SECURITY PROBLEMS IN THE INTERNATIONAL EXCHANGE TRANSACTIONS SYSTEM AND WAYS TO SOLVE THEM

Jaloladdin Bakhodirov
Master Moscow Engineering Physics Institute Joint international educational program Tashkent State University of Economics and National Research Nuclear University

---

ABSTRACT

The article discusses the theoretical foundations for ensuring financial monitoring in the Republic of Uzbekistan with the disclosure of the concept of "money laundering". The characteristic of the banking system in the field of money transfers to the Republic of Uzbekistan is also given.

Key words: Eurasian group, Uzbekistan, exchange transactions, financial monitoring.

The current situation in the world creates new challenges that should be promptly and adequately responded to. The Eurasian Group plays an important role in building mechanisms to combat money laundering and terrorist financing in the member states.

All member states of the group make a worthy contribution to ensuring the financial stability and prosperity of the Eurasian region. Solidarity and active efforts have opened wide opportunities for strengthening regional and international cooperation in this direction.

In order to build national systems capable of quickly and adequately responding to modern challenges and threats, along with other countries, the Republic of Uzbekistan is also adopting large-scale reforms to improve and strengthen the national anti-money laundering system.

In Uzbekistan, there is a law enforcement-type financial intelligence unit that implements a set of measures in the field of combating the legalization of illegal income, the financing of terrorist activities, tax and currency crimes, as well as to compensate for economic damage from these offenses.

The large-scale reforms carried out in our country over the years of independence have become an important basis for strengthening national statehood and sovereignty, ensuring security and law and order, the inviolability of state borders, the rule of law, human rights and freedoms, interethnic harmony and religious tolerance. The worthy life of our people has created the necessary conditions for the realization of the creative potential of our citizens.1

The purpose of the state strategy of economic security is the well-being of citizens and the comprehensive development of their personality; improve the standard of living and quality of life of the population; ensuring the demographic, socio-economic, political stability of society; ensuring economic growth, which creates important and favorable conditions for the overall socio-economic stability of the state, ensuring the sovereignty and integrity of the state, and successfully and effectively combating internal and external threats.

The implementation of the economic security strategy of the state includes an independent and effective solution of internal social, economic and political issues based on their national interests, with maximum protection from external negative influences; ensuring the level and quality of life of the population, which guarantees social harmony and stability in society and important conditions for the comprehensive development of the individual; timely adaptation to drastic changes in the global economy, growing resource constraints and global competition, adequately respond to internal and external resistance; active foreign policy and economic diplomacy are aimed at creating important and sufficient conditions in the forecast period to ensure the ability to

1 Decree of the President of the Republic of Uzbekistan No. PF-4947 "On the strategy of actions for the further development of the Republic of Uzbekistan".

influence the economic, political and military processes in the world, while protecting the interests of the country through effective and equal integration into world economic relations.

In today's era of many economic risks, there is the problem of preventing these risks and at the same time not slowing down transactions. For example, according to the Central Bank of the Republic of Uzbekistan, "the volume of money transfers to Uzbekistan from abroad increased sharply in January-May 2022. In five months, the country received transfers worth $4.19 billion, up $1.58 billion, or 61%, compared to the same period last year."2

"At the same time, in May alone, individuals sent a record $1.65 billion to Uzbekistan (the previous record was $1.07 billion in April), while in May 2021 this figure was almost 2.7 times less, about 620 million dollars".3

"Indicators of foreign exchange transactions also increased sharply. In January-May, banks purchased foreign currency from the population for $4.32 billion, which is $1.6 billion or 59% more than in the same period last year. In May alone, the volume of purchases amounted to $1.05 billion. At the same time, banks sold foreign currency to citizens for 2.84 billion dollars (in April - 610 million dollars), which is 1.17 billion dollars, or 70%, more than last year's figure.

