

NATIONAL PAYMENT SYSTEM OF THE REPUBLIC OF UZBEKISTAN AND ITS PROSPECTS

Kenjaev M.G.

TDIU, PhD., associate professor

Department of "General Economic Sciences".

Tel. (+99890) 3174361 E-mail: kenmehriddin@gmail.com

Abstract: The Central Bank of the Republic of Uzbekistan is responsible for the organization of the national payment system of our republic, ensuring its uninterrupted operation and development prospects. Therefore, today the State Bank of the Republic of Uzbekistan is responsible for information technology, information protection and cybersecurity in the banking system. In order for the Central Bank of the Republic of Uzbekistan to ensure and develop a high level of information security and cybersecurity of commercial banks, payment system operators and payment organizations, it is expedient to strengthen the information security of banking information and the payment system, widely introduce new concepts and technologies in the system, and ensure the application of their highly advanced standards in practice by the banking system based on the study of payment systems of developed countries. This situation determines the development and prospects of the national payment system.

Key words: Artificial intelligence technologies, banking system, national payment system. information protection, cyber security, information and communication technologies, interbank payment system. national payment system, commercial banks, transaction, settlement clearing, Central Bank.

Introduction

In accordance with the Resolution of the President of the Republic of Uzbekistan "Strategy for Reforming the Banking System of the Republic of Uzbekistan for 2020-2025" approved on May 12, 2020, the "Digital Uzbekistan - 2030" Strategy of October 5, 2020, and the "On Measures to Create Conditions for the Accelerated Introduction of Artificial Intelligence Technologies" of February 17, 2021, priority tasks have been set, such as the widespread introduction of modern information and communication technologies, the automation of business processes of commercial banks, and the creation of necessary conditions for the expansion of remote banking services. To implement these tasks, it is currently envisaged to improve the national payment system of the Republic of Uzbekistan, that is, it is required to develop a remote biometric identification system (Face-ID) for users of banking services, which will allow customers to open accounts remotely, and the provision of digital financial services.

Main part

The Central Bank of the Republic of Uzbekistan is responsible for organizing the national payment system of the Republic of Uzbekistan and ensuring its uninterrupted operation. Therefore, today, the State Bank of the Republic of Uzbekistan pays great attention to the issues of information technology, information protection and cybersecurity in the banking system.

The Central Bank of the Republic of Uzbekistan has developed a procedure for obtaining a license for the activities of payment system operators and the documents that non-bank legal entities must submit in order to obtain a license to carry out the activities of a payment system operator. Practical work is being carried out in the banking system in accordance with the established procedure.

In recent years, and mainly in 2023, the Central Bank of our Republic has paid special attention to the issue of ensuring the continuity of the operation of payment systems and expanding the scope of cashless settlements by improving their infrastructure. Figure 1 below shows data on the volume of transactions carried out through the Interbank Payment System in recent years by the relevant years.

