

World Economics & Finance Bulletin (WEFB) Available Online at: https://www.scholarexpress.net Vol. 32, March, 2024 ISSN: 2749-3628,

IMPROVING THE PRACTICE OF ALLOCATING BENEFITS FOR FAMILIES IN NEED OF SOCIAL PROTECTION

Aliev Ma'ruf Komiljon ugli

Independent student of the Academy of Banking and Finance of the Republic of Uzbekistan

Article history:		Abstract:
Received: Accepted:	10 th January 2024 26 th February 2024	In the article, the problems in the system of appointment and payment of allowances and material assistance paid through the "Unified Register of Social Protection" IT in social protection of the population, the reforms implemented to eliminate them, proposals and recommendations for making changes to the criteria for the appointment of social allowances are presented.

Keywords: social protection, social benefits, material assistance, poverty, poverty line, low-income families, social assistance, minimum consumption expenditure

ENTER

It is known that social support and constant attention to persons in need of social protection in society has existed since the beginning of mankind.

As the economy develops, due to objective reasons, i.e., economic and production factors (occupational disease, disability due to accidents, unemployment, poverty), the risk of temporary or permanent loss of working capacity, loss of income, and thus a decrease in the standard of living increases. Social protection of the population is important in this regard. Social protection is a form of social assistance provided to citizens in need of social protection independently, and includes services, allowances and privileges provided to lowincome population groups. In Uzbekistan, in recent years, improving the social protection system of the population, expanding the scope of social protection programs and introducing additional mechanisms aimed at bringing families out of difficult life situations, reducing inequality in all social groups of the population, and implementing reforms in the directions of full support for needy families remain urgent issues.

In this regard, time shows that the use of information and communication technologies in order to use modern systems, reduce the human factor in the provision of social assistance and services, and increase transparency and addressability is the demand of the times.

In the social protection of the population in Uzbekistan, the payment of allowances for low-income families to the truly needy in an unlimited amount, the widespread introduction of modern information and communication technologies into the system of social protection of the population, the simplification and transparency of the procedure of social support by the state, as well as the quality of social services provided by the state with the technical support of UNICEF, with the decision of the Cabinet of Ministers of the Republic of Uzbekistan (VMQ-308, 2019), from October 1, 2019, the "Single Register of Social Protection" information system was launched in the Syrdarya region in a trial manner.

Starting from September 1, 2020, this system was gradually introduced to the entire territory of the republic. The system was created in order to automate the procedures related to the provision of social services and assistance to the population by the state using electronic interdepartmental cooperation, and to create a single database of applicants and recipients for the provision of social services and assistance.

The Decree of the President of the Republic of Uzbekistan "On comprehensive measures to provide high-quality social services and assistance to the population and establish an effective control system" (PF-82, 2023) was adopted. With this document, in order to ensure the rights and interests of citizens regarding social protection, to fundamentally improve the quality of social services to the population, and to introduce a completely new management system based on advanced international standards, the National Agency for Social Protection and its regional offices and departments were established under the President of the Republic of Uzbekistan and from January 1, 2024, it was decided that applications for child benefits and financial assistance to low-income families will be made through the National Agency of Social Protection under the President of the Republic of Uzbekistan through the Unified National Social Protection AT.

LITERATURE REVIEW

The information system "Unified register of social protection" is an automated information system that uses interdepartmental electronic cooperation to identify low-income families, assign them child benefits and financial assistance, and create a single database of applicants and recipients for receiving social services

41



World Economics & Finance Bulletin (WEFB) Available Online at: https://www.scholarexpress.net Vol. 32, March, 2024 ISSN: 2749-3628,

and assistance provided by the state. system (VMQ-596, 2023).

Deterioration of the financial situation as a result of the loss of a job or permanent source of income for reasons of social importance, as well as dependence on additional expenses for meeting the needs of medical and social services of family members who need help is called social risk or social risk (Borisenko, 2007). A set of measures aimed at protecting people from social risks can be called a social protection system.

