

THE ISSUES OF REMOTE BANKING SERVICES DEVELOPMENT BASED ON DIGITAL TECHNOLOGIES

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Abstract

The deepening of economic reforms in Uzbekistan, the need for further introduction of modern information and communication technologies in the relationship between the bank and the customer in the context of rapid flow of information, the need to further expand the range of remote banking services based on digital technologies. This article discusses issues of banking services in deepening market reforms in Uzbekistan, the improvement remote banking services and many other factors of transformation program implemented in the Republic.

Keywords: remote banking, banking services, e-commerce, technological development of banks, mutual cooperation, credit cards, debit cards, salary cards, current accounts, deposits.

In the conditions of deepening market reforms in Uzbekistan, urgent issues related to the formation, deployment and strengthening of the banking services are also increasing. Currently, banks provide many different services: insurance services; formation of money circulation and credit relations; financing; working with securities; carrying out operations as an intermediary, as well as property management.

There is a wide selection of available remote banking services in the market. Customers are offered services such as credit cards, debit and salary cards, current accounts, deposits in national and foreign currencies, stocks, bonds, currency exchange, trust operations and consulting. In the development of e-commerce, a high attention was paid to the technological development of banks, expanding the range of services, providing fast customer service. This is evidenced by the fact that banks provide a wide range of remote banking services to customers.

An important and promising direction of improvement of banking services is remote, that is, development of remote banking services. And here a number of reasons should be noted:

- Creating a new level of service for large corporate clients;
- Growth of competitive advantage in providing services to small and medium businesses, individual entrepreneurs and individuals;
- Creation of convenient and effective mechanisms of mutual cooperation between commercial banks and their clients.

It should be also noted that in Uzbekistan, as a result of further expansion of banks in this area and the creation of additional conveniences for customers, there is an increase in the number of users of remote banking services. In particular, the deepening of economic reforms in Uzbekistan, the need for further introduction of modern information and communication technologies in the relationship between the bank and the customer in the context of rapid flow of information, the need to further expand the range of remote banking services based on digital technologies. Therefore, the President of the Republic of Uzbekistan No. signed PD-4947 of February 7, 2017 "The Strategy for further development of the Republic of Uzbekistan", PD-5635 of January 17, 2019, which includes tasks aimed for the

development of remote banking services in commercial banks, Presidential Decree “On the State Program for the implementation of the Action Strategy on the five priority areas of development of the Republic of Uzbekistan in 2017-2021 the “Year of Active Investment and Social Development” and Resolution No. PD3620 of March 23, 2018 “On additional measures to increase the popularity of banking services”. As a result, the efficiency and quality of remote banking services will be increased, the scope of customer service of banks and the ability to provide services without territorial boundaries. It leads banks to save on their spending, profit and efficiency. This requires the development of modern financial technologies in the banking system of Uzbekistan, especially in the context of technologically developing economies around the world.

The most effective way to ensure the competitiveness of commercial banks is to gain the trust of customers and create all the conveniences for them, as well as to increase the type, quality and speed of services. In order to ensure competitiveness, banks feel a greater need to introduce modern banking services and use new technologies. In particular, in this regard, the President of the Republic of Uzbekistan Sh. Mirziyoev in his speech "... this year we need to take drastic measures to develop the banking system. Starting from 2020, a large-scale transformation program will be implemented in every bank. In this regard, increasing the capital, resource base and income of our banks will be in the center of our special attention," noted that. Constructive measures aimed at the development of the banking system, especially the widespread introduction of modern IT technologies, and the acceleration of digitization processes, have been taken in our republic in recent years. Taking into account the above, a number of documents were adopted in recent years, which envisage the liberalization of the banking system and adaptation to the conditions of free competition. In particular, on March 23, 2018, the adoption of the Decision of the President of the Republic of Uzbekistan No. 3620 "On additional measures to increase the popularity of banking services" should be implemented by the existing problems in the provision of banking services and by banks. In particular, the development and promotion of innovative products for non-cash payments, including non-contact and mobile technologies; introduction of non-communication and mobile technologies, first of all, in the spheres of social and household services, transport, trade, catering, especially in the regions; ensuring cooperation with international payment systems, and others. In recent years, various innovative banking services have been offered by banks in order to improve the quality of services provided to customers.

