

The role of cashless payments in the economy

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Abstract: At the current stage of economic development, the role of banks operating in our republic is increasing. Because none of the business entities can bypass the banking service and manage their mutual accounts without the help of the bank. For this reason, the government is paying attention to reforms to further strengthen the banking system and increase their freedom. Because the reforms carried out in the banking system are the basis for ensuring the stability of not only banks, but also the entire economy. The stability of the banking system helps the development of the economy of our republic.

Keywords: Payment system, national payment system, plastic cards, cashless settlement.

Introduction

The main task of any payment system is to ensure the dynamics and stability of economic circulation. Having an effective payment system helps to control the monetary sphere, helps banks to actively manage liquidity, thereby reducing the need for large and excess reserves. As a result, the process of creating a monetary and credit program is simplified and operations in the field of financial policy are accelerated.

The large-scale reforms carried out in our country during the years of independence are an important foundation for strengthening national statehood and sovereignty, security and law and order, the inviolability of our country's borders, the rule of law in society, human rights and freedoms, and an environment of interethnic harmony and religious tolerance. It created the necessary conditions for the decent living of our people and the realization of the creative potential of our citizens.

The complete abandonment of the management system based on administrative and command in the economy, the gradual implementation of market reforms and the carefully thought out monetary policy have ensured macroeconomic stability, rapid

economic growth, and inflation at the level of forecast indicators. ensured its preservation and served to create ample opportunities and favorable conditions for the development of small business and private entrepreneurship, farming activity.

At the same time, an in-depth analysis of the development path of our country, today's world market situation has changed dramatically, competition is becoming stronger in the conditions of globalization, a completely new approach to the development of our country at a more stable and rapid pace, and the development of principles and ro requires disclosure.

It is worth saying that according to the Decree of the President of the Republic of Uzbekistan "On the strategy of reforming the banking system of the Republic of Uzbekistan for 2020-2025" dated 12.05.2020 No. PF-5992, the banking system issues of deepening and ensuring stability of the reform, increasing the level of capitalization and deposit base of banks, strengthening their financial stability and reliability, promising investment projects and further expansion of lending to small business and private business entities were considered.

The analysis of the current situation in the banking sector shows that there are a number of systemic problems that prevent the development of the banking sector in accordance with economic reforms and the needs of society, such as high level of state intervention in the banking sector, insufficient quality of management and risk management in state-owned banks, low level of financial intermediation in the economy.

In today's comprehensive economic modernization, the payment system plays a large and important role in the economy of every country. Firstly. The payment system is a vital element in the financial infrastructure of the economy. Secondly, the payment system is considered one of the necessary channels that ensure effective management of the economy through monetary policy. At the same time, the payment system is a link that performs the task of timely transfer of funds in improving the efficiency of every sector of the economy. Companies and firms

belonging to different forms of ownership operate in the economy, and they are always inextricably linked with each other. Because enterprises and organizations establish trading relations with each other, these relations are resolved through mutual settlements. There must be a certain system for making these calculations.

It should be said that if the amount of cashless payments increases in our country, it will be beneficial for the state. First, it significantly increases the transparency of all payments in the economy. Second, it brings everyone into the legal arena, and as a result, higher taxes are collected. The role of cashless payments in the country's economy shows how developed it is, because the more cash in the hands of citizens, the higher the shadow economy sector.

In general, non-cash payments are payments made by transferring a certain amount of funds from one account of the organization to another, without using cash, and taking into account mutual claims. fees are considered. It is hard not to agree that cashless payments are one of the most convenient options for making payments, because the speed of making payments is much higher.

There are several forms of non-cash payments:

- calculations using payment orders;
- payment requests;
- memorial warrants;
- settlements by letter of credit;
- collection orders;
- payments by check;

- settlements using plastic cards and settlements in the form of electronic money transfers.

Table 1

Analytical information for 01.01.2023 on payment documents used in calculations made through the interbank payment system of the Central Bank¹

(million in so'ms)

№	Payment type Name of the bank	Memorial order	Payment order	Payment application	Letter of credit application	Collection Assignment instructions
1	Milliy bank	4 102 510	8 508 781	30 665	-	107 029
2	SQB	10 036 486	2 597 946	7 444	-	110 944
3	Ipotekabank	8 186 745	5 695 523	5 849	1 474	82 510
4	Turonbank	1 357 534	1 147 023	2 162	-	19 282
5	Kapitalbank	15 268 649	5 791 847	2 175	-	46 485
6	Other banks	227 321 237	77 531 372	65 420	-	679 121
7	Total	266 273 162	101 272 495	113 719 285	1 474	1 045 373

Electronic money transfers are another popular type of non-cash payments by citizens, which involves withdrawing funds from your account in the electronic payment system to the recipient's account. The big advantage of this calculation is that it happens instantly and the cardholder only needs to have a certain amount in the card account that he wants to transfer.

The result of the analysis of the given data is that now the main document of the payment system of commercial banks of Uzbekistan is the memorial order, and it reaches 72% of all payment documents and amounts to 266.2 billion soums. The indicators of the analyzed banks are similar to the indicators of commercial banks of the republic, and their activities are also similar. Also, compared to the previous periods, these indicators are increasing sharply in terms of quantity and quality. The

¹ The table was compiled by the author using information from the official website of the Central Bank of the Republic of Uzbekistan. www.cbu.uz

conclusion is that the turnover of the payment system made through banks is growing, and the use of new directions is required, for example, the use of mobile applications.

Advantages of cashless payments:

- cash flow control;
- expansion of credit possibilities of the banking system;
- to accelerate the circulation of non-cash working capital and the circulation of

material resources.

