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## The Role of Pension Provision in Meeting Social Requirements and Its Specific Features

**Jakhongir Zaynalov**

*Professor, Samarkand Institute of Economics and Service*

**Bakhodir Khusanov**

*Professor, Samarkand branch of Kimyo International University in Tashkent*

**Zokir Rasulov**

*Associate professor, Samarkand State University of Veterinary Medicine, Animal Husbandry and Biotechnology*

**Zukhriddin Jurakulov**

*Graduate student, Samarkand Institute of Economics and Service*

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**Abstract:** In this article, the role of pension provision in meeting social requirements, the organization of sources of funding for pension provision in order to create a basis for the implementation of strong social protection in our country, the implementation of funds equal to pension provision based on internal possibilities, pension credit, as well as certain issues related to the improvement of the state pension provision system in our Republic implementation of work, including the creation of opportunities to ensure the completeness of the family budget through the gradual development of pension payments. proposals were made regarding the development of pension provision.

**Key words:** provision, pension, social policy, social protection, pension insurance, insurance contribution, salary, life expectancy.

### INTRODUCTION

The Constitution of the Republic of Uzbekistan stipulates that a person, his life, freedom, personal dignity and other inviolable rights are considered the highest value. "Constitution is a sign of statehood, a system of distinct legal and real regulatory legal norms." The Constitution of independent Uzbekistan declared the priority of ensuring the supreme value of man, his rights, freedom and interests. Article 46 of the Constitution of the Republic of Uzbekistan stipulates that "everyone has the right to social security in the event of old age, loss of working capacity, unemployment, as well as loss of a breadwinner and in other cases provided for by law." This creates the need to meet the demand for social security of the most important segment of the population.

### Literature review

Opportunities for continuous implementation of pension reform would be created only if there is a strong and effective mechanism for comprehensive protection of pensioners and guaranteeing pension payments in our republic.

It should also be noted that some factors affect the effective implementation of pension reforms, and such factors cannot be eliminated in a short time. This requires the development of important strategic measures. Constant attention is paid to this negative situation and its negative consequences. In most economic literature, among the factors with a strong negative impact, first of all, inflation, and then the introduction of financial sources that can serve to ensure the completeness of pension provision are explained [1-3]. In our opinion, although the above-mentioned factors have their influence on the occurrence of negative factors affecting pension provision, we should see the most negative factor when the measures aimed at pension reform do not work at the level of demand.

A comparative analysis of the opinions on this issue in the studied economic literature and according to the information of practitioners, the documents related to pension reforms are developed only in accordance with something, that is, saving funds [2], dividing people of retirement age into groups [4], ownership in relation to pension provision [7] situations that occur only after it is distributed to the recipients are causing the pension system to not work well in relation to the interests of the recipients. It follows that pension reforms should not be an event that faces obstacles or interruptions from the point of view of a permanent period (duration). Pension payments should always be a financial source that fills the family budget of the recipients and sufficient funds for the implementation of all their personal activities.

In addition to being the only source of financial support for a person in old age, pension provision should serve to provide additional income as much as possible. In relation to this idea, 16% of pensioners in Samarkand alone save 22-23% of their pensions as personal savings in commercial banks. 46% of them admit that their pensions will run out within a month based on the family budget, while the remaining 38% of pensioners note that they face huge losses when saving their pensions in commercial banks<sup>1</sup>. They emphasized that they have been capitalizing their little accumulated pensions for their close children and relatives in business activities. The situation that has arisen requires a revision of pension amounts, first of all it is necessary to take into account that the paid pension does not reduce the family budget.<sup>2</sup>

If this issue is not clarified, it will be possible to introduce the "pension credit" system and thereby ensure the growth of the family budget. "Pension loan" is defined as taking cash from commercial banks as a pledge and repayment and owning it for a certain period of time. The guarantee for the return of the received funds (in case of interest or preferential) can be the nearest financially supported children or relatives of the pensioners. It is important that the pensions received in this order are related to the purposes of a pensioner's good life, vacation homes (sanatoria), tourism, light transport, and the purchase of housing.