The system of social protection of the population has its own history of development. For the first time, social protection of the population was carried out by religious organizations. With the development of the market economy, the role of the state in the social protection system increased (Tursunov, Jumabaeva, 2023).

The term "Social Security" was first used in 1935 in the US Social Security Act. According to this law, the procedure for protection against death, old age, disability and unemployment through compulsory insurance is established. Later, this term began to be widely used in other countries and in the practice of international organizations (Sholdarov, Tursunov, 2018).

In modern conditions, social protection is a multi-level economic, social and legal system strengthened by law, as well as an institution designed to protect the population from social risks (Tursunov, 2023).

By the decision of the Cabinet of Ministers of the Republic of Uzbekistan dated October 21, 2021 No. 654 "On measures to further improve the system of social protection of the population", the procedure for assigning and paying allowances and financial assistance to families in need of social protection was clearly defined.

RESEARCH METHODOLOGY

Scientific abstraction, logical thinking, comparative analysis, monographic research, data grouping, comparison methods were used in the dissertation work.

THE MAIN PART

Today, two types of social assistance are assigned to the population through the "Unified Register of Social Protection" IT for low-income families - child allowance and material assistance.

In our country, the cost of financing social programs has increased by 2 times compared to GDP (gross domestic product), the coverage of low-income families receiving benefits has increased by 5 times, and new types of benefits have been introduced for persons with disabilities and those who are engaged in the care of children with disabilities.As a result of this, more than 2.3 million low-income families are receiving child benefits and financial assistance. In 2023, 12.2 trillion soums will be allocated for these payments. From this, 1.8 trillion soums will be allocated additionally.

These funds spent by the state are actually intended to cover the vital needs of the poor and disadvantaged.But in recent years, there have been cases of some selfrighteous citizens using benefits intended for socially vulnerable groups.For example, cases of property (houses, vehicles, etc.) being purchased by persons receiving benefits are being observed.

In addition, in order to obtain funds, there are cases where a number of individuals transfer their property to the names of their relatives and artificially bring themselves to the criterion of poverty and use allowances.

However, they are using funds that should be directed to the truly needy.According to the research of the World Bank, in 2022, 5.6% and 12.5% of those who received benefits within the framework of social protection programs in Uzbekistan are middle-income families.

Based on this, in 2022, 18.1% of the total families receiving benefits are families (individuals) who are considered low-income, but in reality do not need social assistance. In order to prevent similar situations and to increase the addressability of social benefits and to ensure the fairness of their appointment, the decision of the Cabinet of Ministers of the Republic of Uzbekistan "On the introduction of electronic application for identifying low-income families and assigning social benefits to them through the information system of the Unified Register of Social Protection" was adopted. This decision envisages making the following changes to the criteria for assigning social benefits:

First of all, it is proposed to study the income and assets of the pensioners every month through the electronic information system and remove the families that do not meet the criteria of low income from the register.

Also, starting from March 1, 2024, the "mahalla seven" will go to the place and study the properties that are not registered in the name of the family, but are in use. The results of the study will be entered into the program and an automatic decision-making system will be introduced by the information system to stop or continue the benefit payment.

It should be noted that this system is not new, for example, in Turkey and Azerbaijan, property used by families applying for benefits is studied by social workers at home. In addition, the financial status of



families is checked every month through electronic information systems. The expected purpose of this is to prevent the rightful objections of families who are lowincome but do not receive benefits in relation to this family in the neighborhood. At the same time, those families who have entered the system inappropriately or due to an error will be identified and their benefits will be stopped. The address of the payment of social benefits will increase. Secondly, it is proposed to stop the payment if the unemployed citizens who applied for advice in the employment agencies do not study for a profession for three months, are not registered as unemployed and do not register their labor activity.