The value of non-cash payments is high because:

- non-cash payments help concentration of financial resources in banks.

Temporary free funds of enterprises kept in banks are one of the sources of lending;

cashless settlements contribute to the normal circulation of funds in the national economy;

- a clear distinction between non-cash and cash circulation creates conditions that facilitate the planning of cash circulation and non-cash circulation. The expansion of the area of non-cash transactions allows more accurate determination of the volume of issuance and withdrawal of cash from circulation.

According to the activities of commercial banks and discussions on social networks, one of the main tasks for banks is to comply with established principles of cashless account books. Currently, these requirements and regulations are as follows:

- legal regime of settlements and payments;
- calculations on bank accounts;
- maintaining liquidity at a level that ensures continuous payments;
- existence of acceptance (consent) of the payer;
- the principle of urgency of payment;
- control of the correctness of the calculations of all participants, compliance with the established rules on the procedure for their implementation;
- property responsibility for compliance with the terms of the contract.

Then there will be no misunderstandings and objections between residents and bank customers. The main task of the bank is to widely use "reminder" leaflets as a promotion among customers. However, this information is rarely found in banks' advertising stands. This is also a way to widely promote financial literacy.

The rules for making cashless payments are governed by the Regulation No. 3229 on cashless payments in the Republic of Uzbekistan, registered by the Ministry of Justice of the Republic of Uzbekistan on April 13, 2020. The regulation on cashless payments in the Republic of Uzbekistan is based on the Civil Code of the Republic of Uzbekistan and "On the Central Bank of the Republic of Uzbekistan", "On Banks and Banking Activities", Cashless settlements in the Republic of Uzbekistan in accordance with the laws "On the contractual and legal basis of the activities of economic entities" and "On the execution of court documents and documents of other bodies" determines the order of increase. Mutual settlements between banks are made in national currency through the interbank payment system of the Central Bank from representative accounts opened in the Settlement Center of the Central Bank.

In the development of this regulatory legal document, the suggestions and opinions of all commercial banks and the general public, including business entities, were studied.

This Regulation provides general approaches to the organization of cashless settlements based on the payment documents specified in Article 33 of the Law "On Payments and Payment Systems" and the organization of the exchange of payment documents in banks, as well as determines the procedure for non-cash settlements of legal entities and individuals using payment documents.

This regulation applies to legal entities and individuals making cashless payments in the Republic of Uzbekistan.

According to it, credit organizations open customer accounts for non-cash payments and conclude an agreement between the bank and the customer.

Banks open representative accounts in other banks for interbank cashless settlements. In addition, each bank has a representative account at the Central Bank of the Republic of Uzbekistan for interbank settlements and other operations.

As a result of the improvement and development of cashless settlements, the efficiency of the organization of settlements in banks will be increased, operational costs will be reduced and the circulation of funds will be accelerated. In general, the developed Regulation serves as a legal basis for determining the procedure for cashless payments in our republic.

The type of payment documents used in non-cash settlements can be determined in accordance with the contract (agreement) concluded between the payer and the recipient of funds. Banks are required to suspend operations on accounts or to implement them in accordance with the requirements established by legal documents in the field of combating the legalization of proceeds from criminal activities, the financing of terrorism and the financing of the distribution of weapons of mass destruction, taxation and the enforcement of court documents and documents of other bodies. has the right to refuse.

Cashless payments are the final stage of the implementation of economic contracts, and they represent one of the forms of economic independence of economic enterprises.

The following conclusions can be drawn from the economic content and theoretical foundations of the organization of cashless settlements:

- - the improvement of the system of cashless payments continues;
- non-cash settlements are an integral part of the reproduction process in market relations;
- frequent changes of legal documents regulating the implementation of cashless settlements cause serious difficulties in practical work;
- complex economic processes in the national economy led to non-compliance with the basic principles of non-cash settlements (such as speed, security,

acceptance). Some forms of payment (promissory note, letter of credit, settlements by checks) have lost their importance or are not fully used.

- the development of the scientific and technical process, the striving to approach world standards serves to take measures to introduce new, advanced technologies in the organization and implementation of cashless settlements by the state and the Central Bank.

Banks actively adopt advanced technologies and strive to master international experience in calculations. The global trend in this area is to push not only cash, but also checks out of payment circulation. Wide use of electronic money calculations, banking activities, etc

Conclusion

From all of the above, we can see that cashless payments are convenient and practical for individuals, banks, and the economy of the country as a whole. It provides control over money circulation, facilitates planning of money circulation, allows to more accurately determine the volume of circulation and withdrawal of cash from circulation. Therefore, the modern economy is gradually moving from cash to cashless money and is improving in this direction.

The widespread use of cashless payments, as we said above, requires a developed and constantly working infrastructure: terminals, mobile networks and often the Internet. Also - improving computer literacy of people of all ages, walks of life and places of residence. At the moment, even for several years, there is a legal requirement to provide all shopping centers with terminals for making payments by cards in our country.

As for the role of non-cash payments, in modern market conditions, enterprises are materially interested in the normal and continuous sale of manufactured products, and non-cash payments are an integral part of them.

The rapid development of information technologies constantly affects the banking sector: cash payments are increasingly being replaced by transactions with plastic cards. At the same time, according to experts, the volume of use of bank cards

will only grow, because this means of payment has significant advantages for both buyers and entrepreneurs, as well as for banking structures. To date, more than 1.5 billion plastic cards have been put into circulation in the world. Annual world turnover exceeds 3 trillion dollars. Cards are accepted by more than 20 million merchants.

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