### **Main part**

The standard of living of the population is the provision of people with the necessary material and spiritual benefits, as well as human development - knowledge, health, the ability to meet the needs of the individual and his living conditions: housing ownership, the state of the environment, economic and social security.

It is important to develop relevant conclusions and practical recommendations on strengthening the role of organizations and foundations providing social services to the

<sup>1</sup> Based on the results of a survey of pensioners living in "Said" and "Tadbirkor" neighborhoods in Samarkand.

<sup>2</sup> In our opinion, ensuring that the size of the family budget from the date of retirement of a citizen of retirement age is not less than the size until retirement should be the highest priority of the activities that can be carried out within the framework of the pension reform. This would provide an opportunity to create additional jobs in the future.

population, implementing the principles of state policy in the field of social protection of the population.

Thus, in the implementation of a strong social policy, it is of urgent importance to prevent unjustified differences in the incomes and living standards of the population, and to form layers that ensure social stability in society.

The pension provision system is designed to meet the interests of various social strata of society and provides for the implementation of a complex of measures of an economic, legal, social and organizational nature aimed at ensuring and supporting the standard of living of unemployed and low-income citizens. The success of this system will depend on the level of financial resources and the improvement of the pension system.

It is necessary to reform the pension system, adapt its legal basis to the demographic conditions of our republic. It is required to improve the rights and obligations of the extra-budget Pension Fund and its regional departments and departments related to the implementation of pension provision for citizens. Activities in this direction are defined as the most important priorities in our country to encourage work, increase wages and increase the income of the population.

In the Republic of Uzbekistan, certain works on the improvement of the state pension system have been carried out, and system modernization has been carried out in connection with the introduction of the generally accepted principle of pension insurance. In recent years, a single salary base of social payments has been formed, a mechanism for bringing (modernization) the salary taken into account for calculating the amount of pension to the current state is being used, and a system of individual accounting of insurance contributions calculated for citizens has been introduced.

In the world economy, off-budget funds are one of the most important socially oriented institutions of every country. Their effective functioning has a direct impact on the quality of economic growth and the level of social well-being. The Off-Budget Pension Fund plays an important role in the target funds. Because the Pension Fund has a special place in building a purpose-oriented socially oriented society and providing social support to the population.

According to the latest changes in the legislation of the pension system, in cases where a pensioner cannot come to Uzbekistan due to his stay in a foreign country, he can apply to the diplomatic mission or consular institution of Uzbekistan abroad to restore the pension payment. Also, in the event that a citizen working abroad pays insurance contributions to the Pension Fund in the amount of four and a half times the minimum monthly salary per year, it is established that the length of service for the time he worked abroad is calculated (previously, for the length of service to be calculated, each month was not less than one time of the minimum monthly salary it was important to pay a contribution in the amount).

### **Conclusion**

Uzbekistan is one of the countries in the world whose population is growing steadily. In particular, as of October 1, 2018, the number of permanent residents of our country was 33,085,200, and by 2023, it will reach 36,0 million. reached 3.0 million people. Despite the fact that young people have a large share of the population in the republic, the share of the elderly remains at a stable level. The high life expectancy of the population is getting better and has a growing trend. These situations, in turn, require serious attention to social insurance issues.

Issues related to the state pension system should be of particular importance in ensuring social and economic development. For the reasons mentioned above, it is necessary to create an

opportunity for the formation of the pension system as one of the priority areas of social policy in Uzbekistan. The pension system should also be recognized as a form of social protection of the economically active population from various events related to the loss of their workplace, ability to work and their income.

In pension reform, it is necessary to provide an integral connection with the task of accumulation of funds, the tasks of income redistribution, as well as the role of the state in the implementation of each of them. In turn, in order to implement these, financial and economic stability, the development of savings fund funds and the creation of legal frameworks in accordance with it, effective tax policy that encourages total savings, and a state management system that ensures the trust of the population in financial institutions are necessary. The increase in the proportion of pensioners in the population and the year-on-year increase in pension costs can create several problems in ensuring financial stability.

Reforming the pension system is one of the priority tasks of the country's socio-economic development. The current reforms cover all aspects, including the pension system. This is because the real goal of all reforms is to create decent living conditions for people, to improve and improve them.

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