key investor-relevant sections—such as risk factors, use of proceeds, corporate governance, related-party transactions, sanctions, and disputes—are presented in a standardized format. Such measures would significantly improve the quality of national disclosure. This proposal is normatively justified both by the existence in national law of multiple disclosure channels—prospectus, quarterly and annual reports, and material event disclosures—and by the regulatory framework of the European Union, particularly its risk factor requirements and ESMA guidelines [5].

Fourth, the IPO process should be digitalized. In the context of improving the capital market's information-resource infrastructure, and considering the implementation of organizational measures such as informing shareholders via SMS and email, it is necessary to standardize the submission and review of issuance documents, the publication of the prospectus, and investor access to such information through a "single digital channel." This would reduce transaction costs associated with IPOs and improve efficiency. The legal basis for digitalization is grounded in state policy measures aimed at strengthening market infrastructure and information dissemination procedures, including the initiatives outlined in PQ-291, as well as requirements for including official websites and electronic contact details in issuance documents [6].

Fifth, the legal framework should be systematized and the reliance on "exchange rules" should be balanced. The Regulation of the Cabinet of Ministers applies the approach that "issues not regulated are determined by exchange rules," which effectively shifts a substantial portion of listing and admission requirements to a secondary normative level. However, comparative analysis—particularly of London Stock Exchange admission standards and the Financial Conduct Authority regime—demonstrates that, although exchange rules play an important role, the core elements of prospectus requirements, admission procedures, and investor protection are established as binding minimum standards by the regulator. Accordingly, in Uzbekistan, it is logically justified to establish "minimum listing standards" at the level of normative legal acts of the competent authority. These should cover disclosure requirements, corporate governance standards, material event disclosure, insider-related regulations, and similar aspects, alongside exchange rules [9].

Figure 2 below presents the normative model for improving IPO regulation across key priority areas (Figure 2).

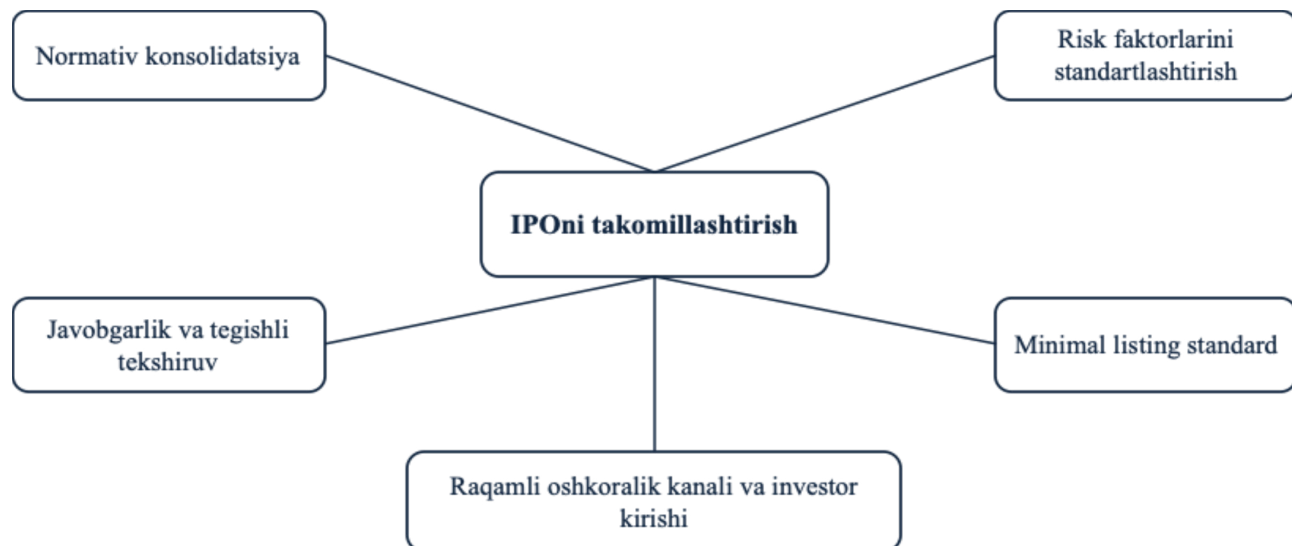


Figure 2. Normative Model for Improving IPO Regulation⁶

As illustrated in Figure 2, improving IPO regulation cannot be achieved through a single direction. Instead, it requires a comprehensive approach that includes normative consolidation, standardization of risk factors, clarification of liability and due diligence, creation of a digital disclosure channel, and strengthening of minimum listing requirements. Only through the combined implementation of these directions can a national IPO regime be formed that is understandable for investors and reliable for the market.

CONCLUSION AND RECOMMENDATIONS

The findings of the study indicate that the IPO institution in Uzbekistan is not an entirely “empty field.” The core legal elements—such as issuance stages, disclosure through the prospectus, state registration, rights of market participants, prohibitions, and property liability toward investors—are systematically established [8]. However, several key issues remain. The normative architecture of the institution is fragmented across multiple layers, the term “IPO” is not clearly defined at the legislative level, substantive disclosure—particularly with regard to risk factor standards—is not sufficiently developed methodologically, and the chain of liability among issuers, organizers, and experts requires clearer differentiation [5].

The main recommendations can be summarized as follows. First, it is necessary to consolidate IPO-related definitions, stages, documents, and the legal status of participants within a unified Law “On the Capital Market,” thereby systematizing the normative framework. Second, investor protection should be strengthened by clarifying civil liability for material misstatements in the prospectus across different subjects (entities) and by formalizing due diligence standards. Third, disclosure standards should be enhanced, particularly by incorporating the principle of “specific and material” risk factors into the national prospectus architecture. Fourth, the IPO process should be digitalized, and legal guarantees should be established to ensure convenient investor access to the prospectus. Fifth, it is essential to create a normative balance between exchange rules and state-established minimum listing and disclosure standards [7].

Foydalanilgan adabiyotlar ro'yxati

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