

DOI: 10.26794/2587-5671-2022-26-3-146-156

UDC 657(075.8)(045)

JEL M48, H56, D73

# Forming Strategic Directions for Development and Reforms of the State Financial Control in the Republic of Tajikistan

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## ABSTRACT

This paper considers the problems of state financial control, which are relevant for the government of any country. **The aim** of the study is to develop practical proposals to improve the effectiveness of the state financial and control authorities in the Republic of Tajikistan. The author uses **the methods** of analysis, generalization and comparison to identify shortcomings of the state financial control in the Republic of Tajikistan. The study presents an analysis of international experience in this area and some aspects of the Lima Declaration, which have been applied in practice and showed their effectiveness. **The scientific novelty** of the study lies in the fact that the author proposes measures to improve the state financial control activities of the Republic of Tajikistan and the Accounts Chamber. Among them: increasing the efficiency of using public funds, creating an integral system of state financial control, preventing duplication of powers and functions of state financial control bodies, introducing international experience in the field of state financial control and measures to improve laws and regulations in the field of state financial control, and creating a mobile and efficient system of state financial control. The author **concludes** that it is necessary to adjust the financial control system of Tajikistan to ensure its relevance and compliance with the requirements of the country's current policy objectives. The author's recommendations can be used to improve the regulatory framework of the state audit in the Republic of Tajikistan.

**Keywords:** Republic of Tajikistan; financial and control activity; state audit; Accounts Chamber; state budget; international standards; Lima Declaration

**For citation:** Davlatzoda D.A. Forming strategic directions for development and reforms of the state financial control in the Republic of Tajikistan. *Finance: Theory and Practice*. 2022;26(3):146-156. DOI: 10.26794/2587-5671-2022-26-3-146-156

## INTRODUCTION

State control is one of the main provisions of the general control system. It determines the importance of monitoring the work of business entities located on the territory of the Republic of Tajikistan, including monitoring the performance of official duties by civil servants. The purpose of such control is primarily to improve the work of the management apparatus, in particular the voluminous structure of the financial apparatus, and secondly – to expand and specify the area of responsibility of State officials in the performance of the tasks assigned to them. A key feature of state control is that it should be directly related to those state bodies and their supervised institutions that deal with the formation of the budget, making proposals for its adjustment, approving objects of expenditure, and budgetary allocations to their recipients. Monitoring should be comprehensive not only for all financial stages regarding the assets of the state, but also for a huge list of state bodies and services, for example, customs, tax authorities, banks, etc. This is the particular importance and necessity of State control, which will avoid corruption schemes, ensure accurate and uninterrupted delivery of the full amount of money to the entities to which they were intended.

The State needs more active participation in anti-corruption activities, as well as in the fight against economic offences in the Republic of Tajikistan. Establishment of financial and economic controls that help to ensure a balance between the State and its agents is paramount [1, p. 86]. The function of State control is obligatory and inherent in any developed State, as it not only ensures the development of the country as a whole, but also affects the effectiveness of its functioning [2, p. 35, 36].

In the period of the pandemic in the Republic of Tajikistan, the need for financial control has increased [3, p. 16]. It is essential to adjust the management of financial assets as well as to establish a scheme for their effective use. Therefore, such directions

state “control”, “independent financial audit” and “management activity” can be called priorities for the development of the country. It is necessary to consolidate and delineate these areas in the legal and regulatory acts of Tajikistan, which will contribute to the objective assessment of the wrongfulness of the actions of the entities, as well as the identification of economic violations leading to consequences at the legislative level [4, p. 6].

## MATERIALS AND METHODS

### Statement of the problem

The establishment of State control in the Republic coincided with the development of the State and the transition to market relations. Unfortunately, the development of State financial control in the early years of independence was not given due attention, which resulted in many years of delay in the formation of its complete system [5, p. 31, 32].

It is now known that a weakening of State control could have the following consequences:

- budget billions can be spent for other purposes or embezzled;
- hundreds of thousands of depositors or investors can be cheated;
- months of non-payment of wages can become almost the norm.

