

The Role and Significance of The Accounts Chamber of The Republic of Uzbekistan in Implementing State Financial Control

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Abstract: The Accounts Chamber of the Republic of Uzbekistan (ACRU) is the country's supreme audit institution and a keystone of the national architecture of public-sector accountability. Since the 2013 adoption of the Law "On the Accounts Chamber," successive reforms—most recently the creation of the "State Audit" e-platform and the extension of external audit to the consolidated budget—have expanded the Chamber's mandate and methodological arsenal. This article analyses the ACRU's evolving legal foundations, organisational model, audit methodology, and practical results through the prism of the IMRAD framework. Drawing on legislative acts, official reports, and comparative INTOSAI guidance, it demonstrates that the Chamber has moved from ex-post verification of budget execution to a risk-based, results-oriented system encompassing financial, compliance, and performance audits. Empirical findings based on 2018-2023 data show a pronounced increase in the scope of audited public expenditure, a measurable rise in detected irregularities, and a notable improvement in the recovery of misallocated funds. The discussion highlights persisting challenges—limited access to extra-budgetary funds, fragmented internal audit in line ministries, and the need for further digital integration—while underscoring the Chamber's role in fostering fiscal transparency and public trust.

Keywords: Accounts Chamber; supreme audit institution; state financial control; public finance; Uzbekistan; performance audit; fiscal transparency.

Introduction: Against the backdrop of Uzbekistan's transition from a centrally planned system to an open, market-oriented economy, the integrity of public-finance management has emerged as a strategic precondition for sustainable growth, social equity, and investor confidence. Within this architecture, external state audit serves as the definitive mechanism that translates constitutional principles of accountability into measurable fiscal discipline. The Accounts Chamber of the Republic of Uzbekistan (ACRU) occupies this pivotal position. Constituted in its modern form by the 2013 Law "On the Accounts Chamber" and reinforced by successive amendments, the ACRU was mandated not merely to verify budget execution ex post, but to provide independent, risk-based assurance

to the Oliy Majlis and society that public resources are mobilised and applied in line with the nation's development priorities.

Over the past decade the Chamber has pursued an ambitious modernisation agenda that mirrors, and in several dimensions anticipates, global INTOSAI standards. Legislative reforms have expanded its remit from the republican budget to the entire consolidated public sector, encompassing off-budget, debt-financed, and externally funded programmes whose aggregate weight in the expenditure mix has grown markedly since the launch of the "Uzbekistan-2030" strategy. Organisationally, the Chamber has institutionalised performance and compliance audits alongside traditional financial checks, adopted a risk-oriented

planning matrix, and introduced a competency-based professional development system aligned with ISSAI 150. Technologically, it has rolled out the “State Audit” e-platform, integrating audit workflows with the Treasury’s information systems and enabling near real-time publication of findings—an innovation that positions Uzbekistan among the frontrunners in digital public-sector auditing in Central Asia.

These reforms coincide with a broader governmental drive to curb corruption, enhance fiscal transparency, and attract foreign investment through credible governance safeguards. Yet questions remain regarding the Chamber’s access to extra-budgetary entities, the consistency of internal-audit quality across line ministries, and the practical enforcement of audit recommendations. This study therefore examines the evolving role and significance of the Accounts Chamber in Uzbekistan’s state-financial-control ecosystem, evaluates empirical evidence of its effectiveness between 2018 and 2023, and identifies the institutional and technological levers required for the Chamber to fully realise its mandate in the coming decade.

The study rests on an interdisciplinary review of primary and secondary sources. The core legal instruments—namely the Law “On the Accounts Chamber” (2013, amended 2021) and the Law “On Audit Activity” (2021)—provide the statutory framework. Presidential Decree No. ПП-123 (2024) supplies policy direction, while the Chamber’s Annual Report 2023 offers empirical evidence of outputs and outcomes. Supplementary data derive from IFAC country diagnostics, INTOSAI case studies, and peer-reviewed Uzbek and international publications. Methodologically, the article combines qualitative content analysis of legal texts with quantitative examination of audit statistics for 2018-2023. To capture dynamic change, year-on-year growth rates in audit coverage, identified violations, and financial restitution are computed. Comparative benchmarking is achieved through reference to INTOSAI Performance Measurement Framework (PMF) indicators and to practices in neighbouring SAs in the CIS region.

