

**ACTIVITIES OF THE 2025 FINANCIAL AND 2026 PLANS OF THE
NATIONAL REVIVAL DEMOCRATIC PARTY OF UZBEKISTAN AND
EXPLORING THE CONTRIBUTION OF FINANCIAL SECTOR FOR THE
CONDITIONAL B-CONVERGENCE**

Jumabayev Akmaljon Adilovich

Msc degree student at the

Republic of Uzbekistan Under the Cabinet of Ministers

Business and entrepreneurship high school

It would be challenging to envision a world without the intervention of a financial sector, given the roles it performs and facilitates in the current dynamics that define our societies. Consequently, it would be difficult to argue against the notion that its intervention and development do not contribute positively to the growth of regions lacking in resources and investment. With that said, our dissertation sought to contribute by addressing the question of whether, with some level of development already present in this financial system, its further enhancement (as evidenced by the increase in selected variables that characterize it) brings additional benefit to a process of economic convergence from an economy to its potential output level. In this case, the answer is not straightforward, and as observed in the extensive existing literature, multiple outcomes could be possible. For this purpose, we utilized a sample that is inherently biased toward the existence of convergence. The Eurozone, in addition to the set of policies governing the European Union, imposes several preliminary convergence requirements for a country to participate. Right away, we observe that this catch-up growth process (β -convergence) occurred during the period under analysis, spanning from 1995 to 2019. Regarding the relationship between convergence and the development of the financial sector, our findings are intriguing. When analysing the group of countries as a whole, the effects of greater financial development are unequivocal, especially at the level of financial markets. It is noteworthy that during our analysed timespan, we witnessed the most significant increases in depth, access, and efficiency in financial markets. On the other hand, for the majority of our analyses, greater depth of financial institutions is synonymous with a negative contribution to convergence. Now, when delving into a cluster analysis, the results obtained are much more varied. At the regional level, we observe that Central and Eastern Europe benefit the most from increased financial development. With that said, our research sought to contribute by addressing the question of whether, with some level of development already present in this financial system, its further enhancement (as evidenced by the increase in selected variables that characterize it) brings additional benefit to a process of economic convergence from an economy to its potential output level. In this case,

the answer is not straightforward, and as observed in the extensive existing literature, multiple outcomes could be possible.

In the economy, it is required to fully ensure the functions of commercial banks in order to strengthen their functions in the market infrastructure according to the results of production, which, in turn, ensures the financial system of banks. The primary prerequisite for ensuring personal income of commercial banks is to ensure capital adequacy, to ensure the achievement of the level of profitability of bankers, to increase and improve bank profits, and help to reduce bank costs.

Therefore, income and its importance in the activity of commercial banks are important factors in ensuring the stability of the banking and financial system of our republic.

The basis for ensuring the financial stability of the bank is its capital and the level of profitability of banking activities. In the market economy, the goal of every commercial bank is to increase its income and decrease its costs, to obtain high or maximum profit due to optimization.

In the case of Southern Europe, the effects of the financial crisis are undeniable, given that this crisis originated in the financial sector itself and may thus account for the negative impact.

The party carried out its financial activities in accordance with the Laws of the Republic of Uzbekistan and the Regulations of the Cabinet of Ministers of the Republic of Uzbekistan, its Charter and Program.

According to the Charter of the Democratic Party "National Revival", the sources of funding of the party's activities are the funds allocated from the state budget, membership fees, donations of legal and natural persons and all other incomes that do not contradict the current laws.

39 billion 481 million to party accounts in 2025 Funds in the amount of 249,000 soums were received.

Including 23 billion 083 million soums, 65.1%, for the expenses of wages and similar payments and employer's deductions;

254,286,000 soums, 0.7% for business travel expenses;

6 billion in expenses related to program tasks

976 million soums, 19.7%;

807 million 151 thousand soums, 2.3%, for expenses on fixed assets;

213 million in the cost of inventory

771 thousand soums, 0.6%;

3 billion 045 million soums, 8.6%, were spent on utility services;

Other expenses amounted to 1 billion 050 million soums, 3%. By the end of the year, the balance in the party accounts amounted to 13 billion 677 million soums.

