

**CONTRACTUAL AND LEGAL RELATIONS OF INSTITUTIONS FOR THE
EXECUTION OF PUNISHMENTS IN ENTREPRENEURIAL ACTIVITIES**

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Abstract: The article analyzes the contractual and legal relations of penal institutions in Uzbekistan, focused on their entrepreneurial activities. The main aspects of legal regulation are considered, including the current normative legal acts, such as the Constitution of the Republic of Uzbekistan, the Civil Code and the Law "On the State Budget". The features of the conclusion and execution of contracts, including lease, supply and contract contracts, are analyzed. The article also examines the key problems and challenges faced by the UIN, such as insufficient legal clarity, difficulties in procedures, corruption risks, lack of qualified personnel and problems with contract enforcement. Examples of successful and unsuccessful cases are presented, as well as a comparative analysis with other countries. In conclusion, recommendations are proposed to improve legal regulation and management practices aimed at improving the effectiveness of contractual relations and improving the conditions of detention of convicts.

Keywords: contractual and legal relations, penal institutions, entrepreneurial activity, legal regulation, draft laws, civil code, comparative analysis.

Аннотация. В статье анализируются договорно-правовые отношения учреждений исполнения наказаний (УИН) в Узбекистане, сосредоточенные на их предпринимательской деятельности. Рассмотрены основные аспекты правового регулирования, включая действующие нормативно-правовые акты, такие как Конституция Республики Узбекистан, Гражданский кодекс и Закон «О государственном бюджете». Проанализированы особенности заключения и исполнения договоров, включая аренду, поставку и подрядные контракты. В статье также рассматриваются ключевые проблемы и вызовы, с которыми сталкиваются УИН, такие как недостаточная правовая ясность, сложности в процедурах, коррупционные риски, нехватка квалифицированных кадров и проблемы с контролем исполнения договоров. Представлены примеры успешных и неудачных кейсов, а также проведен сравнительный анализ с другими странами. В заключение предложены рекомендации по улучшению правового регулирования и управленческих практик, направленных на повышение эффективности договорных отношений и улучшение условий содержания осужденных.

Ключевые слова: договорно-правовые отношения, учреждения исполнения наказаний (УИН), предпринимательская деятельность, правовое регулирование, законопроекты, гражданский кодекс, сравнительный анализ.

Annotatsiya. Maqolada O'zbekistondagi jazoni ijro etish muassasalarining (JIEM) ularning tadbirkorlik faoliyatiga qaratilgan shartnomaviy-huquqiy munosabatlari tahlil qilinadi. Huquqiy tartibga solishning asosiy jihatlari, shu jumladan O'zbekiston Respublikasi Konstitutsiyasi, fuqarolik kodeksi va "davlat byudjeti to'g'risida"gi qonun kabi amaldagi normativ-huquqiy hujjatlar ko'rib chiqildi. Shartnomalarni tuzish va bajarish xususiyatlari, shu jumladan ijara, yetkazib berish va pudrat shartnomalari tahlil qilinadi. Maqolada, shuningdek, JIEM duch keladigan asosiy muammolar va muammolar, masalan, huquqiy ravshanlikning etarli emasligi.

protseduralardagi qiyinchiliklar, korruptsiya xavfi, malakali kadrlar yetishmasligi va shartnomalarning bajarilishini nazorat qilish muammolari ko'rib chiqiladi. Muvaffaqiyatli va muvaffaqiyatsiz holatlar misollari keltirilgan, shuningdek, boshqa mamlakatlar bilan qiyosiy tahlil o'tkazilgan. Xulosa qilib, shartnoma munosabatlari samaradorligini oshirish va mahkumlarni saqlash sharoitlarini yaxshilashga qaratilgan huquqiy tartibga solish va boshqaruv amaliyotini takomillashtirish bo'yicha tavsiyalar berildi.

Kalit so'zlar: shartnomaviy-huquqiy munosabatlar, jazoni ijro etish muassasalari (JIEM), tadbirkorlik faoliyati, huquqiy tartibga solish, qonun loyihalari, fuqarolik kodeksi, qiyosiy tahlil.

