Modern American Journal of Business, Economics, and Entrepreneurship
ISSN (E): 3067-7203
Volume 01, Issue 02, May, 2025
Website: usajournals.org

INTERNET BANKING, PROCEDURE FOR USING ONLINE FUNDS IN UZBEKISTAN

Karimova Shirin Zoxid qizi
PhD Associate Professor of the Department of Digital Economy
Tashkent State University of Economics

Rustamova Ziyoda Anvar qizi
Assistant of the Department of Digital Economy
Tashkent State University of Economics

Madyarova Muxlisa Abdulla qizi
Assistant of the Department of Digital Economy
Tashkent State University of Economics

Abstract

This research focuses on the procedures for using internet banking and online payments in Uzbekistan. Nowadays, people prioritize convenience and speed when using banking services. Internet banking meets these needs by allowing users to manage accounts remotely, make payments, and access credit. In addition, e-wallets and mobile payment systems are becoming increasingly widespread. The study highlights the regulations governing payment systems in Uzbekistan, security issues, and the development of digital financial services.

Keywords: Internet banking, online payments, digital finance, e-wallet, mobile payment systems, banking services, Uzbekistan's financial system, digital security, payment system regulation, remote banking services.

INTRODUCTION

Internet banking (online bank) is a system that provides the ability to perform banking services via the Internet. Internet banking allows users to manage their bank accounts, make money transfers, obtain loans, make payments, and access other banking services remotely. This system saves people's time and provides

Modern American Journal of Business, Economics, and Entrepreneurship
ISSN (E): 3067-7203
Volume 01, Issue 02, May, 2025
Website: usajournals.org

access to banking services regardless of their location. Through internet banking services, users can constantly monitor their personal bank accounts, perform various financial operations, and view reports.

LITERATURE REVIEW

In recent years, the rapid development of digital finance and internet banking services has been widely studied in academic circles. In particular, during the pandemic period, demand increased for remote financial services, online payment systems, and electronic wallets. Researchers link this trend to the population's digital financial literacy and the technological capabilities of existing infrastructure. Specifically, T. Komissarov (2021) emphasizes in his work that an effective operation of digital payment systems requires a robust legal framework and technological stability.[1]

In the Republic of Uzbekistan, the main legal foundations in this area are the "Law on Electronic Commerce" (2018) and the "Law on Electronic Payment Services" (2019). Through these laws, the primary regulations governing internet banking, electronic payments, and online trade activities have been established. On the official website of the Central Bank of the Republic of Uzbekistan (https://www.cbu.uz), important documents concerning the security, regulation, monitoring, and statistics of electronic payment systems are collected.

Analysis of international experience is also of particular importance. For example, according to data from the Central Bank of the Russian Federation, modern security mechanisms—such as two-factor authentication (2FA), SSL certification, and tokenization—are used as primary tools for protecting user information. These practices can offer valuable approaches for Uzbekistan.[2]

From a practical standpoint, platforms like Payme, Click, WebMoney, and Yandex.Money are widely used within the internet banking infrastructure. Through these platforms, user transactions in real time, service quality, and user security are considered top priorities. Shokirov, S. I. (2025) specifically

[1] Komissarov T.V. (2021). Elektron to'lovlar xavfsizligi va huquqiy regulyatsiyasi: zamonaviy yondashuvlar. Moskva: Fintex nashriyoti.
[2] Central Bank of Russia. (2022). Digital Payment Infrastructure Guidelines. www.cbr.ru

Modern American Journal of Business, Economics, and Entrepreneurship
ISSN (E): 3067-7203
Volume 01, Issue 02, May, 2025
Website: usajournals.org

highlights the role of these systems in strengthening social trust and increasing demand for banking services.[3]

METHODOLOGY

To deeply explore the legal, technological, and practical aspects of the internet banking system, this study employed several scholarly approaches. First, using analysis and synthesis methods, existing legislation, banking practices, and the operations of online payment platforms were examined. Their interrelationships and impact on the broader digital finance ecosystem were then synthesized into key findings. Additionally, through comparative analysis, Uzbekistan's payment systems were evaluated against those of other countries (Russia, China, and the European Union). This comparison paid particular attention to security measures, the protection of user rights, and the technological solutions in place. The research also utilized document-analysis techniques to study official materials from the Central Bank, the Ministry of Finance, and other regulatory bodies, as well as relevant legal norms and international financial standards. Based on these sources, the study assessed the normative-legal framework governing the development of digital payment systems.

ANALYSIS AND RESULTS

In addition, through practical examples, the operations of popular payment systems such as Payme, Click, and WebMoney were analyzed, focusing on their functional capabilities, advantages, and existing shortcomings. The growth in the number of users, service quality, and security levels of these platforms were taken as the primary evaluation criteria.

There are three main advantages of the internet banking system:

- The internet banking system allows users to access banking services at any time and from anywhere. Users can make money transfers, execute payments, and monitor their accounts whenever they wish.

[3] Shokirov, S. I. "O'ZBEKISTONDA RAQAMLI BANK XIZMATLARINI KENGAYTIRISH ISTIQBOLLARI." New modern researchers: modern proposals and solutions 2.3 (2025): 9-14.

Modern American Journal of Business, Economics, and Entrepreneurship
ISSN (E): 3067-7203
Volume 01, Issue 02, May, 2025
Website: usajournals.org

- Internet banking employs various security measures—such as two-factor authentication, encryption technologies, and SSL certificates—to protect user data.
- The internet banking system enables users to view all transactions in real time, which simplifies financial management.