According to the current regulations, in order to assign a social benefit, an unemployed member of the family who is able to work must be registered as a job seeker with the regional employment agency. At the same time, citizens (224,000 people) who applied to employment agencies for advice are entitled to receive social benefits. Such an arrangement is ineffective in ensuring the employment of the unemployed, and citizens use it only to receive benefits. The expected goal of this is to encourage unemployed citizens to look for work, to encourage citizens to formalize their employment and to have the right to receive a pension upon reaching the retirement age and length of service. Thirdly, the procedure for automatically determining the employment status of persons who have received a loan, are working abroad, and are engaged in managing estates or farms, based on the official registration with the Tax authorities and the electronic information of the State Personalization Center, is being introduced. In this case, citizens have the right to "proactively" apply for benefits.Today, it is determined by the heads of the neighborhood that citizens belong to the following categories, and on this basis, their right to receive benefits as "employed families" appears:

a) Families receiving loans within the framework of the "Every family is an entrepreneur" program (regardless of their activity);

b) persons who went to work abroad.

c) families (327,000) with land plots in the information system of the cadastral agency (regardless of their use) are also considered as employed persons.

For information: 4.7 bln. in 3.4 thousand cases as a result of the employment of the able-bodied members of the family by the local authorities within the framework of the "Each family is an entrepreneur" program, allowances amounting to soums were wrongly assigned.

The expected goal is to eliminate the human factor in determining the employment of citizens.

Fourthly, the requirement to be officially employed is being introduced to the able-bodied members of the family with four or more children under the age of eighteen without a disabled family member.

According to the current regulations, families with four or more children can receive benefits without the employment requirement.

The expected goal of this is to encourage unemployed citizens to look for work, to encourage citizens to formalize their employment and to have the right to receive a pension upon reaching the retirement age and length of service.

Fifthly, a limit is being set to receive allowances for families who own a light vehicle for up to 12 years.

In this case, if a family member is disabled, the current procedure, i.e. the 7-year limit, is maintained.

For example: in accordance with the current regulation, allowances are denied to families who own a light vehicle that has been manufactured for no more than 7 years (or a truck that has been manufactured for no more than 15 years).

An average of 6,500 families with a light car with a production date of 7 to 12 years are allocated monthly. Among them, owners of Malibu, Orlando, Captiva, Lacetti and other foreign cars manufactured after 2008 are identified. At the same time, in order to increase the coverage of social benefits to the segments of the population in need of social protection:

a) the requirement for a member of the family on the list of mental illness dispensary to be registered as unemployed in the labor body is canceled; from this:

b) it is determined not to take into account the income of the husband, who is paying alimony based on the court decision, when the marriage has not been officially annulled.

If we consider the number of recipients of child allowance and financial assistance to low-income families through the "Unified Register of Social Protection" in the example of Kashkadarya region, 104.1 bln. 1,449.5 billion soums will be paid to 285,841 families at the end of 2022. allowances of soums were financed. By the end of 2023, more than 1.5 trillion allowances have been paid for 254,137 families. We can see that the number of families receiving benefits has decreased as a result of the changes in the criteria as a result of the measures defined in the decision of the Cabinet of Ministers No. 596.

As a positive result of Cabinet of Ministers decision No. 596, the number of families receiving benefits is predicted to decrease to 190 thousand (108.4 billion soums) by the end of 2023 and to 598 thousand (2.9



World Economics & Finance Bulletin (WEFB) Available Online at: https://www.scholarexpress.net Vol. 32, March, 2024 ISSN: 2749-3628,

trillion soums) by the end of 2024. This does not mean reducing the number of families in need of social protection and reducing the financial assistance provided to them, but it is aimed at the distribution of benefits provided by the state according to the principle of fairness and prevention of unscrupulous actions of citizens who do not belong to this category.