At the same time, a large number of private enterprises and organizations have appeared in the Republic. They have different sources of financial resources from the state structures, they are guided by their principles of lending, pricing, money settlement, income distribution, etc. Overcoming the former principles of party control and the class approach to it, the so-called worker, the people’s control characteristic of the totalitarian society, the elimination of excessive centralization has led to the creation of new public financial supervisory bodies. Their task – on the basis of appropriate control and expert-analytical measures, to focus on the existing problems of the use of public funds and property, to analyze the efficiency of budget expenditures and, as a result, to offer reasonable proposals

to optimize them, eliminate violations and shortcomings that occur in the industry. The need to increase the level of control over the State's finances is due to a number of complicated factors, such as the need to use the Bank's services to serve the purposes of the State, etc.

Effective control in the financial sphere for the coordination of state funds — is a main determinant of the establishment of a trusting relationship between society and the state. A high level of public trust is achievable when there is no pressure from external factors and various bodies.<sup>1</sup>

In reviewing the current system of financial control in Tajikistan, the author concluded that it needed to be improved, as it did not correspond to changes in many aspects and activities.

## RESULTS OF THE STUDY

Due to the legislative gap, there is a need to solve this problem through the creation of a core document that is well thought out: concept, objectives, tasks, functions of specific bodies of state financial control, features of their interaction.

It was also important to ensure the adoption of uniform, no contradicting each other laws, which required adjustments in practice [6, p. 177]. Local regulatory legal acts and recommendations contain only layers of information, but do not reflect it in its full, proper form.

However, with regard to the concept of financial control, the existing draft laws do not regulate its adequate implementation with respect to State enterprises, the budget, the expenditure on the maintenance of State-owned joint stock and private enterprises, Legal status of State and local supervisory authorities. Supervisory staff are not given sufficient attention and are not guaranteed independence and protection from

interference by government agencies [7, p. 370]. The only thing that is in almost all laws — the unjust desire of their authors to solve departmental problems in their own interests.

The moment regarding when it is necessary to draft and adopt a law “On State Financial Control”,<sup>2</sup> which would include the following sections:

### 1. General provisions.

The section should contain a clear definition of State financial control, justification of its necessity, types, forms and basic methods of work.

### 2. Objects of State Control.

The section should define the objects of control by group.

### 3. State financial supervisory bodies, their powers and areas of activity.

Status is clearly established: the Accounts Chamber; the Agency for State Financial Control and the Fight against Corruption; organizations and institutions containing at the expense from the State budget of the Republic of Tajikistan; local budgets; state and trust funds; state economic organizations; joint-stock and private enterprises.

### 4. The principal effects of state financial control.

General tasks in the context of control bodies are detailed.

### 5. Rights and duties of employees of State financial control bodies.

Defines the powers, rights and duties of the employees of the control services in the exercise of their control functions; guarantees their independence from the intervention of the authorities and State protection in case of unlawful actions.

The Coordinating Council, chaired by the President of the Court of Accounts, should be established or at least considered. The state of control of the agencies should be audited by the Agency for State Financial Control and the Fight against Corruption. In addition, emphasis should be placed on the development

<sup>1</sup> Eurasian fund for Stabilization and Development. Republic of Tajikistan. Recent social and economic trends and short-term prospective. September, 2019. URL: [https://efsd.eabr.org/upload/iblock/c1e/Eng\\_RT\\_macro\\_2019Q2.pdf](https://efsd.eabr.org/upload/iblock/c1e/Eng_RT_macro_2019Q2.pdf) (accessed on 26 June 2021).

<sup>2</sup> Law of the Republic of Tajikistan from 02 December 2002 No. 66 “On the State Financial Control in the Republic of Tajikistan”. URL: <http://minfin.tj/downloads/ogfkvr.pdf> (accessed on 24 June 2021).

of a monitoring and audit plan. It is necessary to divide the control into departments with delimitation of their specifics:

1. Department of Budget Control, which will define tasks and requirements, as well as verification methodology and auditing techniques for operations and the use of funds from the budget.

2. Department of Material Assets Control, which provides details on the conduct of features of inspections and audits of companies.

3. Department of Audit to preserve values of a material nature, as well as cash, which will consider the need for inspections, their ways and methods.

4. Department of Audit Output. It should set out the formalities required for certain facts and violations.

Time should be devoted to actual disclosure of inspections and audit information. The first step is to establish a number of requirements for materials that are the result of or are part of the checks, including how they are implemented by the financial control authorities. Specific requirements should be established for the heads of all types and levels of organizations regarding their actions and reactions in obtaining instructions from the monitoring bodies.

