

THE ROLE OF BANKS IN ENSURING FOREIGN ECONOMIC ACTIVITY OF THE REPUBLIC OF UZBEKISTAN

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Annotation. The article examines the role of the banking system in ensuring foreign economic activity of the Republic of Uzbekistan in the context of globalization and transformation of financial markets. The main directions of banks' participation in servicing export-import operations, including currency settlements, trade finance and credit support for foreign economic entities, are analyzed. The authors identify key problems that hinder the development of banking services in this area, and suggest ways to improve them.

Key words: banking system, foreign economic activity, export, import, trade finance, currency operations, Uzbekistan.

Introduction. In modern conditions of integration of national economies into the world economy, foreign economic activity is becoming one of the key factors of economic growth. Effective functioning of the foreign economic sector is of strategic importance for the Republic of Uzbekistan, which is actively developing trade and investment relations with foreign countries. Expanding exports, attracting foreign investment, and participating in international production chains require a stable and well-developed financial infrastructure.

A special place in this system is occupied by commercial banks that provide financial support for foreign economic operations. It is through the banking system that the main settlements between participants in international trade take place, currency regulation is carried out and access to financial resources is provided. In this regard, the role of banks as intermediaries that ensure the stability and efficiency of foreign economic activity is increasing.

The main part. Banks are key institutions of the financial system that perform the functions of resource reallocation, risk management, and settlement support. In the context of foreign economic activity, their role is significantly expanded, since they act as a link between the national and global economy.

The main functions of banks in the field of foreign economic activity include:

- conducting international settlements;
- currency exchange customer service;
- financing of export-import operations;
- managing currency and credit risks;
- provision of guarantees and letters of credit.

Banks not only provide the technical side of foreign economic operations, but also help to reduce risks and increase trust between counterparties.

In the conditions of active development of foreign economic relations, banks become not just intermediaries in settlements, but full-fledged participants in international economic activity. Their role goes far beyond the maintenance of operations, since it is through the banking system that stability, reliability and efficiency of interaction with foreign partners are ensured.

First of all, banks provide the organization of international settlements, without which no foreign trade operation is possible. They act as a guarantee that the obligations of the parties will be fulfilled in full and on time. The use of such instruments as letters of credit, collection and bank transfers allows participants in foreign economic activity to significantly reduce risks and build more trusting relationships with foreign counterparties.

An equally important function of banks is to participate in the system of currency regulation and control. In modern conditions, when the foreign exchange market of Uzbekistan is gradually liberalizing, banks have a special role to play in ensuring compliance with the current legislation. On the one hand, they help simplify currency transactions and increase their accessibility for businesses, and on the other hand, they help maintain the necessary level of financial stability and prevent possible violations.

Banks' participation in financing export-import operations is also essential. By providing loans to enterprises, banks create conditions for expanding foreign trade activities and improving their efficiency. In practice, various financial instruments are used — from export lending to factoring, forfeiting and complex trade finance schemes. All this allows companies to enter foreign markets more confidently and develop international cooperation.

In addition, banks play an important role in reducing the risks that inevitably arise in foreign trade. International transactions are always associated with uncertainty — whether it is currency fluctuations, non-payments or changes in market conditions. Bank guarantees, insurance of export operations and the use of modern financial instruments can significantly increase the reliability of such transactions and protect the interests of participants. The banking system acts as a key element of the infrastructure of foreign economic activity, providing not only settlements, but also creating conditions for the sustainable and safe development of international trade.

Despite significant achievements in the development of the banking system of Uzbekistan, a number of problems remain in the field of servicing foreign economic activity:

- limited access of small businesses to trade finance;
- insufficient diversification of banking products;
- persistent barriers to international settlements;
- insufficient level of digitalization of foreign trade operations;
- high dependence on external financial markets.

These factors constrain the further development of foreign economic activity and reduce the competitiveness of national companies.

In order for banks to fully fulfill their role in ensuring foreign economic activity, it is important to consistently improve existing mechanisms and approaches. We are not talking about targeted measures, but about systematic work aimed at improving the efficiency of the entire financial infrastructure.

First of all, it is necessary to expand the tools of trade finance. The wider the choice of financial solutions, the easier it is for companies to adapt to the requirements of international markets and build sustainable business relationships. This is especially important for businesses that are just starting to enter foreign markets and need flexible and affordable financial instruments.

At the same time, the importance of digitalization of banking services is increasing. Active implementation of modern technologies allows you to speed up operations, reduce costs and make financial services more accessible to businesses. In the context of global competition, it is the speed and convenience of service that become an important advantage.

Simplification of currency regulation procedures is no less relevant. Reducing the excessive administrative burden increases business activity and facilitates the participation of national companies in international trade, while maintaining the necessary level of control and financial stability.

The development of international cooperation between banks also plays an important role. Establishing partnerships with foreign financial institutions expands settlement opportunities, increases confidence in the national banking system, and facilitates access to external financial resources.

Special attention should be paid to improving the availability of banking services for small and medium-sized businesses. It is this sector that often faces the greatest difficulties when entering foreign markets, so creating favorable financial conditions for it is of fundamental importance.

In the end, it is the integrated development of all these areas that makes it possible to strengthen the position of the banking system and make it a more effective tool for supporting the country's foreign economic activity.

Conclusion. Thus, banks play a key role in ensuring the foreign economic activity of the Republic of Uzbekistan, being the most important element of the financial infrastructure. They provide international settlements, financing of foreign trade operations and risk management, thereby contributing to the development of foreign economic relations of the country.

At the same time, further improving the efficiency of the banking system requires eliminating existing restrictions and adapting to the current conditions of the global economy. Strengthening the role of banks in the sphere of foreign economic activity will contribute not only to the growth of exports and attracting investment, but also to strengthening the economic stability of the country as a whole.

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