

Problems in the System of Public Financial Control and Directions for Their Solution

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ABSTRACT

This article clarifies the concepts of financial control and public financial control. The article also analyzes national and foreign experience in the organization of public financial control. Based on the analysis, problems in the system of public financial control were identified and proposals for their elimination were developed.

KEYWORDS: *financial control, state financial control, financial system, financial control, financial stability, budget legislation, optimization, standardization*

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INTRODUCTION

At present, ensuring the financial stability of the economy in our country is an urgent issue. Ensuring the high efficiency of the state financial control system and the efficient use of financial resources is one of the most important issues in ensuring financial stability.

The global economy is in a difficult position due to the crisis caused by the coronavirus pandemic, and its stability is under threat. In such a difficult situation, it is important to control the targeted and effective use of budget funds.

In recent years, significant work has been done in our country to establish state financial control. However, there are still cases of looting and misappropriation of budget funds. In order to prevent this, it is necessary to improve the state financial control, make extensive use of the experience of foreign countries in this area, the effective use of digital economy and innovative technologies in this area.

The issues of improving public financial control are widely covered in the works of economists.

N. Matveeva emphasizes that financial control is an important integral part of financial management, and today its importance is growing [1].

According to NA Zavalko, OV Panina, VA Kovalev, AG Dzhakevich, KA Lebedev, despite the growing scientific interest in the problem of ensuring financial control over the effective use of public financial resources, it is difficult to solve it. there is no ignition. In particular, it is necessary to further study the issues related to the development of methodological tools for assessing the level of financial control, the establishment and formalization of an effective mechanism for the organizational framework of the state financial control [2].

According to another group of economists, financial control is an attempt to protect against errors and fraud in the accounting of assets and other financial transactions [3].

EA Osadchiy and EM Akhmetshin emphasize that financial control is an effective management function that allows you to quickly identify and eliminate (or

reduce) unfavorable conditions and factors to achieve the goal [4].

A.Urgu emphasizes that financial control can be considered as a process that ensures the efficient use of financial resources [5].

The above-mentioned views focus on general issues of financial control, as well as the organization of financial control within the enterprise. However, the research does not pay special attention to the existing problems in the system of state financial control and their elimination.

RESEARCH METHODOLOGY

Methods such as induction, deduction, grouping, and comparison were used to conduct research to improve public financial control.

ANALYSIS AND RESULTS

In order to increase the effectiveness and reliability of the results achieved in the process of financial control in the complex conditions of the economy and the transition to a digital economy, it is important to increase the effectiveness of financial control.

Control is an integral part of the regulatory system, with the help of which the system administrator receives the necessary information about the actual state of the system and, taking into account the possibility of assessing the actual work done, can prevent unintended consequences.

As a result of our research, we have tried to describe the concept of state financial control. In our opinion, public financial control is a system of measures aimed at ensuring compliance with financial legislation and the successful implementation of public fiscal policy to prevent the misuse of budget and extra-budgetary revenues. State financial control is an important tool of fiscal policy and is aimed at ensuring compliance with the budget legislation of the Republic of Uzbekistan and other budgetary regulations governing budget relations.

For any oversight body to function effectively, the principles of independence and impartiality must be its working principles. The main strategy of the system of state financial control should be consistent with the strategy and interests of the state.

Thus, it is the main interest of the state to ensure maximum security in the economic sphere and the interests of citizens through the creation of an effective system of financial control.

Effective functioning of state financial control ensures a continuous process of formation and targeted use of budget funds.

In modern conditions, there is a problem of increasing the effectiveness of control in the budget and financial sphere, as the state budget and the well-being of the population depend on the effectiveness of state financial control and the organization of control bodies.

For this reason, the development of a methodology for assessing the effectiveness of public financial control is an important scientific and practical task, as its solution will help to improve the quality of the entire socio-economic policy of the state, including budget policy.

The system of state financial control needs scientifically based methodological and practical recommendations developed on the basis of generalization of national and foreign experience at the stage of its formation and development. For public administration and control entities, the creation of a single set of criteria for planning, conducting and generalizing control measures is a necessary condition for increasing its effectiveness.

State financial control is intended for the implementation of the state's financial policy and the creation of conditions for financial stability. In all countries, they have developed their own systems of financial control, based on their structure and the specifics of the state.

