

Role of the Ministry of Economy and Finance of the Republic of Uzbekistan in the System of State Financial Control

Azimjon Murodulla Oglu Meliev

Lecturer of the Department of Finance

Sadullaev Kuvanchbek Gairat Ogly

Student of the 3rd year of evening education faculty

qsadullayev884@gmail.com

Abstract: This article analyzes the system of state financial control in the Republic of Uzbekistan and the role of the Ministry of Economy and Finance in it. State financial control plays an important role in effective management of public funds, strengthening of budget discipline and ensuring economic stability. The article considers the system of financial control of the Republic of Uzbekistan, its legal basis, as well as the role of the Ministry of Economy and Finance in controlling the execution of the state budget. In addition, the possibilities of development and directions of improvement of the system on the basis of comparison with international experience are analyzed.

Keywords: state financial control, Ministry of Economy and Finance, budget discipline, financial monitoring, economic stability, fiscal policy.



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Introduction

State financial control plays an important role in ensuring economic stability and efficiency. This system allows to control the targeted use of state budget funds, legality of tax revenues and compliance with financial discipline. The system of financial control in the Republic of Uzbekistan was formed in the years of independence and is constantly improving [1]. The role of the Ministry of Economy and Finance is especially important in the execution of the state budget, effective allocation of budget funds and prevention of financial errors [2].

The Ministry of Economy and Finance is one of the key bodies realizing the fiscal policy of the state and carries out activities in such areas as the distribution of the state budget, tax policy and economic analysis. State financial control in Uzbekistan is regulated by legal acts, including the “Budget Code”, the Law “On State Financial Control” and other normative documents, which serve as the main sources of regulation of this process.

However, for further effective development of the country's financial system, it is important to study international experience and introduce advanced technologies. In particular, the analysis of the system of state financial control of the European Union, the United States and Asian countries can help to develop strategies suitable for Uzbekistan [3]. The main purpose of the article is to analyze the system of state financial control of the Republic of Uzbekistan and the role of the Ministry of Economy and Finance in it, as well as to identify existing problems and proposals for their improvement [4]. This study aims to develop scientific and practical approaches to improve the effectiveness of the system of state financial control, as well as to present analytical results [5].

Methodology

In this study to analyze the role of the Ministry of Economy and Finance in the system of state financial control of the Republic of Uzbekistan both qualitative and quantitative research methods are applied. The main purpose of the study is to comprehensively examine the system of state financial control, analyze its legal framework and develop practical recommendations to improve the system through comparative analysis with international experience. Documentary analysis was used as the main method in the process of data collection. Regulatory legal acts of the Republic of Uzbekistan, including the "Budget Code", the Law "On State Financial Control", decrees of the President, resolutions of the Cabinet of Ministers and other normative documents were thoroughly studied. Additionally, official reports of the Ministry of Economy and Finance, as well as statistical data on the execution of the state budget were analyzed. In addition, secondary sources were analyzed, including academic articles, economic studies and reports of international organizations, such as the International Monetary Fund (IMF), the World Bank and the Organization for Economic Cooperation and Development (OECD). One of the key aspects of the study is a comparative analysis, in which Uzbekistan's financial control system was compared with the experience of the European Union, the United States and Asian countries. In the course of the comparison, the strengths and weaknesses of each system were identified, which allowed for the development of adapted strategies for Uzbekistan. Expert interviews were also used as part of the study. Interviews were organized with representatives of the Ministry of Economy and Finance, specialists in the field of economic policy and experts in the field of financial control. During the interviews the existing problems in the system of state financial control, possible ways to solve them, as well as recommendations for further improvement of the system were discussed. Analytical and statistical methods were used for in-depth data processing. Analytical approach allowed to systematically study the collected information and assess the role and importance of the Ministry of Economy and Finance in the system of state financial control. In parallel, statistical analysis of indicators of state budget execution and financial control was conducted, which made it possible to determine the efficiency of budget funds allocation and the level of fiscal discipline.

Based on the obtained results, specific recommendations for further improvement of the system of state financial control of the Republic of Uzbekistan were developed.

