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ИСТИҚБОЛЛИ ЙЎНАЛИШЛАР
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THE ESSENCE OF GREEN LOANS IN A GLOBAL UNSTABLE ENVIRONMENT

Khayitova Maftuna Rakhmatilla kizi

Doctoral student of Tashkent state university of economics

Abstract. In this article, we analyzed data on the contribution of bank loans to the “green” economy and developed our own proposals for improving the “green” credit system. The factors influencing the bank’s credit policy, the bank’s loan portfolio and its structure are analyzed, as well as the conclusions and recommendations for improving the banks’ credit policy are analyzed and summarized. Sustainable development and the “green economy” to global political aspiration of the “green” financial instruments market gave impetus to its emergence and growth.

The world community is aware that the most optimal way to overcome these problems is to switch to a “green economy”. As a result, Environmental Sustainability ensures the creation of useful products and services for human health.

Keywords. banks, bank loans, credit policy, deposits, bank obligations, loan portfolio, credit, credit risks, commercial banks. Portfolio, digital banking.

СУТЬ ЗЕЛЕННЫХ КРЕДИТОВАНИЙ В ГЛОБАЛЬНОЙ НЕСТАБИЛЬНОЙ УСЛОВИЯХ

Хайитова Мафтуна Рахматилла кизи

ТГЭУ, Базовый докторант

Аннотация. В этой статье мы проанализировали данные о вкладе банковских кредитов в «зеленую» экономику и разработали собственные предложения по совершенствованию «зеленой» кредитной системы. Проанализировали факторы, влияющие на кредитную политику банка, кредитный портфель банка и его структура, а также проанализировали и обобщили выводы и рекомендации по совершенствованию кредитной политики банков. Устойчивое развитие и «зеленая экономика» в соответствии с глобальными политическими устремлениями рынка «зеленых» финансовых инструментов дали толчок его появлению и росту.

Мировое сообщество осознает, что наиболее оптимальным способом преодоления этих проблем является переход к «зеленой экономике». В результате экологическая устойчивость обеспечивает создание полезных продуктов и услуг для здоровья человека.

Ключевые слова. банки, банковские кредиты, кредитная политика, депозиты, банковские обязательства, кредитный портфель, кредит, кредитные риски, коммерческие банки. Портфолио, цифровой банкинг.

GLOBAL BARQAROR MUHITDA YASHIL KREDITLARNING MOHIYATI

Xayitova Maftuna Raxmatilla qizi

TDIU, tayanch doktoranti

Annotatsiya. Ushbu maqolada biz bank kreditlarining “yashil” iqtisodiyotga qo’shgan hissasi to’g’risidagi ma’lumotlarni tahlil qildik va “yashil” kredit tizimini takomillashtirish bo’yicha o’z takliflarimizni ishlab chiqdik. Bankning kredit siyosati, bankning kredit portfeli va uning tuzilishiga ta’sir etuvchi omillar tahlil qildik, shuningdek banklarning kredit siyosatini takomillashtirish bo’yicha xulosa va tavsiyalar ishlab chiqildi va umumlashiriladi. Barqaror rivojlanish va “yashil” moliyaviy vositalar bozorining global siyosiy itilishlariga “yashil iqtisodiyot” uning paydo bo’lishi va o’sishiga turtki berdi.

Jahon hamjamiyati ushbu muammolarni bartaraf etishning eng maqbul usuli “yashil iqtisodiyot”ga o’tish ekanligini biladi. Natijada ekologik barqarorlik inson salomatligi uchun foydali mahsulotlar va xizmatlarni yaratishni ta’minlaydi.

Kalit so’zlar. banklar, bank kreditlari, kredit siyosati, depozitlar, bank majburiyatlari, kredit portfeli, kredit, kredit xatarlari, tijorat banklari, Portfolio, raqamli bank.



Introduction:

The environmental problems that arise in the Global world community are compressing the welfare and future of humanity today. The reason is, the result of the damage to the atmosphere caused by old-fashioned technologies in the provision of social benefits, as well as a sharp increase in resource consumption, the environmental risk on Earth is considered urgent.

Today, the topic of "green" financing is the world the most common among scientists, as well as local experts are also interested in this topic, but the amount of scientific work carried out is not enough.

Green lending refers to monetary funds intended to financially stimulate environmentally sustainable projects. The first and most common form of "green" financing in terms of historical formation are "green" bonds created to fund effective environmental or climate-affecting projects.

The first "green" bonds were issued by the bank for International Development and reconstruction in 2007-2008. As a result of the rapid growth of such bonds, the bond market International Capital Market Association (ICMA) developed the Green Bond Principles in 2014. The green bond market grew by 80% each year over the next five years and continues to grow today. The issuance of fixed "green" bonds at the end of 2018 amounted to \$ 389 billion. And in 2022, bonds were issued worth US \$ 863.4 billion.

