



## The role of the chamber of accounts in the implementation of the state financial control: The experience of Uzbekistan

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### Abstract

The article analyzes the status of the Accounting Chamber of the Republic of Uzbekistan, the basic functions of the Accounts Chamber of the Republic of Uzbekistan on the implementation of the state financial control. We consider the current legislation of the Republic of Uzbekistan, which regulates Accounting Chamber in particular, the article examines the Budget Code of the Republic of Uzbekistan.

**Keywords:** the Account chamber of Republic of Uzbekistan, state financial control, the State budget, monitoring, independence, objectivity

### Introduction

In a democratic state, where the source of power is the people, the formation and functioning of the audit chambers subordinate to the needs of the whole society in the control of the financial activity of the state, the performance management of public finances entrusted to it. Organized thus counting chambers of budgetary control, remaining the state, it becomes at the same time the control of the public (national) and acquire considerable authority.

History of the Accounting Chamber as a body exercising control over the budget has more than 750 years. Even in 1256 in the annals of Louis IX referred to the work of the commission engaged in the financial statements for submission to the king. In 1303 when Felipe IV, the Accounting Chamber was founded in Paris, and in 1320 Philip V issued a decree according to which the priority of the Accounts Chamber gets control over public revenue <sup>[1]</sup>.

Modern Institute of counting chambers is his record since 16 September 1807 when France was signed into law on the establishment of the Accounts Court (La Cour des Comptes), it is more accurately translated as the name of the new institution of state financial control, established by Napoleon. The Audit Chamber was then centralized institution, to establish which was the emperor informed about the state of public financial accountability <sup>[2]</sup>.

FROM even the House as a special state institutions perform a significant social function - to ensure effective control over the finances of the state. It is in these bodies shall be responsible for auditing government revenue and expenditure, to ensure the financial integrity and accountability of the state system, as well as other functions related to the external state financial control <sup>[3]</sup>.

The most important question for the audit chambers associated with the functions they perform - this is a question about the

status of the Accounting Chamber. Currently, there is an ambiguous interpretation of the Court of Auditors the status of the system of government, to be exact - which of the branches it pertains, or as a separate structure exists. The most common is the consideration of the Court of Accounts as the bodies ensuring the realization of the control function of the legislative power, because within its structure.

Declaration monitoring guidelines adopted by the International Organization of Supreme Audit Institutions, declares independence as the main principle of the activities of Supreme Audit Institutions. Supreme Audit Institution's independence should be guaranteed by the constitution, the law and to allow it to operate with a high degree of initiative and autonomy. Provisions of the Supreme Audit Institution relationship with the Parliament should be determined by the constitution <sup>[4]</sup>. Chairman of the Chamber of Accounts of France Philip Segal also believes that the status of the Accounting Chamber as an independent body, enshrined in the Constitution, is an important principle and key to an impartial monitoring <sup>[5]</sup>.

Thus, there are two points of view, according to the first counting chambers are specialized bodies exercising state financial control in parliament, and therefore belong to the legislative branch. A certain logic in this, because Parliament consists of the representatives of the people, who should be in charge of where public funds are going. Even historically the control function of the Parliament appeared before the legislative as well as an organic consequence of the nature of parliamentary representation. In the course of political struggle even in 1215 the barons and top management forced English King John to sign the Magna Carta, according to which no tax is charged without the consent of the Council of the Kingdom (the prototype of the House of Lords), finding thereby control of the royal expenses <sup>[6]</sup>. According to the second opinion the

1 LM Samoilov Chamber of Accounts of France: 200 years of independence // Financial Law. 2010. №3. S.10- 13.

2 Barilari A. Les controles financiers comptables, administratifs et juridictionnels des finances publiques. Paris, LGDJ.2003.P.110-115.

3 Rodionova B.M, Shleynikov V.I. Financial control. M. 2002. S. 60.

4 Legal regulation of the state financial control in foreign countries // Analytical review and compilation of regulatory documents. M.1998. S. 42.

5 L.M. Samoilov Chamber of Accounts of France: 200 years of independence // Financial Law. 2010. №3. S. 10- 13.

6. Kovryakova E.V. Parliamentary oversight: international experience and Russian practice. Gorodets. 2005. P.5.

Accounting Chamber is an independent body.

However, all the researchers are unanimous in the opinion that the Accounting Chamber of control object up budget, all questions of planning, storage and disposal of public finances [7].

We believe that the status of the audit chambers must be independent, and these are the bodies that should not apply to any branch of government. In Uzbekistan, the Chamber of Accounts is an independent Supreme Audit Institutions, independent and objective in their assessments, monitoring and public oversight over the targeted and effective execution of the State Budget of the Republic of Uzbekistan. In accordance with Art. 78 of the Constitution of the Republic of Uzbekistan, the Chamber presents an annual report to the Legislative Chamber and then the Senate of the Oliy Majlis of Uzbekistan. The Constitution of the Republic of Uzbekistan does not establish that the Audit Chamber refers to the legislative branch. Chamber of Accounts in its activity is accountable to the President of the Republic of Uzbekistan, Chamber of Oliy Majlis of Uzbekistan.

The independence of public authorities with a special status is manifested in their institutional isolation in the organization of the government, non-interference in the exercise of their powers, effective and comprehensive financial control of public funds. Therefore, we believe that the Accounting Chamber of the Republic of Uzbekistan has the status of an independent specialized body which exercises control over public finances.

In accordance with the Budget Code, in the terms of reference of the Audit Chamber of the Republic of Uzbekistan in the field of budgetary relations is to represent the Cabinet of Ministers of Uzbekistan opinion on the draft State Budget of the Republic of Uzbekistan; implementation of the external audit and assessment of the annual report on execution of the State Budget of the Republic of Uzbekistan and budgets of state trust funds and submission to the Cabinet of Ministers an opinion on them and other powers. The Accounts Chamber of the Republic of Uzbekistan is endowed with wide powers in the sphere of budgetary control. The budgetary powers of the Accounting Chamber enshrined in Article 26 of the Budget Code [8]. The leading role of the Accounting Chamber in the fight against corruption is: the development and implementation of financial control over the observance of legislation, the monitoring of corruption offenses [9]. The powers of the Accounting Chamber in the state financial control are envisaged in Article 174 of the Budget Code. Among them is the most significant: the control over the execution of the expenditure part of the State budget; analysis and study of variations in the budget process [10].

Analysis of the current legislation allows us to consider the Accounts Chamber of the Republic of Uzbekistan as an independent state body with special status, ie, body, not directly included in any of the three powers. This is consistent

with modern trends of the independence of budgetary control institutions under international law and experience of foreign countries with developed financial control system. The priority directions of activity of the Accounting Chamber should include surveillance, monitoring and analytical work related to financial controls carried out by it.

In this way, during its operation of the Accounts Chamber of the Republic of Uzbekistan has proved to be an effective body responsible for budgetary control and has taken its rightful place in the mechanism of the state as the Supreme Audit Institution. During the global financial and economic crisis, the authoritative international organizations, in particular the United Nations, for the first time turned his attention to external financial control, and recommended that all States - UN member states to adhere to international standards in this area. And one of the most important international principles INTOSAL is to guarantee the independence of financial control body at the level of the Constitution and laws. The Accounts Chamber of the Republic of Uzbekistan is the most important specialized body exercising budgetary control. The Audit Chamber has already established itself as a central institutional structure, has control over the proper spending of the state budget. But in the future its activities will certainly be improved.

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