The 2013 Law defined the ACRU as an independent body reporting to the Oliy Majlis; amendments in 2021 bolstered its functional autonomy by granting direct access to the Single Treasury Account and establishing audit standards fully aligned with ISSAI principles [1]. Presidential Decree No. ПП-123 (2024) further broadened the Chamber’s remit by tasking it with the external audit of the consolidated budget, a domain that previously lay partly outside its jurisdiction [2].

Between 2018 and 2023 the ACRU transitioned from predominantly ex-post financial audits of budget

execution to a diversified mix of financial, compliance, and performance audits. The adoption of risk-based planning enabled a sharper focus on high-impact sectors such as health, education, and infrastructure. The “State Audit” e-platform, operational since mid-2023, now serves as the single entry point for registering all public-sector control activities, thereby reducing duplication and facilitating real-time data analytics [5].

Data extracted from the Chamber’s 2023 report show that audited expenditure volumes rose from UZS 42 trillion in 2018 to UZS 145 trillion in 2023, an average annual growth rate of 27 percent [3]. Over the same period, the value of detected financial violations increased by a factor of 4.6, reaching UZS 2.8 trillion in 2023. Importantly, recoveries and restitutions recorded in the treasury system climbed from UZS 320 billion in 2018 to UZS 1.9 trillion in 2023, indicating growing remedial effectiveness. INTOSAI-PMF benchmarking places Uzbekistan’s SAI above the regional average on dimension 7 (audit quality management) but identifies gaps on dimension 12 (stakeholder communication), reflecting limited dissemination of audit findings to civil society.

The Chamber’s strengthened mandate has coincided with broader governmental efforts to increase fiscal openness, as evidenced by the integration of audit recommendations into annual budget-policy statements and the live-streaming of parliamentary hearings on audit reports [6]. These steps have enhanced legislative oversight and public scrutiny, corroborating empirical research that links transparent audit practices with higher ratings in the Open Budget Index. Although the Chamber’s sanctioning powers remain restricted to issuing binding prescriptions, collaboration agreements with the Prosecutor-General’s Office and the Anti-Corruption Agency have accelerated the enforcement of audit findings, particularly those involving procurement violations and the misuse of targeted funds.

Despite notable progress, several constraints persist. Audit coverage of extra-budgetary funds and state-owned enterprises remains limited, primarily because the legal definition of the consolidated budget is still under revision. Internal audit units in spending agencies vary widely in capacity, which affects the reliability of control environments assessed by the Chamber. Furthermore, the digital interface between the “State Audit” platform and the Ministry of Finance’s information systems is not yet fully interoperable, impeding real-time data exchange. Addressing these issues requires synchronised legal amendments, capacity-building for internal auditors, and the accelerated deployment of machine-learning tools for

anomaly detection within the audit process.

CONCLUSION

The transformative trajectory of the Accounts Chamber of the Republic of Uzbekistan attests to a broader paradigm shift in the country's public-finance governance. By institutionalising risk-based planning, embedding ISSAI-compliant procedures, and digitising audit workflows through the "State Audit" platform, the Chamber has moved decisively beyond a retrospective "watchdog" model to become a forward-looking catalyst for prudent fiscal management. Quantitative evidence—sharp growth in audited expenditures, a manifold rise in detected irregularities, and a commensurate surge in remedial recoveries—confirms the material benefits of this evolution. Equally important, qualitative advances such as live-streamed parliamentary hearings and open-data releases are deepening public trust, signalling that accountability is now perceived as a shared societal value rather than a narrow bureaucratic function.

Yet sustainability hinges on closing the remaining systemic gaps. Bringing extra-budgetary funds, state-owned enterprises, and public-private partnerships fully within the Chamber's audit universe will prevent leakages at the fiscal periphery, while the legal entrenchment of ISSAI standards across all tiers of government can eliminate interpretive ambiguities. A nationwide upgrade of internal-audit units—anchored in unified professional certification and interoperable IT architecture—would cultivate a first line of defence that complements, rather than duplicates, the Chamber's external oversight. Finally, harnessing advanced analytics and machine-learning tools will enable auditors to mine vast data streams for early-warning signals, shifting the balance from ex-post fault-finding to predictive risk mitigation.

In sum, the Accounts Chamber already plays a pivotal role in safeguarding public resources and reinforcing citizens' confidence in the state. Consolidating its gains and tackling residual vulnerabilities will position Uzbekistan's supreme audit institution as a regional benchmark for integrity, transparency, and evidence-based fiscal stewardship—critical preconditions for achieving the ambitious socio-economic goals set out in the "Uzbekistan-2030" strategy.

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