

POSSIBILITIES OF APPLICATION OF DIGITAL TECHNOLOGIES IN THE ECONOMY OF UZBEKISTAN AS AN EXAMPLE OF COMMERCIAL BANKS

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A B S T R A C T	KEY WORDS
In this article, the innovative technologies of the digital economy in the Republic of Uzbekistan and their characteristics, efficiency in use, including the prospects and analytical indicators of the use of innovative technologies in the banking system, are highlighted, and appropriate proposals and recommendations are formulated for the further improvement of remote services of commercial banks.	digital economy, blockchain, e-government, crypto-asset, banking, e-payment, e-wallet.

1. Introduction

The rapidly developing world economy, especially the progress in the economy of highly developed countries, including the rapid development of the global banking and financial system, creates an even greater need for the use of new modern digital technologies in the activities of banks, which are one of the most important sectors of the economy. Studies show that today in various countries of the world, the widespread use of the digital economy, financial technologies, and the blockchain system serves to increase the level of transparency of activities in any field, and to reduce cases of corruption. The success of the reforms being carried out on a large scale in our country, the development and future prospects of our country, as well as its rightful place in the world community, in many ways directly depend on the introduction of new modern innovations into our national economy.

The issue of developing the digital sector of the national economy has been raised to the state level in Uzbekistan, and large-scale measures are being implemented in this regard. In particular, electronic document circulation systems are being introduced, electronic payments are being developed, and the legal framework created in the field of electronic commerce is being improved. At the same time, the digital economy operating on information technology platforms is rapidly developing. This necessitates the need to create new models of such platforms [1].

On the initiative of the President of the Republic of Uzbekistan, Sh.M. Mirziyoyev, a number of works are being carried out in connection with the development of the national concept of the digital economy, which provides for the renewal of all sectors of the economy based on digital technologies, and the implementation of the "Digital Uzbekistan - 2030" program on this basis [2]. The important thing is that on April 28, 2020, the decision of the President of the Republic of Uzbekistan "On measures for the wide introduction of digital economy and electronic government" was adopted [3]. In order to ensure the implementation of this decision, it is planned to implement 12 projects in the direction of banking services and 8 projects in the direction of electronic state services.

Also, by the decision of the President of the Republic of Uzbekistan "On measures to develop the digital economy in the Republic of Uzbekistan" [4]:

- Introduction of activities in the field of crypto-asset circulation, including mining, smart-contract, consulting, emission, exchange, storage, distribution, management, insurance, crowd-funding (collective financing) technologies in order to diversify various forms of investment and business activities ;
- Training of qualified personnel with good understanding of modern information and communication technologies and practical work skills in the field of development and use of blockchain technologies, as well as attracting highly qualified foreign specialists;
- Comprehensive development of cooperation with international and foreign organizations in the field of activity on crypto-assets and "blockchain" technologies, as well as creation of the necessary legal framework taking into account advanced foreign experience;
- The tasks of ensuring close cooperation of state bodies and business entities in the field of introducing innovative ideas, technologies and developments for the further development of the digital economy have been defined.

Now let's focus on the important benefits of the digital economy:

- The digital economy significantly increases people's living standards, which is its main benefit.
- Digital economy is the main link of corruption and "black economy". Because numbers seal everything, store it in memory, provide information quickly when needed. In such conditions, it is impossible to hide any information, make secret deals, not to provide full information about this or that activity, because the computer will reveal everything.

The abundance and systematicity of information does not allow for false and fraudulent activities, because it is impossible to cheat the system. As a result, it will not be possible to launder "dirty money", steal funds, spend ineffectively and aimlessly, increase or hide them. This will increase the flow of legal funds into the economy, taxes will be paid on time and correctly, budget allocation will be open, funds directed to the social sphere will not be stolen, and money allocated for schools, hospitals, and roads will reach in full.

3. Research Methodology

At the stage of widespread use of innovations in today's banking and financial system, economic research methods such as data collection, analysis, synthesis and logical thinking of the electronic money system have been widely used to improve the services of commercial banks in the country.