Introduction

In recent years, there has been active development and reform of the penal system in Uzbekistan, including in terms of entrepreneurial activity of penal institutions (PFI). In the context of a transitional economy and the desire to improve the financial sustainability of state institutions, PFIs are beginning to engage in entrepreneurial activity, which requires the introduction of modern mechanisms of contractual regulation.

Contractual and legal relations of penal institutions in Uzbekistan are becoming an increasingly important area of research, since they affect both the internal organization of institutions and their interaction with the external economic environment. The conclusion and execution of contracts within the framework of the entrepreneurial activity of PFIs is a complex process that includes not only legal, but also organizational and economic aspects.

The purpose of this article is to study the features of contractual and legal relations of penal institutions in Uzbekistan in the context of their entrepreneurial activity. The main objectives of the study include:

1. Analysis of the legal framework regulating contractual relations of PFIs in Uzbekistan.
2. Identification of features and problems associated with the conclusion and execution of contracts.
3. Assessment of the impact of the entrepreneurial activity of PFIs on the functioning and financial sustainability of these institutions.
4. Proposing recommendations for improving the legal regulation and practice of contractual relations.

At present, there are a number of legal acts in Uzbekistan that regulate the activities of penal institutions, but specific studies devoted to their contractual and legal relations in the field of entrepreneurship are limited. Important sources for analysis are laws, government decrees, as well as specialized studies and articles devoted to issues of legal regulation of entrepreneurial activity in state institutions.

This study proposes to analyze both the existing legal framework and the practical aspects of the implementation of contractual obligations of penal institutions in order to identify possible gaps and propose ways to eliminate them.

In Uzbekistan, contractual and legal relations of penal institutions (PFI) have a complex and multi-level legal basis. The main aspects of these relations are regulated by various legal acts, among which the key ones are the Constitution of the Republic of Uzbekistan, the Civil Code, the Law "On the State Budget", as well as resolutions and instructions of the Cabinet of Ministers. These documents define the general principles of legal regulation, establish a framework for financial management and detail the requirements for contractual relations in the context of the entrepreneurial activity of the UIN. In addition, internal regulations and instructions developed for each institution play an important role in the management of their entrepreneurial activity. They contain specific rules and procedures regarding the conclusion and execution of contracts, resource management and reporting.

Contractual relations of the UIN cover various types of contracts, including lease of buildings and premises, supply of goods and services, and contractual agreements for construction and repair works. Each of these types of contracts has its own characteristics that need to be taken into account when concluding and executing agreements. For example, lease agreements may regulate the terms of use of the property, while supply and contractual agreements will focus on the provision of necessary resources and execution of works. Contracting procedures in the UIN require strict formalities, such as tenders or competitions to ensure transparency and competition. Once a contract is concluded, it is important to ensure its proper execution, which includes monitoring the fulfillment of conditions and regular inspections. However, UINs face certain legal restrictions and challenges. Budgetary constraints can significantly affect opportunities for entrepreneurial activity, making it difficult to implement plans and projects. In addition, corruption risks in the process of concluding and executing contracts require additional control and transparency measures to prevent misuse of funds and ensure compliance with contractual obligations. Practical challenges, such as insufficient legal clarity and complex procedural requirements, can slow down the contracting process and hinder the effective management of business activities.

Case studies of successes and failures from practice provide useful lessons for further development. Successful projects, such as the modernization of production facilities, demonstrate positive results and improvements in the work of penitentiary institutions. At the same time, unsuccessful cases, such as late completion of work or problems with the quality of services provided, highlight the need for improved control and management. A comparative analysis of the contractual relations of penitentiary institutions in Uzbekistan with similar systems in other countries can reveal key differences and similarities, as well as best practices that can be adapted to improve the situation in Uzbekistan.

In Uzbekistan, contractual and legal relations of penitentiary institutions (PEI) are regulated by a number of legal acts, including the Constitution of the Republic of Uzbekistan, the Civil Code, the Law "On the State Budget" and resolutions of the Cabinet of Ministers. These documents form the legal basis for the entrepreneurial activities of PEIs, which is aimed at improving their financial sustainability and optimizing their work. An important role in this process is played by internal regulations and instructions developed for each institution and regulating the procedures for concluding and executing contracts.

