

## CORPORATIVE BY COMMERCIAL BANKS IN OUR COUNTRY FINANCING OF BUSINESS NETWORKS

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**Abstract:** *In this article, the theoretical and practical aspects of financing of corporate business networks and improvement of projects by commercial banks of our republic are considered. It is also the last in our country analyzed the current situation of some commercial banks.*

**Key words:** *international financial corporation, banking investment activities, financial institutions, Green banking, corporate banking activities.*

### Introduction

The "Uzbekistan-2030" grand strategy adopted on September 11, 2023 shows Uzbekistan's commitment to environmental reform and sustainability. In its law, Section 3.2 sets out a comprehensive plan aimed at radically improving the environmental condition of the country. elimination of environmental problems that directly affect human life. An integral part of this vision is the expansion of the green space (green space) initiative, which is the whole it seeks to green up the country, with plans to plant an impressive 200 million trees every year and a clear emphasis on expanding the urban green zones. At the same time, the strategy will introduce agrobiological monitoring, focusing on sustainable agricultural practices. The country's tourism sector, as well as forest expansion and with initiatives promoting ecotourism, providing forests designed to combat soil erosion. Addressing one of the

most pressing issues of Uzbekistan work is underway to stabilize environmental problems, the deteriorating condition of the islet region. Strategy in commitment to biodiversity provides a comprehensive plan that includes an increase in land area up to 12% of protected natural zones, implementation of geobotanical monitoring, strengthening rules against regulations illegal use of Natural Resources and increase the environmental awareness of citizens. Animal welfare, especially the treatment and rehabilitation of wild species, this is the focal point of the strategy. In addition, the country aims to strive for a waste management revolution, achieve 65% efficiency in the collection, disposal and recycling of household waste, and reduce waste disposal sites by 50%. Pollution Control is the basis of the strategy, with the promise of reducing atmospheric pollutants by 10.5%. Enterprises with significant environmental traces are obliged to switch to green technologies. If these enterprises do not comply with the legislation, that is, the production of clean products on the basis of green projects and do not harm nature, loans and funds are allocated and allowed to produce by commercial banks. Also, the construction and renovation of localized cleaning systems at 249 industrial enterprises is priority the task will be. The 2030 strategy represents Uzbekistan's step towards harmonizing development goals with environmental sustainability, laying the foundation for a future where nature and progress coexist [1].

### **Analysis and results**

Green Banking is any form of banking from that the country and nation gets environmentally benefits. An orthodox bank becomes a green bank by directing its core operations toward the betterment of environment. The banking sector can play an intermediary role between economic development and environment protection by promoting environmentally sustainable and socially responsible investment. The concept of green banking was developed in the western countries. Green Banking was formally started in 2003 with a view to protecting the environment. Then the Equator Principles (EPs) were launched and were initially adopted by some leading global banks, such as Citigroup Inc, The Royal Bank of Scotland, Westpac Banking

Corporation. In March 2009, Congressman Chris Van Hollen of USA introduced a Green Bank Act with the aim of establishing a green bank under the ownership of the US government. After introduce the Green Banking initial decision was to minimize the paper use in banking works because to make all kinds of papers need to cutting trees as raw materials (its minimize the green forestation) and for this reason naturally its reduce the Oxygen and increase the carbon-dioxide in airspace/ globe. There are two ways of green banking practices. One is in-house green banking; another is practice by the bankers in their business area. Creating clean and hygienic banking environment, green building, reforestation, online banking, waste management, installation of solar panel on the rooftop of the bank and using high mileage vehicles, reducing sound pollution, using webcam for video conferencing instead of physical meetings, online statements, emailing documents are included in the inhouse Green Banking. Financing the green projects like Biogas Plant, Solar/Renewable Energy Plant, Bio-fertilizer Plant, Effluent Treatment Plant (ETP), Projects having ETP etc, working on specific green projects, voluntary activities of banks are major practices by the bankers in their business areas. Green banking undertakes proactive measures to protect environment and to address climate change challenges while financing along with efficient use of renewable, non-renewable, human and natural resources.