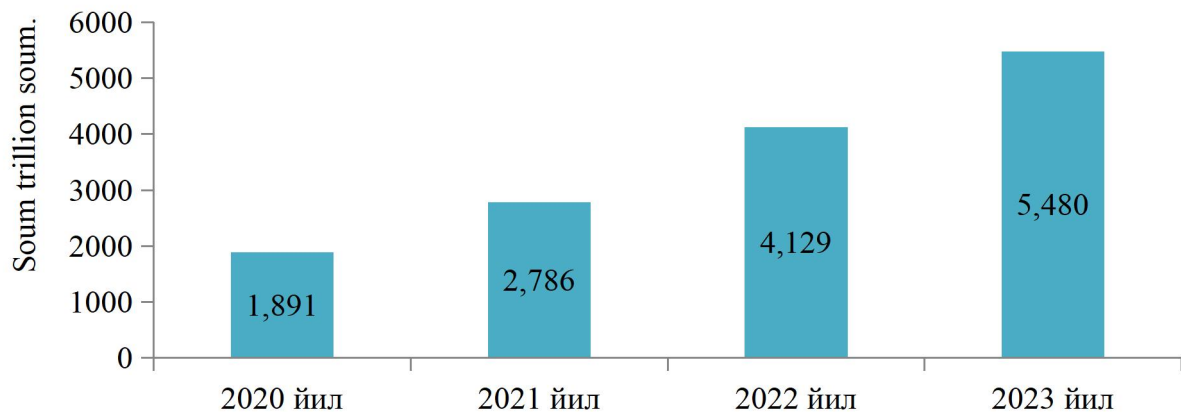


Figure 1. Weight (volume) of transactions made through the interbank payment system.

Also, in 2023, the volume of transactions carried out through the Central Bank's interbank payment system increased by 1.3 times compared to 2022, amounting to 5,480 trillion soums. The average daily volume of transactions through the payment system increased from 16.6 trillion soums to 22.1 trillion soums in 2022.

It is well known that the growth in the volume of transactions carried out through the interbank payment system is due to the increase in the scale of financing the economy, investment activity, and the volume of operations in the money market between the Central Bank and commercial banks. At the same time, the number of participants in the Central Bank's interbank payment system reached 36 in 2023, due to the issuance of licenses to carry out the activities of 3 commercial banks.

In 2023, the procedure for making electronic payments through the Central Bank's interbank payment system was improved and supplemented with a norm on limiting the participation of banks that had an overdraft (debt) on their correspondent account at the end of the banking day in the Central Bank's Settlement Clearing and Express Payments System until the deficiency is eliminated.

By optimizing the branches of commercial banks and organizing compact banking service centers, the number of commercial banks operating on the basis of the single bank code (MFO) technology, which allows customers to use quality banking services through any bank branch, increased by 2 to 9.

If we pay attention to the indicators of the settlement clearing system in the banking system of our republic, we can see growth indicators in them. The settlement clearing system of the Central Bank specializes in real-time processing of retail payments of individuals and legal

entities. Currently, the development and continuity of the activity of this system is being observed.

The number of institutions and organizations accepting payments through the settlement clearing system of the Central Bank reached 48 in 2023. Also, this year, the volume of payments made through the settlement clearing system amounted to 78.0 trillion soums, which is 1.3 times more than the previous year, and the number of transactions exceeded 102 million, which is 1.2 times more in percent.

In 2023, information systems and resources of banks and payment organizations are being studied using special programs developed to ensure cybersecurity, and great attention is being paid to ensuring a high level of cybersecurity.

In this regard, it is planned to fulfill about 50 technical requirements related to the creation of monitoring systems by the Central Bank and their integration into the monitoring system of the Central Bank, ensuring the security of ATMs, examination of information systems and mobile applications, and introduction of anti-fraud systems in order to eliminate the deficiencies identified in this direction.

Payment system operators, credit and payment organizations have created an opportunity to promptly report information about cybersecurity incidents to the Central Bank's "CERT-CBU" cybersecurity center on the official website of the center, and information on fake links created by commercial banks, payment system operators and payment organizations using their names and official logos has been introduced.

It can be noted that in 2023, the Central Bank of the Republic of Uzbekistan received 917 documents from law enforcement agencies on obtaining information constituting bank secrecy on cases of fraud related to bank cards on the basis of sanctions in accordance with the legislation.

In order to carry out propaganda work among the population on cases of fraud related to bank cards, 6 text information materials calling for the awareness of consumers of payment services and 3 video materials urging caution against fraudsters have been prepared and are regularly published in the media, the official website of the Central Bank and channels on social networks.

The Central Bank, in cooperation with commercial banks, payment system operators and payment organizations, as well as internal affairs bodies, is taking measures to block bank cards involved in fraud cases and prevent the transfer of funds from these bank cards to foreign accounts through mobile applications.

