

Analysis of Key Indicators of Uzbekistan's Level of Integration in the International Financial System

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Abstract

After gaining independence, our country has become a worthy historical reality as the years of building the political, legal, social, economic and organizational foundations necessary for the formation, development and improvement of a free open market economy. Also, with the creation of a stable banking system in our country, the scale of international financial relations has further expanded, which in turn has created favorable conditions for the development of cooperation between international financial institutions and commercial banks. At present, a number of effective projects are being implemented between commercial banks of the country and international financial institutions, which play a strong role in the development of the economy of the republic.

Keywords: *financial corporation, budget policy, tourist infrastructure, banking infrastructure, accreditation, balance of payments, world economy, monetary policy.*

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Introduction

Today, the practical relations of international financial institutions are very consistent and active with major financial institutions such as the International Monetary Fund (IMF), the World Bank, the European Bank for Reconstruction and Development (EBRD), the Asian Development Bank (ADB). These organizations are also working closely together because they are convinced that the path we have chosen and the reforms we are implementing are the right ones.

On July 2, 1992, the Supreme Council of the Republic of Uzbekistan adopted a resolution of the Republic of Uzbekistan "On membership in the International Monetary Fund (IMF)." The Republic of Uzbekistan became a member of the IMF on September 21, 1992, and in accordance with the Decree of the Cabinet of Ministers No. 93-F of March 27, 1993, the payment quota for the signature of the IMF was paid.

The Central Bank of the Republic of Uzbekistan is the liaison agency and depository of international financial institutions and has the authority to carry out operations related to the membership of the Republic of Uzbekistan in these institutions.

In coordination with the Government of the Republic of Uzbekistan, the Ministry of Finance and the Central Bank shall ensure the timely fulfillment of financial obligations to the above-mentioned international organizations related to borrowing, payment of interest and placement of debt obligations on behalf of the Republic.

The IMF mission regularly visits Uzbekistan to provide technical assistance and consultations with the government and the Central Bank of the Republic of Uzbekistan. The mission's activities are aimed at studying the state of affairs in the field of economics, finance and statistics, as well as determining the direction of further economic reforms.

Based on the results of the study of IMF experts, recommendations and analytical materials will be developed, recommendations on how to solve existing problems in the field of macroeconomics will be prepared, all of which will be taken into account by the Central Bank in practice. In addition, in accordance with the "Monetary Regulation Obligations" clause of the agreement with the IMF, the Fund's mission conducts an overview of current macroeconomic and monetary policy in Uzbekistan at least once a year. A report on the results of the mission will be submitted to the IMF Executive Board for discussion.

The cooperation and work with the experts of the International Monetary Fund has yielded some positive results. The IMF has assisted in the development of banking legislation, a new chart of accounts in accordance with international standards, as well as the introduction of a new system of accounting and reporting, which has increased the effectiveness of banking supervision and its regulatory framework. IMF technical support has led to the introduction of an electronic payment system and the improvement of the statistical data collection system.

IMF loans are allocated to support the national currency, strengthen the balance of payments and are provided directly to the Government of Uzbekistan. IMF management and experts have visited the Republic of Uzbekistan several times to provide technical assistance and consultations with the Government and the Central Bank.

Literature review

Financial resources Processes related to the activities of international financial institutions and organizations from foreign economists A.V.Anikin [1], V.B.Mantusov [2], M.Nikita [3], T. Gris

[4] a number of economists have been involved in scientific research. Also Uzbek economists G.G.Nazarova, N.X.Khaydarov [5], A.V.Vahabov, D.A.Tadjibayeva, Sh.Kh.Khajibakiyev [6] NXJumaev, O.Abdurahmonov [7] and others.

Research methodology

Research methods such as analysis and synthesis, induction and deduction, statistics and comparison were used in conducting the research.

Analysis and discussion of results

The Memorandum signed by the Republic of Uzbekistan and the IMF on economic and financial issues includes specific measures to continue the reform of the republic's economy, liberalize the foreign exchange market, and create the necessary conditions for the exchange of the national currency for current international transactions. shown.

Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On strengthening cooperation with the International Monetary Fund" dated March 18, 1998 118 Working group formed. It is responsible for further improving the regulation of foreign trade, strengthening the over-the-counter foreign exchange market, liberalizing the currency system and achieving the exchange rate of the national currency for current operations and setting a stable exchange rate, as well as developing proposals for further cooperation with the IMF. output is loaded.

The analytical proposals developed by the working group highlight specific aspects of the current currency and trade regimes, as well as an analysis of various aspects of liberalization (accelerated and gradual liberalization). In addition, the document discusses the possibility of financial support for liberalization measures by international organizations. At the same time, the implementation of liberalization measures in the short term will lead to a number of unfavorable conditions, including rising inflation, even a short-term pressure on the monetary and budgetary system, as well as temporary financial it is approved that it may cause difficulties.

Taking into account the macroeconomic policy pursued in the country, the policy of gradual liberalization of foreign exchange markets was approved. Since September 1992, the Republic of Uzbekistan has been a full member of the World Bank. July 2, 1992 "On the membership of the Republic of Uzbekistan in the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency" law came into force. The World Bank currently has a representative office in Tashkent.