### **Research Methodology**

Cooperation with leading foreign financial institutions has also been enhanced by commercial banks towards the development of the building materials industry. Over the years, the value has increased to 1,846.7 million. the \$ 576 project was launched, creating over 15,000 jobs. Also with commercial banks the combined total cost is 1,216.0 million. the 319 investments in the dollar cost the project \$ 400.0 million. in the amount of dollars, credit funds were allocated. Training Center” School of entrepreneurs " tadbirkormaktab.uz admission was also established through the website. The branches of the center began to operate in Samarkand and Khorezm regions. 484 listeners were trained, consisting of heads of enterprises, civil engineers,

individual entrepreneurs, doctoral and independent researchers, students of higher educational institutions and representatives of other interested populations. [11,12,14].

Table 1.

Share of commercial banks' credit investments by sectors<sup>1</sup>

Indicator name	01.01.2023 y.		01.01.2024y.		Change in percent
	ml rd.sum	share, percent	ml rd.sum	share, percent	
Total credits	39 0 049	100%	4 71 406	1 00%	21%
Industry	12 6 647	32,5%	1 40 152	2 9,7%	11%
Agriculture	42 096	10,8%	4 7 255	1 0,0%	12%
Construction industry	10 400	2,7%	1 2 275	2 ,6%	18%
Sales and general service	28 911	7,4%	3 2 516	6 ,9%	12%
Transport and communication	29 673	7,6%	3 4 342	7 ,3%	16%

<sup>1</sup> It was prepared by the authors based on Internet information.



Material and technical support development	38 56	1,0%	4 067	0 ,9%	5%
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as can be seen from the above table data, in the direction of banking investment activities, it is envisaged to allocate credit funds to projects of this type in the amount of 17 trillion soums. In particular, it is planned to allocate 7.3 trln sum to customer projects in the direction of corporate business, 6.5 trln sum to projects of small and medium-sized business entities, 3.2 trln to individuals. In terms of industries, 12.9 trln sum is allocated to the industry, 1.5 trln sum to agriculture, and 2.6 trln sum to the service sector. Also, international financial institutions have 5.9 trln on credit lines the sum is intended to master 3.5 trillion soums on local credit lines. In particular, in the direction of Green banking, 3 types of products were developed for small business entities, 2 types for retail customers. The share of “green” loans in the bank's loan portfolio was increased from 3.2% to 6%, with 222 projects funded. A number of other initiatives have been put forward by the bank this year. In particular, business processes are reengineered and optimized in order to improve the quality and speed of customer service. The participation of the human factor in credit separation processes is significantly reduced.

To date, it is planned to develop new deposit products, to ensure the growth of the deposit base in each business direction, in particular, to increase to 2.6 trillion sum. In order to develop the building materials industry, necessary measures will be taken to ensure that a loan of US \$ 576 is allocated to a total of 450 projects in cooperation with all commercial banks. For these projects, \$ 992 million of foreign investment will be attracted. Thanks to this, 16 thousand jobs will be created, the volume of production will be 35 trillion rubles, the volume of exports will be 1 billion. To the US dollar, the localization volume was projected to be 1.8 trillion sum. Adoption of green banking

practices will benefit the environment in many ways. Banks can do much more to help the environment by just promoting green banking. Use of green banking practices will result savings of energy, fuel, paper as well as water. Green banking can reduce the need for expensive branch banks. From a bank's perspective, it can reduce costs, increase the speed of service, expand the market, and improve overall customer service. Green banking practices are very convenient, easy, cost effective and time saver for the bank customers. Customers don't need to go to the bank for banking transaction; hence they can save time as well as money. It is a type of anytime-anywhere banking.

### **Conclusion**

Based on the above analyzes and data, this article presents one of the tasks of financing corporative business networks by commercial banks and improving projects - the creation of an effective management mechanism, it consists in further improvement and development of corporate banking activities that it is, that it serves as an important condition for attracting foreign investment, because without stable banks there can be a stable and successful economy not noted.

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