In this regard, in order to prevent fraudulent transactions related to bank cards, additional security requirements are being introduced for biometric identification of customers when transferring funds through mobile applications, confirmation of money transfers, and use of mobile accounts.

In turn, commercial banks and payment organizations have introduced warnings for customers when using their mobile applications not to disclose bank card data, one-time confirmation OTP codes that give the right to use them, information on the safe use of mobile applications, and the effective and appropriate use of multi-factor authentication methods when using mobile applications.

In order to identify cyber threats in the activities of commercial banks, payment system operators and payment organizations throughout 2023, combat and prevent new types of them, as well as exchange experience in this regard, cooperation was established with relevant ministries and departments and leading international organizations in the field of cybersecurity.

In addition, prospects for planning and developing cooperation with leading international organizations in the field of cybersecurity in the coming years were determined.

As part of the cooperation, forums and training seminars were held with the participation of responsible employees of commercial banks, payment system operators and payment organizations in the field of information security and cybersecurity, which improved the qualifications of responsible employees of commercial banks, payment system operators and payment organizations and created a foundation for their effective work in terms of professional skills in the future.

Conclusion

Based on the above opinions and considerations, we express the following opinions as a conclusion.

1. It is advisable to strengthen the information security of bank information and the payment system. As a result, customer confidence in these systems will increase, and in turn, the number of payment users will increase, and we will be able to expand the scope of system services.
2. It is necessary to widely introduce new concepts and the application of the latest generation technologies in the banking system (fintech, digital banking).
3. It is necessary to introduce an effective information security and cybersecurity system in banks, payment systems and payment organizations, and strengthen control over their effective operation by the state bank.
4. In introducing an effective information security and cybersecurity system in banks, payment systems and payment organizations, it is considered appropriate to ensure the implementation of advanced security protection systems based on the study of payment systems of developed countries.

List of references:

1. Law of the Republic of Uzbekistan. On banks and banking activities // National database of legislative acts, 06.11.2019, No. 03/19/580/3994; 07.01.2020, No. 03/20/600/0023.
2. Law of the Republic of Uzbekistan. On the Central Bank of the Republic of Uzbekistan // National database of legislative acts, 12.11.2019, No. 03/19/582/4014.
3. "Strategy for Reforming the Banking System of the Republic of Uzbekistan for 2020-2025" No. PF-5992, approved by the President of the Republic of Uzbekistan on May 12, 2020, National Database of Legislative Documents, 05/13/2020, No. 06/20/5992/0581.
4. "Digital Uzbekistan – 2030" Strategy of the President of the Republic of Uzbekistan dated October 5, 2020, No. PF-6079, National Database of Legislative Documents, 06/10/2020, No. 06/20/6079/1349.
5. Resolution No. PP-4996 of February 17, 2021 "On measures to create conditions for the accelerated introduction of artificial intelligence technologies", National Database of Legislative Documents, February 18, 2021, No. 07/21/4996/0127.
6. Annual Report of the Central Bank of the Republic of Uzbekistan for 2023.//www.cbu.uz.
7. Ways to improve the accounting for liabilities in the travel agency. TM Zhuraevna European journal of economics and management sciences, 3-6.
8. АА Каримов, СУ Мехмонов, МЖ Темирханова Развитие социально-экономических систем в условиях нового технологического уклада. Стратегия устойчивого развития в антикризисном управлении экономическими ...



9. М.Ж Темирханова, ХБ Зарипов СОВЕРШЕНСТВОВАНИЕ ЦИФРОВОЙ МОБИЛЬНОЙ СВЯЗИ В СОВРЕМЕННОМ МИРЕ Бюллетень науки и практики 6 (7), 262-271
10. М.Ж Темирханова, Хусан Баходирович Зарипов, Ли Шаоминь. Совершенствование цифровой мобильной связи в современном мире Бюллетень науки и практики Vyulleten nauki i praktiki 6 (7), 262-271