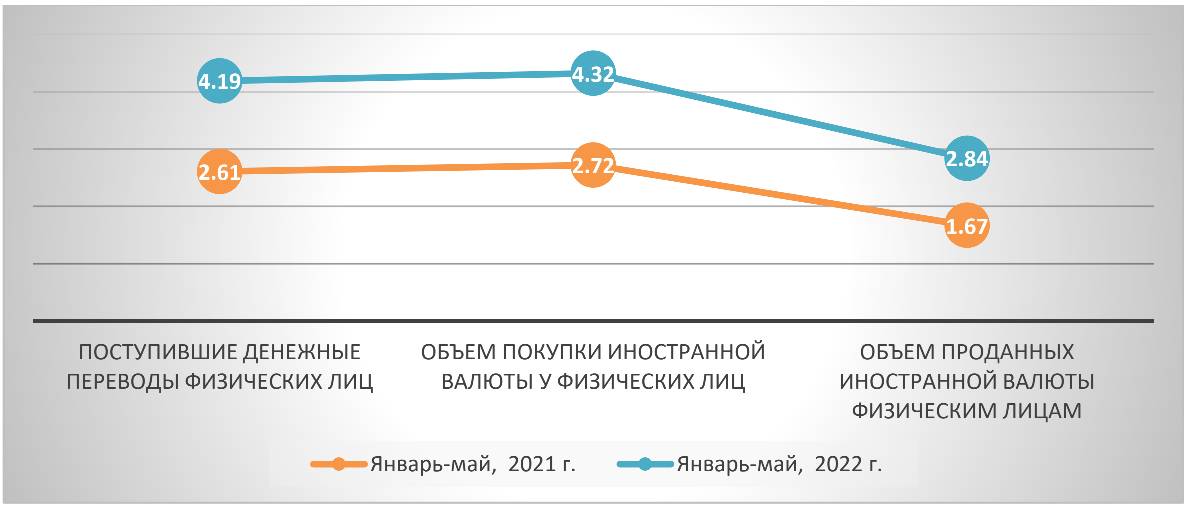

Figure - Foreign exchange transactions of individuals of the Republic of Uzbekistan, 2021-2022, (January-May) in billion US dollars4

To prevent the outflow of capital from the country and improve the financial climate, the following organizational and economic measures will be taken:

improving the investment climate in the country, increasing investment attractiveness by improving the system of stimulating investment in the economy. As a result, the outflow of capital will decrease, and the process of returning funds to our country at the expense of our compatriots abroad will begin; implementation of measures to restore and strengthen public confidence in banks; creation of a system to stimulate the growth of savings in the national currency and their conversion into investments; improvement of forms, means and methods of customs, currency, banking control of financial flows;

2 Prepared by the author based on open data of the Central Bank of the Republic of Uzbekistan @centralbankuzbekistan
3 Prepared by the author based on open data of the Central Bank of the Republic of Uzbekistan @centralbankuzbekistan
4 Prepared by the author based on open data of the Central Bank of the Republic of Uzbekistan @centralbankuzbekistan

Improvement and expansion of the regulatory framework for regulating the export and import of capital. Constant control over these huge cash flows is one of the main tasks of ensuring economic security.

The need to combat the legalization (laundering) of proceeds from crime is understood both at the national level and at the international level. International cooperation in this area contributes to the implementation of global financial control. Due to the existence of common standards for the organization and legal support of state regulation, the presence of gaps in the legislative acts of different countries is excluded.

REFERENCES

[1] Decree of the President of the Republic of Uzbekistan No. PF-4947 "On the strategy of actions for the further development of the Republic of Uzbekistan".

[2] EEC Directive "On the Prevention of the Use of the Financial System for the Purposes of Money Laundering" (No. 91/308/EEC) of June 10, 1991 - 11 p. // CJSC "Kodeks", 2012-2014 [Text]. URL: http://www.docs.cntd.ru (date of access: 01/21/2022).

[3] Zhurbin R.V. Fight against money laundering: theoretical and practical aspects [Text] / R.V. Zhurbin. – M.: Wolters Kluver, 2011. – 488 p.

[4] Open data of the Central Bank of the Republic of Uzbekistan @centralbankuzbekistan