It is important to pay attention to the establishment of criteria for evaluating the implementation of decisions taken on the basis of the measures to compensate for losses or to bring the subject of the inspection into the required state, while distinguishing the functions of the police, courts, prosecutor's office, etc.

It would be better for the supervisory authorities to hold the heads of services accountable on a material basis. Inspectors should have the authority to dismiss a leader from their posts in extreme cases.

The question arises: how to be, if the verification results do not satisfy the subject? Answer is simple: provide for appeals against decisions or even specific actions by monitoring bodies. Prosecution of the verifiers is possible for errors indicated in the

documents, illegal actions, lack of objectivity and other actions to the detriment of the organization or employees. And it should be noted that all employees of the monitoring bodies are obliged to have higher economic education, as well as timely to take advanced training courses

Financial motivation of monitoring bodies needs to be adjusted. In particular, the question of the reimbursement of business travel costs, which has not yet been regulated, can be highlighted.

It is also important to note that the Republic of Tajikistan lacks adequate control over the revenues of the State and local budgets. The fact that it is connected exclusively with the tax committee — is inappropriate. This service ensures that payments are correct and that taxes are paid on time. But the economic side of the taxpayer's activity is not properly monitored by the Ministry of Revenue and Charges, as it has other tasks and functions. This was repeatedly brought to the attention of specialists of the Court of Accounts of the Republic, experts of the World Bank, but, contrary to logic, with the adoption of the Tax Code,<sup>3</sup> the verification of tax payments became the exclusive right of the tax committee, and customs duties — customs authorities, etc. In essence, certain areas of State financial control have been monopolized in the absence of a socially transparent control procedure [8, p. 365–366].

The Law of the Republic “On the Court of Accounts”<sup>4</sup> generally complies with the Lima Declaration on the guidelines for financial control,<sup>5</sup> adopted at the IX INTOSAI

<sup>3</sup> The Tax Code of the Republic of Tajikistan from 17 September 2012 No. 901 (with changes and additions on 17 December 2020). URL: [https://online.zakon.kz/Document/?doc\\_id=31270626](https://online.zakon.kz/Document/?doc_id=31270626) (accessed on 26.06.2021).

<sup>4</sup> Law of the Republic of Tajikistan from 28 June 2011 No. 749 «On the Accounting Chamber of the Republic of Tajikistan». URL: <https://www.sai.tj/index.php/ru/zakonodatelstva/zakonodatelstvo-o-schetnoj-palate> (accessed on 24.06.2021).

<sup>5</sup> International Standards of Supreme Audit Bodies (ISSAI) issued by the International Organization of Supreme Audit Bodies (INTOSAI). URL: [https://www.intosai.org/fileadmin/downloads/documents/open\\_access/INT\\_P\\_1\\_u\\_P\\_10/issai\\_1\\_ru.pdf](https://www.intosai.org/fileadmin/downloads/documents/open_access/INT_P_1_u_P_10/issai_1_ru.pdf) (accessed on 24.06.2021).

Congress in October 1977, although some of its provisions are not reflected in the law. However, there is still no legal regulation of independent financial control by the Court of Accounts of the formation of income from the State budget of the Republic and the use of budgetary funds [9, p. 157]. The resolution of this issue stretched for 7 years due to the interest of individual officials, which caused significant economic losses to the State. The reasons for this attitude to the crucial issue should be identified separately.

“Out of the game” and the state audit, although the need to carry out such control is confirmed by statistics, which shows that every second enterprise of the Republic is unprofitable.

A special problem is the control over the use of state and municipal property, the finances of enterprises operating on its basis. On the part of the owner of the property — the State — the activities of such enterprises in terms of generating profit and using it are not managed, huge financial flows are not controlled. Neither the Audit Chamber, nor the bodies of the State Financial Inspectorate of the Republic, nor the financial authorities do not carry out the State audit on the use of the specified property. The Committee of State Property of the Republic has partially such functions, it has the right to exercise the powers of the owner with respect to the shares of joint-stock companies that have not been realized in the process of privatization. However, he does not use this right, because he is too busy with other tasks, and he lacks specialists in financial matters. Such analysis can be carried out by audit firms, but their services are very expensive and audit reports are confidential. Therefore, without appropriate legislative changes, reports cannot be provided neither the Ministry of Finance nor the Government nor the Majlisi namoyandagon of Majlisi Oli of the Republic of Tajikistan [10, p. 1].