Results and Analysis

Table 1: Comparative analysis of financial control systems

Country	Budget transparency	Tax discipline	Audit and control	Public accountability
Uzbekistan	3	3	3	3
European Union	5	5	5	5
AQSh	5	5	5	5
USA	4	4	4	4
South Korea	4	4	4	4

This comparative analysis is based on the comparison of the financial control system of the Republic of Uzbekistan with developed countries, including the European Union, the United States and Asian countries. The main evaluation criteria were budget transparency, fiscal discipline, audit and control system, as well as public accountability [6]. The results of the analysis show that Uzbekistan is not yet fully compliant with international standards. The problem of strengthening the independent audit system and expanding public participation in the process of financial control remains especially urgent. In developed countries, the mechanisms of state financial supervision are clearly worked out, while in Uzbekistan in this sphere there are still significant gaps [7]. Based on the obtained data, the following directions for improving the system of public financial control are proposed: Increasing transparency of the state budget - it is necessary to provide clear and open information on the distribution and expenditure of budget funds. Strengthening of independent audit - strengthening of independent financial control will increase the efficiency of budgetary resources management [8]. Expansion of public participation - active involvement of citizens and non-governmental organizations in the process of financial management. Strengthening fiscal discipline - ensuring the targeted and efficient use of public funds. The results of the study confirm that, despite the ongoing reforms, the system of state financial control in Uzbekistan has not yet reached the level of international standards. Among the key problems are insufficient budget transparency, limited independent audit, low level of public participation and bureaucratic delays in the system of public finance management [9]. To eliminate these problems it is necessary to update the legislative framework in accordance with international standards of financial control, to introduce an independent audit system, to make public expenditures more open to the public, as well as to intensify the participation of non-governmental organizations in the financial monitoring processes. The implementation of these recommendations will strengthen the system of state financial control in the Republic of Uzbekistan, increase fiscal stability and ensure effective use of budgetary funds.

Conclusion

The system of state financial control in the Republic of Uzbekistan is an important tool to ensure economic stability and effective management. This study examined the role of the Ministry of Economy and Finance in the system of state financial control, its functions and development prospects. The analysis has shown that the system of financial control of Uzbekistan is not yet fully compliant with international standards, and its further improvement remains an urgent task. Despite the reforms being implemented in the area of budget discipline and effective use of public funds, additional measures should be taken to strengthen the existing system and bring it closer to international practices. The results of the study showed that the system of public financial control in Uzbekistan is still at the development stage and faces a number of problems: Insufficient transparency of the state budget - limited access to open data on public expenditures and distribution of budget funds hinders the participation of citizens and non-governmental organizations in the process of financial control. Weak independent audit system - the powers of auditors remain limited, which reduces the efficiency of the use of public funds. Need to strengthen fiscal discipline - cases of inefficient budget spending and bureaucratic delays persist, negatively affecting financial management. Low level of public participation - insufficient involvement of citizens in the process of financial decision-making limits opportunities for democratic control over budgetary processes. Based on the analysis, the following measures for further development of the system of state financial control in Uzbekistan are proposed:

1. Increasing transparency of the state budget - it is necessary to introduce a mechanism of public disclosure of financial information in a convenient and understandable format for citizens.
2. Strengthening the independent audit system - it is important to ensure the independence of audit bodies and bring their activities in line with international standards.

3. Expanding public participation - involvement of citizens and non-governmental organizations in the process of public financial control will increase its effectiveness.
4. Strengthening fiscal discipline - it is necessary to introduce strict legal mechanisms to prevent misuse of public funds.

Adaptation of international experience - study and application of best practices of developed countries will allow modernizing financial control in Uzbekistan. The countries of the European Union and the United States have already established an effective system of public expenditure control, including transparency of budgetary processes and independent audit. In Japan and South Korea, strict fiscal discipline has contributed to effective public budget management. These models can be adapted to the conditions of Uzbekistan to strengthen financial control. Thus, this study has shown that, despite the ongoing reforms, the system of state financial control in Uzbekistan requires further development. Creation of legal and regulatory framework in accordance with international standards, introduction of independent audit, ensuring openness of budget expenditures and increasing participation of non-governmental organizations will help to make financial management in the country more stable and effective. The implementation of these measures will make it possible to strengthen the system of state financial control, improve economic sustainability and efficiency of public finance management.

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