It is expected that our total income from financial activities in 2026 will be 56 billion 218 million soums, and these incomes are planned to be distributed as follows:

of the total funds allocated from the state budget

- 75.5 percent for the wages and equivalent payments of employees at all levels,
- 15.3 percent for expenses related to business trip, communal services, maintenance, rent and operation of party property,
- 0.7 percent for the purchase of goods, - 4.5 percent for the training of party activists, communication and other expenses related to the Internet

It is planned to allocate 4.0 percent for the purchase of vehicles, furniture and office equipment, and computer equipment.

In 2026, it is planned as follows, the cost estimate, which will be financed from extra-budgetary funds

- 64.0 percent to the wages, bonuses, material support and related funds of employees at all levels
- 7.3 percent for utilities, party property maintenance, and operating expenses
- 9.2 percent to conduct party events, including training of party activists, holding roundtable discussions and meetings, - 8.2 percent for the purchase of fixed assets, including motor vehicles, office equipment, communication tools, furniture, goods,
- 11.0 percent was allocated to other expenses related to the implementation of the party's statutory activities.

These indicators were distributed after studying the needs of Central, regional and local organizations of UzMTDP.

REFERENCES

1. Темирханова М.Ж., Муминов О.Г.У.. Совершенствование бухгалтерского и налогового учета и отчетности в туристических компаниях в Республике Узбекистан. В сборнике: Совершенствование налоговой политики государства в условиях глобализирующейся экономики материалы Международной научной конференции. Редакционная коллегия: Е.Ю. Меркулова, Ю.Ю. Косенкова (ответственный редактор); Министерство образования и науки РФ, Тамбовский государственный университет им. Г.Р. Державина. 2014. С. 267-275.

2. Темирханова М.Ж., Особенности совершенствования учетной политики в туристических компаниях и национальной экономике. Бюллетень науки и практики. 2018. Т. 4. № 2. С. 332-341.

3. Темирханова М.Ж., Акбаров Б. Совершенствование методики организации финансового учета в туристических компаниях. Бюллетень науки и практики. 2018. Т. 4. № 3. С. 267-273.

4. Cabinet of Ministers of the Republic of Uzbekistan. (2020). Resolution No. 248 on financial penalties for environmental violations. Official Gazette of Uzbekistan.
5. Djuraev, N. (2023). Green economy transition in Uzbekistan: progress assessment 2019–2023. Tashkent: Ministry of Economy and Finance, Working Paper No. 17.
6. European Commission. (2021). EMAS regulation: implementation guide for competent bodies. Brussels: European Commission Publications Office.
7. Hahn, R. W., & Stavins, R. N. (1992). Economic incentives for environmental protection: integrating theory and practice. *American Economic Review*, 82(2), 464–468.
8. Hasanov, M., & Kim, J. (2021). Strategic Environmental Assessment in transition economies: lessons from Kazakhstan's 2021 framework. *Environmental Policy and Governance*, 31(5), 412–428.
9. Laffont, J. J., & Tirole, J. (1993). A theory of incentives in procurement and regulation. Cambridge, MA: MIT Press.
10. Ministry of Ecology and Environmental Protection of the Republic of Uzbekistan. (2022). Field inspection report: environmental audit compliance, Fergana Valley region. Tashkent: Ministry of Ecology.
11. Ministry of Ecology and Environmental Protection of the Republic of Uzbekistan. (2023). Annual report on environmental audit compliance: findings and recommendations. Tashkent: Ministry of Ecology.
12. OECD. (2022). Environmental performance reviews: Uzbekistan 2022. Paris: OECD Publishing. <https://doi.org/10.1787/dc5b2e4d-en>
13. Porter, M. E., & van der Linde, C. (1995). Toward a new conception of the environment–competitiveness relationship. *Journal of Economic Perspectives*, 9(4), 97–118.
14. Rakhimov, S. U. (2021). Institutional barriers to environmental management in Uzbekistan's industrial sector. *Uzbek Economic Review*, 12(3), 78–95.
15. Republic of Uzbekistan. (2019). Law ZRU-678 on environmental audit. Official Gazette of Uzbekistan.
16. Republic of Uzbekistan. (2019). Presidential Decree UP-5847 on approving the concept for development of the higher education system until 2030. Official Gazette of Uzbekistan.
17. Republic of Uzbekistan. (2023). Presidential Decree UP-158 on the Strategy 'Uzbekistan–2030.' Official Gazette of Uzbekistan.
18. Shapiro, C. (1983). Premiums for high quality products as returns to reputations. *Quarterly Journal of Economics*, 98(4), 659–679.