Penitentiary institutions can enter into various types of contracts. For example, in 2021, the Penitentiary Institution in the Tashkent region entered into a lease agreement with a private company for the use of production facilities that were previously idle. This agreement allowed the company to create new jobs and improve the conditions of detention of prisoners, since part of the rental income was used to modernize the institution's infrastructure. The successful implementation of this project demonstrated the effectiveness of this approach to entrepreneurship.

Another example of a successful contract is a project to supply medical equipment to the Penitentiary Institution of the city of Samarkand. In 2022, a contract was signed for the supply of modern medical equipment, which improved the quality of medical services provided to prisoners. The contract was completed on time and with high quality, which confirmed the successful cooperation between the Penitentiary Institution and the private sector.

However, practice shows that penal institutions face certain difficulties. In 2023, penal institutions in the Fergana region faced problems in fulfilling a contract for the renovation of buildings. The contractor failed to complete the work on time and with the declared quality, which led to delays in the implementation of the project and additional costs. The cause of the problem was insufficient control by the penal institution over the fulfillment of the terms of the contract and the lack of effective sanctions mechanisms.

Corruption risks are also a serious problem. In 2022, several cases of misuse of budget funds allocated for the purchase of building materials were identified. These cases were associated with insufficient transparency of tender procedures and weak internal control. As a result, additional measures were introduced to strengthen control and transparency in the process of concluding and executing contracts.

A comparative analysis shows that some CIS countries, such as Kazakhstan and Kyrgyzstan, have introduced more effective control and reporting mechanisms for contractual relations of government agencies. For example, Kazakhstan uses an electronic bidding system to increase transparency and competitiveness in concluding government contracts. The introduction of such a system in Uzbekistan could improve the process and reduce the risks associated with corruption and poor governance.

These examples illustrate both successful and problematic aspects of contractual relations of penal institutions in Uzbekistan, and highlight the need for further improvement of legal regulation and practice.

Several key problems and challenges can be identified in contractual relations of penal institutions (PFI) in Uzbekistan, which negatively affect their efficiency and effectiveness.

One of the main problems is the lack of legal clarity in some aspects of the legislation regulating contractual relations of PFI. In particular, the uncertainty in the interpretation of some provisions of the Civil Code and specific regulatory acts leads to legal disputes and difficulties in concluding and executing contracts. For example, cases of discrepancies between various regulatory acts governing tender procedures and rules for fulfilling contractual obligations can create legal conflicts and complicate the process.

Another practical difficulty is the complexity of contract conclusion procedures. Bureaucratic obstacles, such as long tender review periods and document requirements, can slow down the process of concluding agreements. As a result, even if contracts are concluded, there are often delays in fulfilling obligations, which negatively affects the work of the penal system and the conditions of detention of prisoners.

Impact on the conditions of detention of prisoners. The entrepreneurial activity of the penal institutions is directly related to their financial status, which in turn affects the conditions of detention of convicts. For example, if there is a shortage of funds due to problems with contractual relations, difficulties may arise in providing the necessary conditions for convicts, such as medical care, food and living conditions. Insufficient funding may lead to a deterioration in the material and technical base, which in turn has a negative impact on the rehabilitation and labor adaptation of convicts.

Corruption risks. Corruption risks are a serious problem in UIN contractual relations. Examples include cases of misuse of budget funds allocated for procurement and performance of works, as

well as corruption in tender procedures. Corruption schemes may include inflated prices, fictitious contracts and forged documents. To combat these problems, additional control measures are needed, such as strengthening internal audit and introducing transparent monitoring mechanisms.

Lack of professional staff and qualifications. Another important problem is the lack of professional staff and insufficient qualifications of the UIN employees involved in contract management. The lack of experienced specialists in contract management and accounting can lead to errors in documentation, violation of contractual obligations deadlines, and other problems.

Problems with control and monitoring. The lack of effective control and monitoring of contract execution is also a significant challenge. Difficulties in tracking the fulfillment of agreement terms can lead to a decrease in the quality of services provided and work performed. In some cases, insufficient control on the part of the UIN may allow contractors and suppliers not to fulfill their obligations in full, which, in turn, negatively affects the overall functioning of the institutions.