4. Analysis and Discussion of Results

The choice of the state to develop the digital economy opens new directions in the field of information technologies and in general, in the field of electronic document circulation. The turn to “digital technologies” was caused by the development of the worldwide Internet network and quality communication.

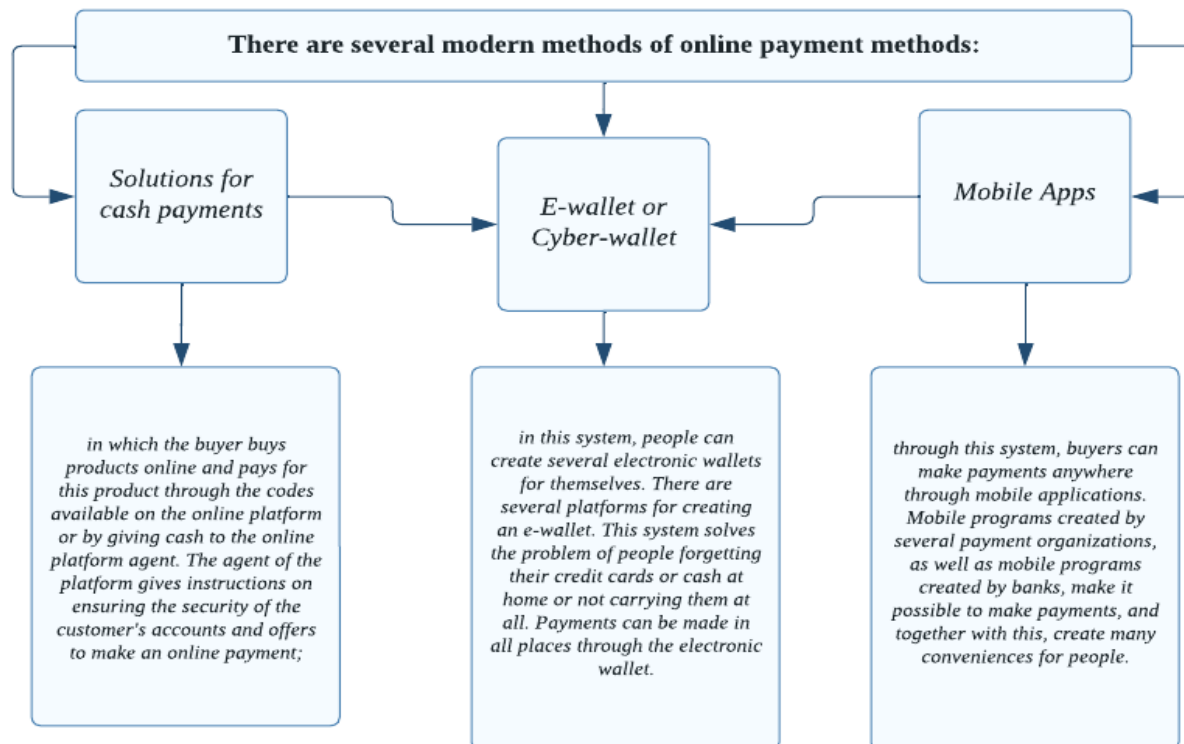


Figure 1. There are several modern methods of online payment methods [5]

There are many mobile applications in our country, including PayMe, Click Evolution, as well as mobile banking applications created by banks, among which Kapitalbank’s “Apelsin” mobile application, Aloqabank’s “Zoomrad” mobile application and others can be cited.

In remote banking services provided by commercial banks in our country, remote technologies allow the client to use banking services with maximum convenience and to minimize time and financial costs in the process of working with the bank. It is possible to positively assess the expansion of remote bank account service systems such as “Bank-Client”, “Internet-banking”, “Mobile-banking”, “SMS-banking”.