At the same time, the scope of application of the remote management of bank accounts in our country is expanding, it has become popular among entrepreneurs, and the number of users of remote banking services provided by commercial banks has exceeded 2 million by 2017 . However, in 2011, this figure was less than 25,000 people. Year by year, the number of users has increased dramatically (it is not possible to find accurate statistics).

Remote banking services can be classified into remote banking services for legal entities and individuals, depending on the legal status of the clients who use them.

Currently, modern services such as "Corporate internet-banking", "Mobile-banking" and "SMS-banking" are provided to legal entities. Expanding the scope of "Internet banking" service for legal entities is also under constant consideration.

In accordance with the implemented tariffs of banks, connecting to the "Corporate Internet Banking" service and providing "E-key" security keys are free of charge. The monthly subscription fee is set at 20 percent of the minimum wage. Using the "Corporate Internet Banking" service, clients can have the following options:

- Making payments remotely, from home or office, without coming to the bank;
- Issue and print daily, monthly and annual reports (htms, xls) required by the client;
- Online monitoring of frequently used information, date, exchange rate and banking day and system information;
- Quickly make payments using saved templates of payment orders;

Another of the things being done in this regard is the traditional "Bank-client" system, which provides remote banking services, which is widespread in our republic and implemented in all banks. To use this system, a special program is installed on the client's computer and interaction with the bank's information system is ensured through communication channels. However, due to the need to connect to a specific workplace and use specialized programs when using the "Bank-client" system, the possibility of using this system is limited. Therefore, the online banking (internet banking) system is widely used, which provides operation through the Internet network and a simple browser, that is, a common program that allows the client to access the network. Internet banking technology creates additional convenience for both the bank and customers. In particular, the client has the opportunity to carry out banking operations on his account from anywhere and at any time via the Internet without going to the bank. This creates the advantages of saving time and money for the client, freely choosing a bank regardless of the distance and proximity of the address, and quickly managing their funds. Also, in cooperation with commercial banks that are participants of the "Uzcard" interbank payment system, the creation of a national technological platform that works in the "on-line" mode will allow the client to manage his card accounts in real time through Internet banking services, utility and other gives him the opportunity to fulfill his wishes. As for the evolution of this system, the initiators of remote banking services are the Unified All-Republic Processing Center and the CLICK company. From September 1, 2013, the UZCARD-CLICK joint project of the Unified All-Republic Processing Center and the CLICK company was implemented. Within the framework of this project, all UZCARD online plastic card users of any bank in Uzbekistan can connect the UZCARD SMS-notification service to their mobile phone at any bank. Then it is necessary to connect your UZCARD online plastic card to the system by sending a free USSD request from a mobile phone connected to the SMS notification service. After that, the user can pay from a plastic card via mobile phone. The distinguishing feature of this project is that all payments are made without intermediary fees. The implementation of such modern projects, which provide innovative services to users of online plastic cards, in many ways enables the development of the cashless payment system in our country.

As a conclusion it should be noted that variety of actions will be possible using remote identification systems as a result of the functional growth of remote banking systems. Remote identification streamlines banking services but calls for security measures to keep an eye on business. For customers to be able to utilize one bank branch as a client, other branches, and other financial services in the future, it is important to perform banking services without supplying paper papers. In turn, by lowering the cost of offering services through remote banking, commercial banks will be able to draw in more clients and boost competition in the financial sector. The implementation of these initiatives will therefore boost the bank's revenue. In general, all the measures taken will be very important for the future operation of the banking system. At the same time, remote banking services are now emerging as the systems that will shape the future of banking.

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