

ИҚТИСОДИЁТДА ИННОВАЦИЯ ЖУРНАЛИ
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Ilhomova Y.S.,

Tashkent financial institute PhD,
Murodaliyeva Marhaboxon, Rustamova Kamola,
Mirramazonova Madinabonu,

Students



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**THE NEED TO IMPROVE THE FINANCIAL
SUSTAINABILITY OF THE PENSION FUND**

Annotation: This article outlines the work that is being done to improve the pensions and pension fund in Uzbekistan. It also deals with problems and shortcomings in the system and ways to overcome them.

Key words: Pension fund, pension system, payment of funds, social insurance, employee benefits.

Ilhomova Y.S.,

Toshkent moliya instituti, PhD,
Murodaliyeva Marhaboxon, Rustamova Kamola,
Mirramazonova Madinabonu,

Talabalar

**PENSIYA JAMG'ARMASINING MOLIYAVIY
BARQARORLIGINI MUSTAHKAMLASH ZARURIYATI**

Annotatsiya: Ushbu maqolada O'zbekistonda pensiya va pensiya jamg'armalarini takomillashtirish bo'yicha olib borilayotgan ishlar yoritilgan. Shuningdek, tizimda muammolar va kamchiliklar hamda ularni bartaraf etish yo'llari bilan ham bog'liq.

Kalit so'zlar: Pensiya jamg'armasi, pensiya tizimi, pul mablag'lari, ijtimoiy sug'urta, xodimlar nafaqalari.

Ильхомова Ю.С.,

Ташкентский финансовый институт PhD,
Муродалиева Мархабоксон, Рустамова Камола,
Миррамазонова Мадинабону,

Студенты

**НЕОБХОДИМОСТЬ ПОВЫШЕНИЯ ФИНАНСОВОЙ
УСТОЙЧИВОСТИ ПЕНСИОННОГО ФОНДА**

Аннотация: В этой статье описывается работа, которая проводится для улучшения пенсий и пенсионного фонда в Узбекистане. Также рассматриваются проблемы и недостатки в системе и способы их преодоления.

Ключевые слова: Пенсионный фонд, пенсионная система, выплата средств, социальное страхование, выплаты работникам.

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In accordance with the Decree of the President of the Republic of Uzbekistan dated December 30, 2009 "On measures to further improve the system of pensions of citizens", the functions of the Pension Fund include the Ministry of Labor and Social Protection of the Republic of Uzbekistan as well as by transferring the functions of certain units responsible for medical and labor expertise.[1]

In recent years, the quality of public services, timely funding of pensions and social benefits, ensuring sustainable income, as well as strengthening the material and technical base of all structural units using the new software is one of the priorities of its activities.

In order to improve the financial sustainability of the pension fund and activate the investment policy, it is necessary to pay serious attention to the analysis of the financial sustainability of the country's pension system in the data analysis process. This, in turn, should reflect the fundamental dynamics of the main indicators of the pension system, while maintaining current trends and rules. Information analysis should answer the question of whether it is possible to finance financial obligations, identify its main vulnerabilities and show ways to overcome it.[2]

It is estimated that the amount of the annual expenses of the Pension Fund in 2017 began to exceed annual income. However, the Pension Fund deficit can be compensated for the remainder of the funds during this period. And from 2018 it will be impossible.

The potential revenue deficit of the pension fund is the main predecessor of the modern pension system of Uzbekistan. To prevent social tensions from arising, it must be reimbursed through the state budget. In this case, it will lead to a reduction in public investment expenditures, expenditures on education and health care. It will also lead to a decrease in economic growth and a deterioration in the quality of human capital.

In our opinion, this process should remind: current estimates of the wage fund and GDP growth can be optimistic. Therefore, no one can guarantee that the Pension Fund deficit will not be higher than expected.

It is also important to forecast the current state of the funded pension system in Uzbekistan and its income and expenses for 2015-2030. It should be noted that, first of all, by January 1, 2016, the number of persons with individual accumulative pension accounts exceeded 9 million. The amount of income from contributions of the employer exceeded 1.5 trillion. Sumy. At the same time, the share of funds accumulated in relation to an increase in accounts, receipts and wages is increasing. Especially over the last 4-5 years, the volume of voluntary contributions and voluntary contributions has increased dramatically. At the same time, the costs associated with the payment of funds from the pension fund are also growing.

In addition, one of the main indicators of the citizens' pension system is the retirement age. The analysis shows that the average retirement age in the world is 62 years for men and women, while in Uzbekistan this figure is 57.5 years (55 years for women and 60 for men).

The incentive mechanism for the continuous and long-term involvement of citizens in the social insurance system remains complex and transparent. The working population is about 60 percent (about 17 million), and about 10.2 million are not covered by state social insurance. That is, they do not make social contributions to the extra-budgetary pension fund.

According to the requirements of the International Labor Organization, the share of payers for the sustainable development of the country's pension system should be in the ratio of 1: 4 to pensioners. However, today Uzbekistan has an average of 1: 1.5.

It should be noted that the ratio of pensioners to the working population increased from 61 percent in 2009 to 66 percent in 2017.

A significant part of the Pension Fund is spent on preferential pensions. The share of pensions allocated on preferential terms is 592.4 thousand. People or 19.5% of the total amount of pensions, of which the age pension is 23.7%. On average, 39.8 thousand concessional pensions are assigned annually.

There is also a lack of relationship between the amount of retirement and the duration of retirement. The existing pension system implies the retirement of persons with at least 7 years experience. This right is only 7 years, which makes it possible to retire people who have made the least contribution to the formation of the Pension Fund for the period of full employment.

The minimum standards of the International Labor Organization in the field of social safeguards provide that a minimum age of 15 years is required for retirement. The minimum work experience in many countries, including the CIS, has been reached 10-15 years.

The minimum requirement of 7 years for work experience adversely affects the participation of citizens in state social insurance. For example, the difference between the retirement age of a person with 30 years of work experience (it takes 25 years) and an old-age pension for a 10-year-old male worker (the minimum is 7 years) is about 200,000 soums.

Unconditional mechanisms to encourage long-term and continuous participation of employers in social insurance force them to look for new ways to avoid paying premiums.

All this requires a review of the main approaches to the social security pension system.

Thus, the draft concept of reforming the state pension system provides for the promotion of employee benefits and the retirement of retirement pensions. In our opinion, at present, the cumulative pension system is not a measure of supplementary pension coverage for the population, but is a quasi-fiscal operation to subsidize the Halyk Bank. Because at low interest rates on the deflator and fixed deposit rates on funds placed on savings pension accounts.

Thus, the accumulated system used in practice does not guarantee the retention and increase of pension funds. It does not encourage the legitimization of incomes of the population and entrepreneurs for the purpose of retirement. In case of preservation of the existing mechanism of the funded system, the increase in the share of the funded

pension system of the Republic of Uzbekistan does not have its own economic (financial) value, since it adversely affects the income level of future pensioners.[3] On the other hand, it is impossible to improve the financial sustainability of the Pension Fund and activate investment policy without expanding the pension system. In order to achieve the goals that are inserted, it is extremely important to adapt the individual savings pension system, which is an important element of the pension reform, to meet the requirements of the time.

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