Today, through the mobile application programs of commercial banks, people can perform card-to-card (P2P) transactions in real time, make tax, budget, utility and other payments, take microloans and repay loans, issue online deposits, deposit and loan (credit) accounts. remote opening, making payments from an international bank card account, online conversion operations and other remote banking services are widely used.

In turn, it is possible for enterprises and organizations to manage funds in bank accounts in real time through remote management systems of bank accounts, to make payments, to send an order for the purchase (conversion) of foreign currency to the service bank in electronic form, to transfer monthly wages and equivalent payments. opportunities for transferring an electronic account to the bank and using other services have been created.

The number of users of systems providing remote banking services in our country (Fig. 2) and the number of their types (Fig. 3) can be seen below.

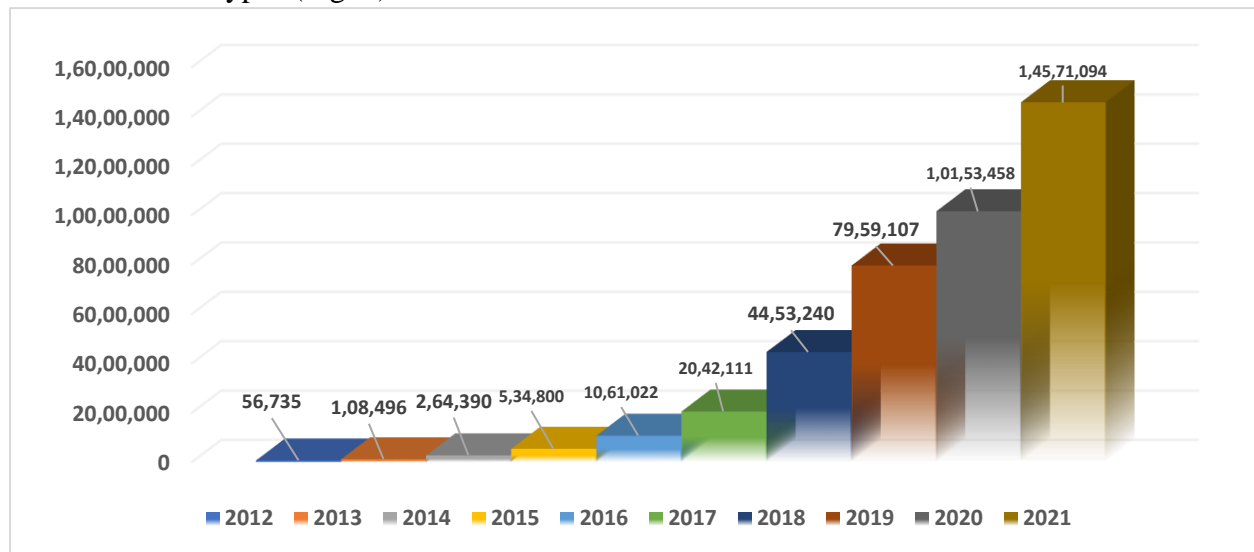


Figure 2. The number of users of systems providing remote banking services [6]

The Decree of the President of February 19, 2018 “On measures to further improve the field of information technologies and communications” became the basis for the development and implementation of important measures for the development of the digital economy by our government. The conclusions of the World Bank’s research entitled “Digital Dividends” show how relevant and important the digital economy is in the development of countries economies. In particular, a 10% increase in internet speed leads to an increase in the country’s GDP. In developed countries, this indicator is 1.21 percent, while in developing countries it is 1.38 percent. So, if the Internet speed doubles, it is possible to achieve a 13-14 percent increase in GDP.

2020 was a period of development of digital technologies by many economic categories. The main reason for this is that in the context of the COVID-19 pandemic, economic entities have switched to a remote work system. Despite the fact that the COVID-19 pandemic had a negative impact on the economy of the countries, it gave impetus to the development of the digital economy. According to experts, in 2020, more than 30 percent of large banks will start using blockchain technology in their work.