Suboptimal reporting system. The reporting system for the fulfillment of contractual obligations may also be ineffective. The lack of transparent and prompt reporting can make it difficult to identify problems and eliminate them in a timely manner. As a result, this leads to the accumulation of deficiencies and delays in the fulfillment of obligations, which ultimately affects the overall efficiency and financial condition of the UIN.

The problems and challenges associated with contractual relations of penal institutions in Uzbekistan require a comprehensive approach to their solution. It is important to take into account both legal and practical aspects, as well as to strengthen control and monitoring measures. The implementation of the proposed recommendations and the introduction of best practices from international experience will help improve the effectiveness of contractual relations and ensure better fulfillment of obligations to convicts and society. However, in addition to aspects directly related to the rights of convicts and their rehabilitation, the issue of interaction of penal institutions with the outside world in the field of entrepreneurial activity is important. In particular, contractual and legal relations of penal institutions in entrepreneurial activity are becoming increasingly relevant. These relations concern not only issues of taxation and business transactions, but also broader aspects such as contract regulation, resource management and the development of internal economic processes. In light of the introduction of online visits, penal institutions are faced with new challenges and opportunities. On the one hand, remote video visits require additional equipment, software and technical maintenance, which opens up new horizons for cooperation with private companies and service providers. On the other hand, institutions need to consider the aspects of legal regulation of such transactions, ensuring data confidentiality and compliance with regulatory requirements. Thus, there is a need to study the relationship between modern legislative initiatives aimed at improving the rights of convicts and contractual and legal relations in the field of entrepreneurial activity of penal institutions. Understanding this relationship will help to identify both legal and practical aspects that affect the effectiveness of the implementation of online visits and other initiatives related to improving the conditions of detention of convicts and their rehabilitation.

In recent decades, many countries have taken steps to modernize their penal systems in order to improve the conditions of detention of convicts and increase their rehabilitation potential. One of the key aspects of such reforms has been the introduction of new technologies, including remote video visits. These changes have affected both the legal and practical aspects of the work of penal institutions. A comparative analysis of foreign experience allows us to identify best practices and

possible pitfalls that may be useful for the further development of the penal system in the Republic of Uzbekistan. Below is a comparative table on the study of international experience on the draft Law "On Amendments to the Criminal Executive Code of the Republic of Uzbekistan in Connection with the Improvement of the Possibilities of Online Visits of Convicts Serving Sentences in Penal Institutions through Remote Video Visits"

Table 1. Comparative analysis of the penal codes of foreign countries

Page	Norm of the criminal-executive code of the country
Republic of Azerbaijan	According to Article 84, telephone conversations and video meetings of convicted persons 84.1. Persons sentenced to a punishment in the form of imprisonment for a fixed term have the right to talk or have a video meeting by telephone twice a week, and persons sentenced to a punishment in the form of life imprisonment - once a week, for a period of fifteen minutes. Payment for long-distance telephone conversations of convicted persons shall be made from the personal funds of the convicted person or his close relatives. In the absence of technical possibilities, one telephone call or video meeting shall be replaced by one short meeting. 84.2. At the request of the convicted person, in connection with his arrival at a new penal institution, as well as in exceptional cases, the management of the penal institution may allow him additional telephone conversations or a video meeting. 84.3. Convicts held in disciplinary or punitive isolation cells, cell-type rooms and solitary confinement cells as a punitive measure may be allowed telephone conversations or video visits only in exceptional cases.
Republic of Belarus	Art. 86 1. Persons sentenced to imprisonment shall be granted the right to telephone conversations, including those using video communication systems, with close relatives in the number and manner established by the Internal Regulations of Correctional Institutions. The duration of each conversation shall not exceed fifteen minutes. Telephone conversations, including those using video communication systems, shall be monitored by the administration of the correctional institution and shall be paid for by the convicts in the manner established by law. 2. Telephone conversations with persons who are not close relatives of the convict, including those using video communication systems, shall be possible only with the permission of the administration of the correctional institution. Telephone conversations, including those using video communication systems, between convicts held in different correctional institutions are prohibited. 3. Telephone conversations, including those using video communication systems, are provided to convicted persons held in punishment (disciplinary) isolation cells, cell-type facilities, solitary confinement cells, and those transferred from a general regime to a strict regime in prison only in the presence of exceptional circumstances.
	Article 50.4. Regime for the Execution of Sentences in Closed Prisons In addition to the rights mentioned in this Article, persons sentenced to life imprisonment (life imprisonment) who are serving their sentence in a separate block of a closed prison under enhanced supervision have the right to use the possibility of video communication to communicate with their relatives, spouse and other persons without the presence of a representative of the detention institution: 1) at the highest level of the detention regime - to a video call for one hour three times a month; 2) at the medium level of the detention regime - to a video call for one hour twice a month; 3) at the lowest level of the detention