In practice, all countries have special institutions for parliamentary oversight of public spending. In particular, in the Russian Federation - the Chamber of Accounts of the Russian Federation, in the United States - the General Directorate of Budget and Control of Congress, in the United Kingdom - the National Audit Office, in Canada - the General Audit Office, in France - the Court of Accounts, in Austria, Germany, Hungary - the Bundestag and Parliament. .

In some countries (Australia, Canada, the United Kingdom, Denmark, India, Egypt, Ireland), the functions of public financial control are exercised by certain officials. In other countries (Belarus, Lithuania, Moldova, Cyprus, Albania, Israel, Afghanistan, Jordan, Indonesia, Colombia, Monaco), the powers of the state control service are vested in the accounting departments.

In addition, in some countries (France, Italy, Romania, Tunisia, Argentina, Haiti, Algeria, Guinea, Morocco, Slovenia) the functions of financial control bodies are performed by accounting courts. Also, in some countries, oversight functions are performed by the State General Inspectorate, the Chamber of Accounts, the Chamber of Control and the Chamber of Audit.

In addition to parliamentary oversight institutions, most countries have a system of oversight called the executive or government oversight, as well as financial oversight bodies (presidential oversight) under the head of state.

The approach to the establishment of financial control in industrialized countries is reflected in the Lim Declaration on the Principles of Financial Control Management (INTOSAI), adopted in October 1977 at the IX Congress of the International Organization for Financial Control.

The Declaration reflects the generally accepted view that in Western countries, independent state budgetary control bodies are an integral attribute of a democratic society, one of the mandatory elements of the management of public finances. The Declaration deals with the diversity of the management system, the peculiarities of the financial and economic

organization of economic activity and the experience of organizing the activities of state financial control bodies of different countries, taking into account the activities of control activities.

When it comes to the activities of state financial control bodies, some researchers pay attention to the training of control bodies.

This problem is urgent today due to the fact that the current regulatory framework is constantly changing and the information of regulatory authorities is not sufficiently transparent. At present, it is in the interest of all participants in the financial relationship, ie regulators and business entities, to provide reliable information in a timely manner.

Table 1 lists the current problems in the system of state financial control and our proposals for overcoming these problems.

Table 1 Existing problems in the system of state financial control and ways to overcome them

T/r	There are problems	Problem-solving areas
1	Insufficient development of the regulatory framework and parallelism of the state financial control bodies.	Ensuring the uniformity of the methodology of financial control, the establishment of a system of standards of financial control in the country, the adoption and approval of a single concept of state financial control in the country.
2	Lack of uniform standards for control measures and lack of highly qualified staff.	Development of a system for training highly qualified personnel in the system of financial control.
3	Lack of a single database on identified violations and low level of cooperation with international bodies for the exchange of experience.	Improving the effectiveness of public financial control and information transparency, as well as the use of the latest information technologies, the main goal of which should be to improve the effectiveness of public financial control. To study the experience of developed countries in order to further develop the system of public financial control.

To overcome these problems, the state is now accelerating its financial control by improving the legal framework for the development of public financial control, optimizing the organizational structure of public financial control, standardization, overall development in the areas of optimization and balance.

CONCLUSION

1. The state financial control is one of the important pillars of management of the financial system of the country and promotes successful implementation of the state financial policy, observance of the budget legislation of the state and rational and effective use of budget funds.
2. Financial control includes the process of formation, review, approval and execution of budgets at all levels, budgetary and extra-budgetary funds. An effective and efficient state financial control is an integral part of a democratic and law-abiding society. Such oversight ensures that the public is provided with objective information on the use of the state's financial resources, which in turn means that

- public authorities are responsible for the legality and effectiveness of financial management.
3. Great attention should be paid to the active development of the system of standards of financial control in the Republic of Uzbekistan. The system to be formed should meet the modern requirements of unification at each stage of public finance management and ensure the uniformity of methods of financial control.
4. We have come to the conclusion that in a modern state governed by the rule of law, an open field of information plays an important role in the realization of the rights and freedoms of citizens, including in the financial sphere. In this regard, it is necessary to introduce modern information

technologies in the system of financial control. Prevention of elements of corruption is also very important for financial law professionals in the implementation of financial control.

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