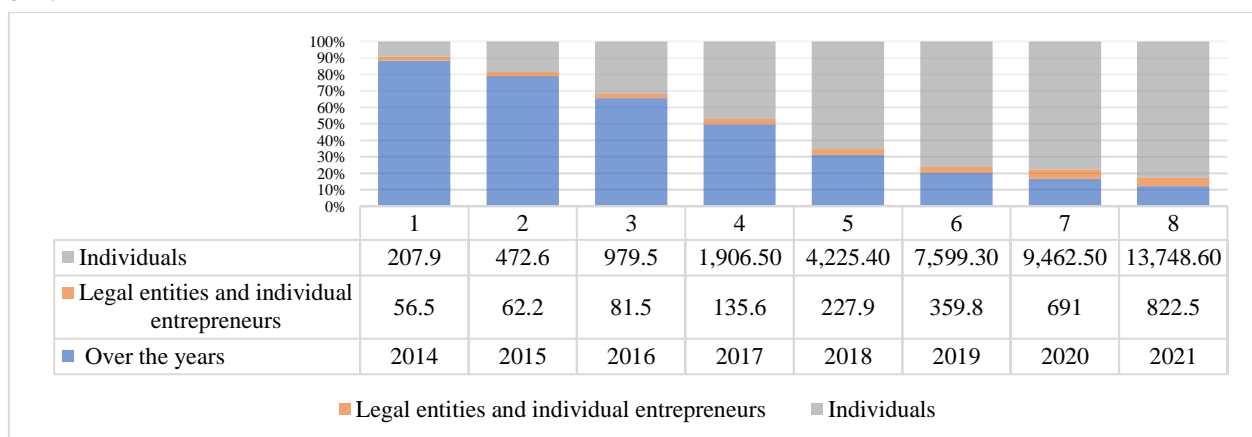


Figure 3. The number of users of systems providing remote banking services (by types) [7]

Within the framework of the "Digital Uzbekistan-2030" strategy, in 2020-2022, according to the program of digital transformation of the areas of economic development, financial-banking system, management of state assets, development of competition, support of entrepreneurship and reduction of poverty, in the state administration bodies It is determined that the following works will be carried out on the introduction of information systems and software products:

- Implementation of the "Data Management" information system, which allows analyzing the socio-economic development of the country and forecasting in the future by integrating the information systems and databases of state bodies and organizations.
 - Introduction of an information system that allows the online input of data for the ranking of regions by responsible bodies, organizations and institutions.
 - Implementation of the electronic portal "Business-navigator" to support business entities.
 - Creation of "Tahlika-analysis" software product, which involves the segmentation of taxpayers, the implementation of tax control that completely eliminates the human factor based on the level of risk.
 - Gradual transition from the use of the taxpayer identification number (STIR) to the use of the personal identification number of individuals (JShShIR) as a single identifier in the accounting of tax-paying natural persons.
 - Implementation of "Big Data" technologies that allow management and analysis of large volumes of data.
 - Increasing the scope and quality of services provided by commercial banks to customers through remote banking services, including mobile applications.
 - Integration of HUMO and UZCARD payment systems.
 - Increasing the popularity and expanding the scope of contactless payments in the national payment infrastructure through means provided with NFC technology (without using a payment card), etc.
- Remote services have developed rapidly in commercial banks in our country under the influence of the COVID-19 pandemic. In the conditions of the pandemic, customers used mobile banking programs created by banks to make various payments, such as tax payments, utility bills, and other necessary payments without leaving their homes. Banks have perfected the software of these applications and greatly improved the services that the application can perform. These changes made it possible for banks to keep their customers.

In accordance with the tasks assigned by the decision of the President of the Republic of Uzbekistan No. PQ-4751 dated June 15, 2020, the "Cybersecurity Center" DUK conducted a rating assessment of the state of information and cyber security in state and economic management and local government bodies based on the final results of the first quarter of 2021.

The Central Bank of the Republic of Uzbekistan, the Ministry of Justice, the State Customs Committee, the State Statistics Committee and a number of banks and other organizations, including local executive authorities, were among the top 10 organizations with the highest rating.