The package of programs implemented to support the priorities of the State in the framework of the World Bank's Strategy for Assistance to the Country focuses on 4 main areas:

- 1) improving the conditions for economic growth;
- 2) increasing opportunities for economic growth in rural areas;
- 3) increase the efficiency of public services;
- 4) Environmental management and meeting global public needs.

Currently, the following projects are being implemented in our country in cooperation with the World Bank:

- ✓ Project to support agricultural enterprises;

- ✓ Irrigation infrastructure and drainage reconstruction project;
- ✓ School education development project;
- ✓ Water Resources Management Project in the Fergana Valley;
- ✓ Project for the reconstruction of pipelines and treatment facilities in Samarkand and Bukhara;
- ✓ Energy Efficiency Project at Industrial Enterprises;
- ✓ Water Supply Improvement Project in Syrdarya Region;
- ✓ Talimarjan Thermal Power Plant (TPP) construction project;
- ✓ Health System Modernization Project (Health-3);
- ✓ Project for the introduction of an automated system for control and metering of electricity consumption;
- ✓ Water Supply Improvement Project in Alat and Karakul districts, etc.

The World Bank is involved in financing ongoing projects in Uzbekistan to establish an effective health care system. In particular, the World Bank project has helped to improve the quality of primary health care in all regions of Uzbekistan. The bank also finances the training of medical staff and provides advice on health financing. We can see the ongoing projects with organizations belonging to the World Bank Group on the basis of the following table.

The Bank is also cooperating to implement reforms in the agricultural sector in Uzbekistan as part of a project to support agricultural enterprises. The implementation of the credit line helped to improve irrigation and piping systems on 95,500 hectares, as well as 600 farms and small and medium-sized food processing enterprises received 30 million soums for the purchase of machinery and equipment. They received a loan in the amount of USD.

Nearly 2 million rural residents in western Uzbekistan have access to safe and reliable water. This has helped reduce morbidity, especially in the Aral Sea region. In addition, the situation with sanitary-epidemiological and regional health centers has improved in Urgench, Bukhara and Samarkand as part of a project to improve water supply.

The bank's recommendations to improve the completeness and regularity of budget reporting have helped to increase internal transparency in the use of public resources. Also, in 2011 the recommendations of the bank played an important role in the implementation of the budget classification in the treasury system of Uzbekistan in 2001 based on the information system of public finance management. Recommendations on leasing and housing finance in line with best international practices have enabled the development of these sectors.

Cooperation between our country and the Asian Development Bank is actively developing. The Republic of Uzbekistan became a member of the Asian Development Bank (ADB) in 1995. The programs and projects implemented in Uzbekistan in cooperation with the ADB focus on 4 key areas. These are:

- agriculture;
- development of private entrepreneurship;
- regional cooperation in the field of transport and customs transit;
- Improving social services aimed at protecting children and obtaining primary education.

From 1996 to 2013, ADB approved a total of 4.06 billion projects for 53 projects in Uzbekistan. allocated more than \$. During the same period, ADB provided \$ 54.9 million to Uzbekistan. provided technical assistance in the amount of \$. A significant part of ADB's financial assistance is directed to finance social sector reforms.

In 2013, ADB provided \$ 691 million to develop solar energy, recycle waste, improve rural water supply systems, and develop small business and private entrepreneurship. Allocated a loan in the amount of USD.

Table 2. Sectoral structure of ADB loans in the Republic of Uzbekistan in 2018-2021 [8]

Networks	Quantity	Total, USA doll.	%
Agriculture and natural resources	10	565.40	13.93
Education	8	290.50	7.16
Energy	7	780.00	19.21
Finance	3	120.00	2.96
Health and social protection	1	40.00	0.99
Industry and trade	2	175.00	4.31
Other networks	2	400.00	9.85
Public sector management	1	20.70	0.51
Transport and information technologies	10	1,17030	28.83
Water supply and infrastructure	9	498.00	12.27
All		4,05990	100.00

In addition, a memorandum was signed between the ADB and the government of our country on the establishment of a joint international research institute on solar energy. According to the Memorandum, ADB will allocate funds for the implementation of solar energy development projects.

Programs and projects implemented by the Asian Development Bank in Uzbekistan include, in particular, agriculture, private entrepreneurship development, irrigation, water resources management, transport and customs transit, and child protection social services. covering areas such as 'lim improvement.

Uzbekistan has been a member of the European Bank for Reconstruction and Development since 1992. The EBRD is one of the largest investors in Uzbekistan to support private sector development. The EBRD has identified seven areas of activity in Uzbekistan. These will focus on the development of the following areas:

- ✓ financial sector and banking infrastructure;
- ✓ small and medium enterprises;
- ✓ market infrastructure;

- ✓ energy complex;
- ✓ cotton processing and other branches of light industry;
- ✓ tourist infrastructure;
- ✓ Development of natural resources.