Latvia	regime - to a video call for one hour once a month. In addition to the rights mentioned in this Article, convicted foreign citizens and convicted persons whose permanent place of residence is not Latvia have the right to use the possibility of video communication twice a month for up to 15 minutes to communicate with their relatives, spouse and other persons without the presence of a representative of the detention institution. In addition to the rights mentioned in this article, hearing-impaired and deaf convicts have the right to use video communication to communicate with relatives, spouses and other persons without the presence of a representative of the detention facility: 1) at the highest level of the regime of serving the sentence - for a video link for up to 30 minutes three times a month; 2) at the average level of the regime of serving the sentence - for a video link for up to 30 minutes twice a month; 3) at the lowest level of the regime of serving the sentence - for a video link for up to 30 minutes
Finland	Prisoners are allowed to communicate with their close relatives or other close persons via video link, other suitable technical means of communication, in which the participants have audio and visual communication with each other. This digital development has led to the current situation where all units (prisons and probation services) provide devices for shared use by clients via secure internet connections (whitelist of sites), Skype for communication with friends, family and other third parties (with special permission and under supervision). Some prisons in Finland use the Moodle platform for e-learning.
United Kingdom	Video calls last 30 minutes and can involve up to 4 people speaking to the prisoner. All callers must be on the prisoner's visiting list and the 'primary caller' must be over 18. Under-18s can participate in the video call if they are on the prisoner's visiting list. Every adult prisoner and young person in custody is offered one free 30-minute video call per month.

Conclusion

This article examines the contractual and legal relations of penal institutions (PFI) in Uzbekistan, with an emphasis on their entrepreneurial activities. The analysis showed that, despite the existence of a legal framework and regulatory acts, the contract management system in PFI faces a number of significant problems and challenges.

Firstly, insufficient legal clarity and the complexity of contract conclusion procedures create significant difficulties. Uncertainties in legislation and bureaucratic barriers slow down the process of concluding and executing contracts, which negatively affects the functional efficiency of institutions. These problems require the elimination of legal conflicts and simplification of procedures to improve efficiency and effectiveness.

Secondly, the entrepreneurial activities of PFI affect the conditions of detention of convicts. Lack of funding and problems with contractual relations can lead to a deterioration in the material and technical base of institutions and the living conditions of convicts. This emphasizes the need for more careful control over the use of financial resources and their allocation to improve conditions of detention.

Thirdly, corruption risks are a serious problem that requires special attention. Examples of misuse of funds and corruption in tender procedures show the need to introduce more transparent and effective control mechanisms. Strengthening internal audit and implementing monitoring systems can help combat these risks.

In addition, the lack of qualified personnel and problems with control and monitoring of contract execution also have a negative impact. The lack of professional specialists in contract management and insufficient control over the fulfillment of obligations lead to a decrease in the quality of services provided and work performed.

To improve the situation in the penal colonies, the following measures must be taken:

1. Simplify and clarify the legal norms governing contractual relations, and improve the procedures for concluding and executing contracts.
2. Strengthen control over financing and the allocation of funds to improve the conditions of detention of convicts.
3. Introduce transparent monitoring and reporting mechanisms, as well as strengthen internal control to combat corruption risks.
4. Train and attract qualified personnel to manage contractual relations and monitor their implementation.

The introduction of best practices and international experience can contribute to more effective management of contractual relations in penal institutions and improvement of their overall functioning. The recommendations set out in this article will help in solving existing problems and ensuring better fulfillment of obligations to convicts and society as a whole.

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