The Central Bank of the Republic of Uzbekistan took first place in this rating with 96.6 points. (Figure 3)

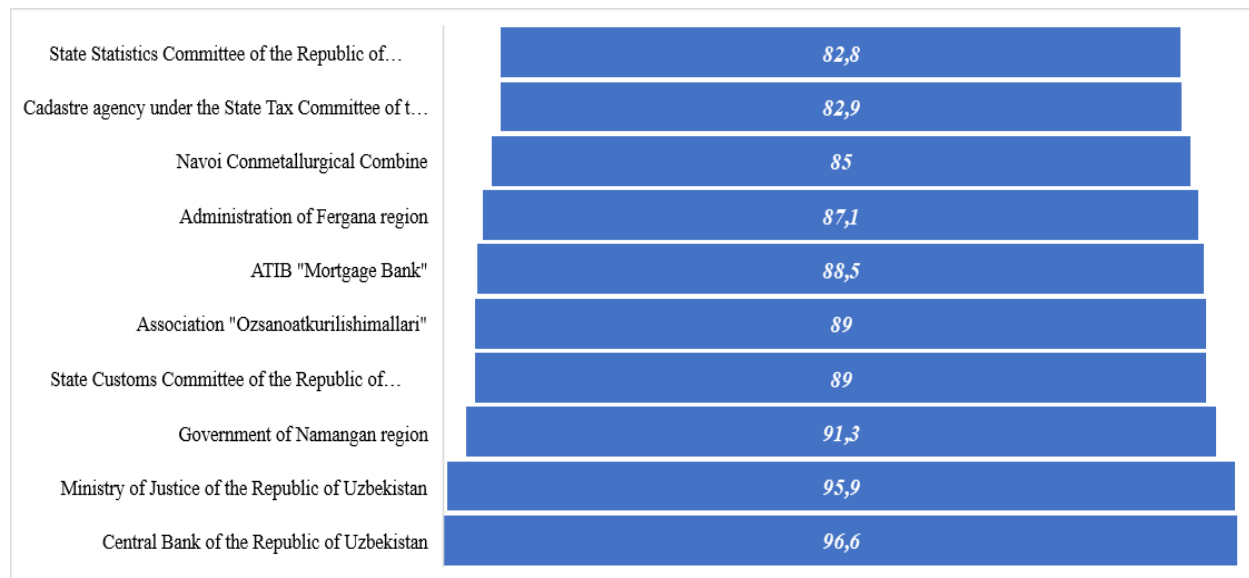


Figure 4. Organizations with a high rating (top 10) according to the state of information and cyber security (score) [8]

5. Conclusions and Suggestions

In short, the implementation of the digital economy in our country ensures that the volume of the country's GDP and the share of GDP per capita will be high, and through this, it is an excellent direction for the development of the country's economy allowed:

- approval and implementation of "roadmaps" for the transformation of banks with a state share [9];
- optimization of business processes using modern information and communication technologies;
- transfer of interaction between state tax service bodies and taxpayers to a remote mode, full automation of relations between all participants through the wide use of information and communication technologies, and expansion of the number of interactive state services;
- Wide implementation of "Online cash registers", "Electronic invoices" and other centralized systems [10];
- wide implementation of information and communication technologies in the activities of tax authorities in order to reduce secret activities in the economy, increase the level of transparency and create an environment of equal competition for entrepreneurship.

Of course, all these are complex tasks of moving to a new technological level due to the introduction of modern information and communication technologies and the Internet at all stages of the process of forming the "Digital Economy" in the economy. The main goals and objectives of this process are aimed at improving the quality of life of citizens, increasing the competitiveness and efficiency of the economy, and expanding its export potential. At the same time, in our opinion, in the future, attention should be paid to such priority areas of development of the transport sector, agriculture, health care, housing and communal services, financial services market and "digital economy" and we think that achieving results in these directions will serve to further increase the effectiveness of the "digital economy" in our country.

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