Uzbekistan became a member of the Islamic Development Bank on September 3, 2003. The bank has financed a number of projects in the country, including the provision of regional ambulances with the necessary equipment, construction of power transmission lines, financing lines for small and private businesses, construction and equipping of colleges and secondary schools, public finance. Facilitating management reforms, etc. In 2006, during the visit of the Islamic Development Bank mission to Uzbekistan, a Memorandum was signed between the Islamic Development Bank and the Government of the Republic of Uzbekistan on the development of a three-year cooperation program for 2007-2009. At the same time, within the framework of the 29th annual meeting of the Board of Governors of the IDB, Uzbekistan became a member of the Islamic Corporation for the Development of the Private Sector. The corporation is actively involved in financing the private sector, as well as providing consulting services to the public and private sectors in the implementation of enterprise restructuring and privatization programs.

To date, the Islamic Development Bank has allocated \$ 140.22 million for the implementation of 11 projects in the Republic of Uzbekistan in the areas of small business development, energy, health and education. The Islamic Development Bank and the Government of the Republic of Uzbekistan have also developed a cooperation program involving 14 projects. The program includes education, health, infrastructure development (water supply, housing and communal services, etc.), energy, small business development, rural development.

The total cost of the project is 418.15 million US dollars.

Currently, the Islamic Development Bank is one of the leading international financial institutions with which Uzbekistan cooperates and plays an important role in implementing structural changes in the country's economy.

During the short-term membership of the Republic of Uzbekistan in the Islamic Development Bank, financial and technical cooperation with the Bank has been developing steadily and has positive prospects.

The Bank will provide 15 projects in Uzbekistan in the fields of health, education, irrigation and land reclamation, energy, water supply, utilities, road infrastructure development, small business support. \$ 463.8 million has been allocated.

During the 36th Annual Meeting of the Board of Governors of the Islamic Development Bank in Jeddah, the Republic of Uzbekistan and the Islamic Development Bank agreed to cooperate in the implementation of the three-year Program for 2011-2013. A memorandum was signed. It includes increasing the financing of infrastructure projects and implementing 11 projects worth \$ 655.5 million.

intended.

Based on the above, it can be said that the International Monetary Fund, the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and the

Islamic Development Bank are actively involved in the implementation of a number of promising projects in our country. It is also involved in the implementation of a number of investment projects in the country the role of organizations is important.

During the years of independence, the Republic of Uzbekistan has improved its strategic interests and established active cooperation with international and regional organizations in strengthening stability in various parts of the world, especially in the Central Asian region.

Economic integration of Uzbekistan with the world is an important factor in increasing the efficiency of the national economy, as well as accelerating the development of science and technology, the rapprochement of nations and peoples.

helps improve living standards. The unification of countries within a particular integration organization has a positive impact on the development of relations between them related to the movement of products, services and capital. At the same time, it creates a favorable environment for the free spread of new technologies between countries, their introduction into the process of development of manufacturing sectors in national economies and, ultimately, contributes to economic stability.

The policy of developing economic integration in Uzbekistan is primarily aimed at ensuring sustainable growth of the national economy and its entry into the ranks of developed countries in the world. Along with the strengthening of the process of international economic integration, the Republic of Uzbekistan is developing cooperation with Central Asia, the CIS and the European Union.

is growing.

Uzbekistan's participation in integration associations such as the Shanghai Cooperation Organization, the CIS and the Economic Cooperation Organization plays an important role in further strengthening the country's position in the world economy. In June 2001, our country became a member of the Shanghai Cooperation Organization (SCO) and became its founder and equal participant.

The number of joint ventures and representative offices accredited in the territory of the Republic of Uzbekistan and the SCO member states testifies to the active development of cooperation at the level of business entities. As of January 1, 2012, 1601 enterprises with the participation of investors from the SCO member states operate in the territory of the Republic of Uzbekistan, of which 270 are 100% established at the expense of foreign capital.

The Ministry of Foreign Economic Relations, Investments and Trade of the Republic of Uzbekistan has accredited 178 representative offices of firms and companies of the Shanghai Cooperation Organization. The Multilateral Trade and Economic Cooperation Program was approved by the Council of Heads of Government of the Shanghai Cooperation Organization. The member states of the Shanghai Cooperation Organization have developed a short-term, medium-term and long-term action plan for the implementation of this program.

Conclusions and suggestions

The main directions of the short-term strategy of the Republic of Uzbekistan for the development of export potential are:

first, to create stable macroeconomic conditions to stimulate exports, to keep inflation at the forecast level, to prevent sharp fluctuations in exchange rates;

second, to ensure that businesses have the same opportunity to obtain imported means of production, regardless of their form of ownership;

third, to continue reforms in the training and retraining of leading specialists;

fourth, expanding the use of high technology in manufacturing to stimulate export potential;

fifth, increase the export potential of the country through the establishment and development of free economic zones.

Increasing the volume of exports, improving its structure, diversifying foreign trade in general serves the purpose of achieving qualitative changes in the structure of our economy, economic growth and further improving the welfare of the population by increasing its competitiveness.

The World Bank is participating in the financing of ongoing projects in Uzbekistan to establish an effective health care system. In particular, the World Bank project has helped to improve the quality of primary health care in all regions of Uzbekistan. The bank also finances the training of medical staff and provides advice on health financing.

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