Online money refers to virtual currencies that operate outside traditional banking systems and are conducted over the Internet. Online money is typically stored in the user's electronic wallet and is used to make online payments. These funds are processed quickly and securely through modern electronic payment systems. Online money is divided into categories such as electronic wallets and mobile payment systems:

- Electronic wallets- these systems allow users to store their funds in electronic form and make payments. Examples include PayPal, Qiwi, and WebMoney.
- Mobile payment systems **-** through these systems, payments can be made using mobile phones. Examples include Payme, Click, and Alipay.

In Uzbekistan, the internet banking system has been actively developing in recent years. Since 2020, new reforms and changes in legislation aimed at the digital economy introduced by the Central Bank have accelerated this process. The number of banks offering mobile banking and internet banking services has increased— for example, major banks such as Ipoteka Bank, Asaka Bank, and Xalq Bank now provide remote services to their clients. In Uzbekistan, payment systems like Payme, Click, and Yandex.Money are widespread, allowing users to make electronic money transfers. Considerable attention has been paid to internet banking security issues. To protect users from fraud and safeguard their personal data, banks are implementing security measures within their systems. The country has also enacted new laws that specify security requirements for electronic money and payment systems.

In Uzbekistan, the use of online money and the overall operation of payment systems are regulated by laws and rules. These regulations primarily aim to ensure the security of electronic payments, the protection of personal data, and the reliable operation of payment systems. Below is information on the existing regulations governing online payments and electronic systems in Uzbekistan:

Modern American Journal of Business, Economics, and Entrepreneurship
ISSN (E): 3067-7203
Volume 01, Issue 02, May, 2025
Website: usajournals.org

The Republic of Uzbekistan adopted the Law on Electronic Commerce in 2018. This law is the primary normative-legal document governing online trade, payment systems, and conducting payments over the Internet. It regulates the following matters:

-The procedure for concluding, accepting, and executing electronic contracts in online trade and services.

-E-commerce entities the services provided by electronic payment systems and online trade platforms, and their legal status.

-User rights the rights and obligations of users participating in electronic commerce—for example, ensuring the security of their personal data when making payments.

The Republic of Uzbekistan's Law on Personal Data, enacted in 2019, establishes rules for the collection, use, and storage of personal data. When using electronic payment systems, the user's personal data (such as phone number, bank card details, etc.) must be communicated, securely stored, and handled in compliance with these regulations.[4]

Security issues in online payments and electronic commerce are among the most important aspects. Using SSL (Secure Socket Layer) technology, users' personal information and payment card data are securely encrypted. Additionally, with the 2FA (two-factor authentication) system, user accounts receive an extra layer of protection. Electronic systems allow users to transmit their data only through secure channels.[5]

In order to prevent fraud and illicit activities when making online payments, Uzbekistan's legislation contains specific provisions. The Criminal Code prescribes penalties for fraud, embezzlement, or other illegal acts committed through electronic payments. Additionally, the Central Bank and other financial regulatory bodies have developed monitoring systems and security measures to prevent fraud.

[4] Karimova, Shirin. "The Role of Virtual Ecosystems in Enhancing E-Commerce Platforms." Digital Economy and Information Technologies 4, no. 4 (2024): 26–33.

[5] Petsas, Thanasis, et al. "Two-factor authentication: is the world ready? Quantifying 2FA adoption." Proceedings of the eighth european workshop on system security. 2015.

The Central Bank and other financial oversight agencies conduct continuous monitoring to ensure the secure operation of payment systems. Any errors or instances of fraud that arise in these systems are immediately investigated, and appropriate measures are taken. To guarantee the security of online payments and protect users' rights, these monitoring systems are regularly updated.

CONCLUSION

The research results indicate that the rapid development of internet banking and online payment systems in Uzbekistan is being shaped by government policy, technological infrastructure, and user demand. The normative-legal foundations—the "Law on Electronic Commerce" and the "Law on Electronic Payment Services"—have created a solid legal basis for the advancement of these systems.

Furthermore, based on international experience, it has been identified that it is necessary to strengthen security measures and widely adopt modern authentication technologies to protect user information. Practical payment systems (such as Payme and Click) are widespread among users and offer a high level of service quality and reliability.

REFERENCES

1. Central Bank of the Republic of Uzbekistan. (n.d.). Regulatory and legal documents on electronic payments and financial technologies. Official source for internet banking and electronic payment regulations in Uzbekistan. Retrieved from https://www.cbu.uz
2. Central Bank of the Republic of Uzbekistan. (n.d.). "Implementation of Internet Banking and Electronic Payments in the Republic of Uzbekistan." Practical information on electronic payment systems. Retrieved from https://www.cbr.ru
3. Republic of Uzbekistan. (2019). Law on Electronic Payment Services. Tashkent: Legislation of Uzbekistan.
4. Komissarov, T. V. (2021). Security and Legal Regulation of Electronic Payments: Modern Approaches. Moscow: Fintex Publishing.

5. Central Bank of Russia. (2022). Digital Payment Infrastructure Guidelines. Retrieved from www.cbr.ru
6. Karimova, Shirin. “The Role of Virtual Ecosystems in Enhancing E-Commerce Platforms.” Digital Economy and Information Technologies 4, no. 4 (2024): 26–33.
7. Shokirov, S. I. “Prospects for Expanding Digital Banking Services in Uzbekistan.” New Modern Researchers: Modern Proposals and Solutions 2, no. 3 (2025): 9–14.