SUMMARY

In order to improve the practice of assigning and paying allowances and financial assistance to low-income families, the Cabinet of Ministers of the Republic of Uzbekistan dated November 10, 2023, on the measures to introduce electronic applications for identifying lowincome families and assigning them social benefits through the "Single Register of Social Protection" information system 596 was adopted and the following changes were made according to the decision:

in order to increase the addressability of social allowances and to ensure fairness in their allocation, it was decided to study the income and property of the beneficiaries every month through the electronic information system, and to exclude families that do not meet the criteria of low income from the register;

If unemployed citizens who apply for advice at employment agencies do not study for a profession, are not registered as unemployed, and do not register their work for three months, child allowance or financial assistance payments will be suspended;

in order to distribute the allowances paid to families in need of social protection according to the principle of fairness, a limit was set for receiving allowances for families whose production period of a light vehicle is up to 12 years;

Nowadays, the problem of social dependence (dependency) is one of the most urgent problems that arise in the implementation of the concept of the welfare state.

As an example, it can be observed that within the framework of the social policy implemented in a number of developed countries, the tendency of social care has appeared, and among the young people who are growing up, there are cases of not working and living in a "free throat" style. In order to prevent these negative situations, experts put forward a proposal to control the distribution of social allowances only to the class of citizens who are in difficulty and are recognized as poor, i.e. they are targeted. Taking this into account, this decision is aimed at improving the criteria for assigning allowances and providing targeted assistance.

LIST OF USED LITERATURE

1. Ўзбекистон Республикаси Конституцияси. 30.04.2023. Қонунчилик маълумотлари миллий базаси, 01.05.2023 й., 03/23/837/0241-сон

2. Ўзбекистон Республикаси Вазирлар Маҳкамасининг 2019 йил 13 апрелдаги "Аҳолини ижтимоий муҳофаза қилиш тизимини идораларо электрон ўзаро ҳамкорликни қўллаган ҳолда такомиллаштириш чора-тадбирлари тўғрисида" 308сон қарори.

3. Ўзбекистон Республикаси Президентининг 2023 йил 1 июндаги "Ахолига сифатли ижтимоий хизмат ва ёрдам кўрсатиш хамда унинг самарали назорат тизимини йўлга қўйиш бўйича комплекс чоратадбирлар тўғрисида"ги ПФ-82-сон Фармони.

4.Борисенко Н.Ю. Построение национальной системы пенсионного обеспечения: теория и практика // Финансы и кредит. 2007. № 17. С. 54–65.

5.Турсунов Ж.П., Жумабаева К.Б. Ўзбекистонда пенсия таъминоти тизими: бугунги холат ва ривожланиш истиқболлари. // Фундаментал тадқиқотлар. No 1 (2023) Б. 25-33

6.Sholdarov D., Tursunov J. Improvement of the system of state pension provision in Uzbekistan //Scientific journal" Finance", 1st issue. – 2018. – T. 107.

7.Турсунов, Ж. (2023). Ўзбекистонда пенсия таъминоти тизимини истикболда барқарор амалга оширилишини таъминлаш йўллари. Iqtisodiyot va ta'lim, 24(1), 327–333.

https://doi.org/10.55439/ECED/vol24_iss1/a50

8. Ўзбекистон Республикаси Вазирлар Маҳкамасининг 2021 йил 21 октябрдаги "Аҳолини ижтимоий ҳимоя қилиш тизимини янада такомиллаштириш чора-тадбирлари тўғрисида"ги 654-сон қарори.

9. Ўзбекистон Республикаси Президентининг 2022 йил 25 июлдаги "Ўзбекистон Республикаси ахолисини ижтимоий химоя қилиш стратегиясини тасдиқлаш тўғрисида"ги ПФ-175-сон Фармони.

10.Pulatovich TJ. Ways to reform the pension system based on foreign experience. International journal of economic perspectives. 2023; 17(1). 64-71 p

11.Ўзбекистон Республикаси Вазирлар Маҳкамасининг 2023 йил 10 ноябрдаги "Ижтимоий ҳимоя ягона реестри" ахборот тизими орқали кам таъминланган оилаларни аниқлаш ва уларга ижтимоий нафақалар тайинлаш бўйича электрон шаклда ариза беришни жорий этиш чоратадбирлари тўғрисида" 596-сон Қарори.