Literature review:

Chinas authors Yuzhun Sui, Sean Geoby and others view "Green" credit as a real-world solution that connects Environmental Protection Areas with financial institutions, while "green" financing as an overall environmentalist problem and resource management solution¹.

The authors Andreeva, Vovchenko, Epifanova, polubotko speculate that subsidizing the green lending system will help to more effectively manage environmental costs when developing the rules for the transition to a green economy². The authors also point out that Russia should start developing its own "green" lending tools to ensure economic stability due to the negative volatility of hydrocarbon fuel prices.

Vietnamese authors Ho Miy Hankh and Thi Than Tung Pham believe that "green" lending improves the management of social and environmental risks in the bank with the aim of optimizing credit structures and introducing innovative banking services. On the other hand, it helps to transform the model of economic growth into sustainable development³.

Dvoreskaya argues that the provision of loans for projects with high environmental efficiency is one of the areas of participation of credit organizations in the "green" economy, which undoubtedly affects the main economic indicators of the organization⁴.

Judging from the above, we have included our own definition of authorship in the term "green" lending. Depending on the financing terminology in this direction as a relatively new direction for commercial banks, we have defined: "green" lending is the provision of financial resources for projects built on economic interests, with a long-term effect, aimed at ensuring social goals.

At the same time you can keep away from a problem. Most of the technologies available today are technologies that incorporate environmental aspects and since the infrastructure for their application is well formed, investing seems more attractive in projects as a technology in which such projects are more efficient, cost-effective and affordable. In contrast" ECO " - format slugs, while their technological processes require expensive resources, for shunning, because of the high value of these slugs, their development, the risks of financing by banks will be higher. In this matter, the development of mechanisms that encourage "green" loans is required by Government.

Methods analysis:

In the meantime, we will analyze the measures taken by the Government of Uzbekistan and the indications for the lending of green projects by banks. In the article used a comparative analysis method of green loans of the banks of Uzbekistan.

¹ Khudyakova L. International cooperation in the development of "green" financing. Money and credit. 2017;10-18.

² Bogacheva O.V., Smorodinov O.V. "Green" bonds as the most important tool for financing "green" projects. Financial Research Institute. Financial journal. 2016;(2):70-81.

³ Sui Y., Geobey S., Weber O., Lin H. The impact of Green lending on credit risk in China. Sustainability. 2018;(10)6:1-16. Doi: 10.3390/su10062008

⁴ Andreeva L.Yu., Vovchenko N.G., Epifanova T.V., Polubotko A.A. Institutions and instruments of "green" financing: risks and opportunities for sustainable development of the Russian economy. Forestry journal. 2017;7(2):205-214. BEFORE AND: 10.12737/artist_5967eb0sff307.47958130



► **Tadbirkorlikni rivojlantirish**

Analysis and results:

The “green economy” is a process that is not economically cheap. This means that it requires financial resources. In Uzbekistan, from April 1, 2023, it was established that the electricity generated by the population will be paid from 1,000 rubles per kilowatt. They can connect to the “sunny apartment” system and receive the appropriate fees⁵. As part of the solar cell program in Uzbekistan, the aim is to install solar panels in the 37th thousand inhabitants in 2023. A subsidy of Rs 1,000 per kwh was set aside for each transfer to a single electric power system. For the formation of such infrastructures, the participation of banks on the basis of a “green loan” is considered important.

At the same time, it adopted a green loan policy requiring banks to provide green loans for public-private partnership projects for Environmental Protection, waste reduction and energy conservation, and limit loans to businesses whose production involves high levels of pollution.

The use of PPP in Uzbekistan has recently begun. PPP projects are being used in the construction of water supply, airports and utility systems and Heat Supply. At the same time, large-scale projects are being implemented in the fields of culture, social infrastructure and energy.

Relying on the experiences of the countries of the world, the relevant aspects of financing the green economy in Uzbekistan are being studied and implemented. In particular, as a key component of China’s green finance system, the Chinese government encourages commercial banks to issue green loans. In 2007-2018, China Green loan will improve the financial performance of commercial banks, and this improvement is mainly due to the positive impact of green loan on the profitability rate of banks’ interest-bearing assets, the green development rate will increase the economic profit of green loan issued by banks, and growth and more support through the environmental policy of high green economic In summary, commercial banks should actively develop their green credit businesses and the government should strengthen its green credit incentive policies to promote the coordinated development of green finance and the green economy⁶.

Table 1.

List of “green” credit products offered by banks⁷

| Nº | Category | Subcategory |
|-----------|--|---|
| 1 | Green loans for borrowers in certain areas | - «Green» agricultural projects. Industrial Energy, Environmental Protection. - «Green» forestry projects |
| 2 | Nature of the environment, environment, environment and natural remedies | |
| 3 | Resours processing projects | |
| 4 | Waste disposal and pollution prevention projects | |
| 5 | Renewable and environmentally friendly energy source projects | - Solar energy projects. - Wind projects. - Biomass electricity generation projects. - Hydropower projects. - Projects on Smart Power Networks. |
| 6 | Rural and urban water supply projects | - Engineering projects for drinking water safety. - Water conservation projects. - Urban water conservation projects |
| 7 | Energy saving or green building projects | - «Green» change of existing construction projects. - Green construction, development, use and maintenance projects |

⁵ Hanh H. Green finance for sustainable growth and development in Vietnam. 2016. URL: http://210.245.26.173:6788/tapchi/Uploads/Ho_20Hanh_20My_20T8_2016.pdf (data obraçeniya: 12.01.2019). 9. Pham T. Assessing the role of green credit for green growth and sustainable development in Vietnam. Master’s thesis. 2017. URL: <http://tampub.uta.fi/bitstream/handle/10024/104571/1541748671.pdf> (data obraçeniya: 27.12.2018).

⁶ Dvoretzskaya E. Green Finance as a modern trend in the global economy. Bulletin of the Academy. Moscow Academy of Entrepreneurship under the Government of Moscow. 2017;(2):60–65.

⁷ The decision of President of the Republic of Uzbekistan Shavkat Mirziyoyev on February 16 “on measures to accelerate the introduction of renewable energy sources and energy-saving technologies in 2023”.



| | | |
|---|--|---|
| 8 | Environmental transportation projects | <ul style="list-style-type: none">- Rail transport projects.- Projects for the management of waterways and the purchase of ships.- Urban public transport projects.-Transport projects for Environmental Protection-rail transport projects.- Projects for the management of waterways and the purchase of ships.- Urban public transport projects.- Transportation projects for Environmental Protection |
| 9 | Energy-saving and environmental services | <ul style="list-style-type: none">- Energy-saving services.- Environmental Protection Services.- Water management services. |

Currently, there are many types of "green" credit offered by banks. Credit market assumption (credit market assumption) divides "green" credit into two main types⁸:

- credit for Environmental Protection and waste reduction projects and services;
- credit to developing strategic areas.

However, banks often introduce additional products and services to meet the specific needs of their customers. The actual classification of "green" credit products differs between banks. Table 1 presents a general approximate list of "green" credit products. To regulate and ensure the reliability of these credit relations, "green" loans must comply with four basic principles.

(Green Lean Principles), developed by the Loan Market Association, is a structure that allows all market participants to characterize credit as "green". The principles of "green" credit are based on the following four main components, which are the use of income, the process of evaluating and selecting projects, income management and reporting.

Use of income. The main sign of a "green" loan is the use of loan funds for "green" projects, which must be appropriately described in financial documents. All designated projects must provide specific environmental benefits, which must be evaluated and, if possible, quantitative and reported by the borrower.

Project evaluation and selection process. The borrower must clearly tell the lender the following:

- * purpose of the project;
- * how the borrower described the project as "green";
- * criteria for identifying and managing potentially hazardous environmental hazards associated with the proposed project.

Revenue management. The proceeds from the "green" loan must be transferred to the allocated account and monitored appropriately by the borrower to ensure transparency and improve the integrity of the product. If the "green" credit is in one or more forms of the credit line, each "green" form must be clearly defined. In this case, the proceeds from these tranches are transferred to a separate account or monitored appropriately by the borrower. Borrowers are encouraged to create an internal management process that can track funding for "green" projects.

Report. Borrowers must provide timely updated information about the use of receipts. Privacy agreements recommend providing information in a general sense or on the basis of a common project portfolio in cases where competitive considerations or many key projects limit the amount of detail that can be provided. Information should only be given to institutions involved in credit relations. Transparency is of particular importance to reveal the expected outcome of the project. It is recommended to use indicators of quality and quantitative efficiency (for example, energy intensity, electricity generation, greenhouse gas emissions reduction, etc.), as well as reveal the basic methodology for their calculation. Borrowers who have the ability to track the results obtained are advised to include them in regular reports.

Green credit banks have introduced credit types for residents and businesses such as Corporate Green Loan, SME Green Loan, Green Consumer Loan, Green produce, Green produce Online.

⁸ Loan Market Association. URL: <https://www.lma.eu.com>



Table 2.

The procedure for lending aimed at Green projects in banks⁹

| Nº | Banks | Amount of lending | Duration | Interest rate | Goal |
|-----|----------------------------|-------------------|----------|---------------|--|
| 1. | Ipoteka bank | 99Mln. so‘m | 60 month | 23,99% | Loans for the purpose of purchasing solar panels |
| 2. | Infin green | 50Mln. so‘m | 60 month | 23,99% | Loans for the purpose of purchasing solar panels |
| 3. | O‘zsanoatqurilishbank | 150Mln. so‘m | | 14 % | full or partial financing of «green» projects |
| 4. | Agrobank | 100Mln. so‘m | 60 month | 24% | Cost-effective electricity developer to buy and install devices! |
| 5. | Qishloqqurilishbank | 165Mln. so‘m | 60 month | 24 % | Green consumer credit |
| 6. | Turon bank | 60 Mln. so‘m | 60 month | 25 % | ECOPANEL |
| 7. | Universal bank | 99 Mln. so‘m | 60 month | 25 % | Potrebitelsky credit «Sunlight» |
| 8. | Asakabank | 99 Mln. so‘m | 60 month | 14 % | Green space |
| 9. | Xalq banki | 100 млн.сўм | 60 month | 14% | GREEN |
| 10. | Ipak yo‘li banki | 100 млн.сўм | 60 month | 17% | Green space |
| 11. | Orient finance bank | 50 Mln. so‘m | 60 month | 21% | «Green consumer credit |
| 12. | Ziraatbank | 99 Mln. so‘m | 60 month | 21 | «Green comfort consumer credit» |
| 13. | O‘zmilliybank | 60 Mln. so‘m | 60 month | 22 | «National Green consumer credit |
| 14. | Trastbank | 66 Mln. so‘m | 60 month | 22 | «Credit for the purchase and installation of solar panels» |
| 15. | Kapitalbank | 50 Mln. so‘m | 60 month | 23 | «Ecocredits» |

In Table 2, we are presented with information on green loans, which are proposed to be issued by some existing banks in Uzbekistan. In the process of analyzing this data, we witness that in our country there are enough conditions for reducing energy shortages and applying green economic projects. However, the “green” loan term given for the installation of solar panels, along with the fact that the terms of issuance are satisfactory, the interest rates of these loans remain high in many banks. In mortgage bank, Infin bank, Agrobank, Rural Construction Bank, the loan interest rate stands at 24% and in Turon bank and universal bank at a higher interest rate of 25%. From this offer of high interest loans, it is possible to draw a conclusion in two ways.

The first. Taking into account the high inflation rate, the length of time provided, as well as the high risk of credit non-return, this targeted loan is considered a consumer loan, it is no rentable for banks to allocate loans to these projects, and they demonstrate in this way that they do not want to issue this loan.

The second is due to the cost of importing solar panels and installing this project, the cost of insurance payments from the risk of non-return of the loan, and the implementation of these projects also causes inconvenience for the citizen and causes him to abandon this project. And as a result, state programs become a reform formed in the mouth. So the steps taken for this purpose are evaluated ineffectively.

At the Bank of Asaka”, “Xalq banki”, a loan offer is being made at 14%.

Also, \$100 million will be attracted from international financial organizations, creating “green” credit products for residents and small entrepreneurs in the amount, on acceptable terms. \$100 billion will be allocated to compensate for part of the loan interest allocated to the population. The Ministry of economy and finance was instructed to introduce a system to cover part of the interest on “green” loans issued to residents and entrepreneurs.

Conclusion and suggestions:

In our analysis, we tried to analyze the activities of banks in state policies aimed at the reforms carried out in the Republic of Uzbekistan and the “green economy”, which is the modern stage of the country’s development. We cited in our analysis above the conclusion that the activities aimed at increasing “green” projects in our banks are relatively new and has not been improved yet. In turn, in the scheme for the participation of credit organizations in projects, we believe that it is advisable to introduce in practice the system of project financing, which is presented in Jeffrey Delmon’s proposed scheme for financing public-private partnership projects to infrastructure facilities. That is, in Uzbekistan today, the practice of projects for the construction and employment of alternative energy production

⁹ Author development





facilities on the basis of PPP gives a good result. In turn, the issue of the use of bank loans in the financing of such infrastructure facilities is relevant.

Since in our country the inflation rate is high, the loan period is high, and the “green” target loan is considered a consumer loan, the credit allocation to these projects for banks, given the high risk of non-return, is norentable, and they demonstrate in this way that they do not want to issue this loan.

In the article on speeding up the process of implementation of green projects, it is necessary to create legal benefits for credit organizations providing” green “ loans and develop a mechanism for interactive work with producers

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