In my opinion, all companies and individual enterprises (IE) in the country need regular inspections. It is important to give legal status

to the auditor’s opinion as well as to define the scope of application of such a document. This approach is based on the division of State control into two parts: control by the Government and control by Parliament.

Both types of control should have their own powers, although this has been a controversial issue for many years, as the central supervisory authority has not yet been defined and therefore this must be resolved.

Tajikistan does not currently have a single competent module of State financial control bodies. Based on local legislation, we can only conclude that the Audit Chamber is such a body. However, in the absence of well-thought-out laws and State financial control strategies may be associated with this function by some group of bodies, but not by one. Given the separation of the functions of the above-mentioned group, it is worth clarifying that most of the bodies themselves demand control and do not relate to those carrying it out.

The Audit Chamber is confused about the content of some draft laws that include parliamentary control as a minor procedure. The development of the Charter of the Audit Chamber, possibly taking into account the principles of INTOSAI, would provide a stable position. If it reflected the possibilities, tasks and functions of the Audit Chamber, questions concerning the supremacy of the organization over others would cease to exist.

The work of the Audit Chamber has a vector for tracking the usefulness, quality of cash flow and monitoring the use of funds received from the budget. This leads to the conclusion that the authority does not check the funds, but the appropriateness of their use, including the property of the State.

There is now a need to legislate for new functions, for example:

- risk assessment applicable to financial and economic security;
- carrying out initial analysis and further control of the state programs to guarantee the security of the finances and economy;
- supervision over the financial transactions;



- development of methods of carrying out control measures, and ways of interpreting the received information [11, p. 100];
- facilitating the exchange of experience across countries on the issue of financial implications;
- verification prior to the sale of property of significance to the State;
- leading the establishment of standards in other countries and controlling the Republic's finances.<sup>6</sup>

The Audit Chamber should regularly review and verify the implementation of its decisions by the chief budget managers.

Most budget expenditures for a given year are already regulated by the laws and financial obligations in force, which limits the ability of the Majlisi namoyandagon of Majlisi Oli to make decisions on budgetary issues. It is therefore important that the Majlisi namoyandagon of Majlisi Oli receive advice and the results of inspections from the Audit Chamber on long-term financial obligations. Provision of relevant recommendations to the Majlisi namoyandagon of Majlisi Oli is also important for medium-term financial planning purposes.

The Audit Chamber takes part in the preparation of the State budget of the Republic, usually by means of comments and proposals, which are advisory in nature. However, the Audit Chamber does not have the authority to change the budget estimates made by the executive branch. The proposals of the Audit Chamber are not binding. The involvement of the Audit Chamber in the budget process should not compromise its independence in the subsequent monitoring of budget implementation. The Audit Chamber will gain more independence when advising the Majlisi namoyandagon of Majlisi Oli if its budget funding is outside the influence of the executive power.

The Audit Chamber should be more actively involved in the financial examination

of draft laws related to the State budget and extrabudgetary State funds (institutions), international treaties to which the Republic of Tajikistan is a party, as they are ratified by the Majlisi namoyandagon of Majlisi Oli.

The State's financial control sector is not provided programmes and information at the proper level, communication is not concentrated in one particular body, but is divided among different actors. In addition, the content of the work of the financial supervisory authorities and the range of options prescribed in the various instruments have not been adapted to the new criteria for financial control.

In order to eliminate the problem of information exchange, it was decided to create an electronic platform in which different programmes that are not interconnected can be used. The problem has not been solved altogether, the exchange of information is still difficult, but the prerequisites for overcoming this shortcoming have emerged.

The next problem is that all budgetary procedures are not covered by the permanent state financial control: from the beginning of the formation of budget requests, approval of relevant budgets and estimates to the financing of expenditures, payment of bills and actual use of funds.

It is necessary to establish an effective system of internal financial control of the State. Currently, it is carried out by the Audit Chamber of the Republic of Tajikistan, the Agency for State Financial Control and Combating Corruption, the Tax Committee, etc. [12, p. 37].

Priority in internal financial control is process of establishing and using budget allocations.

Control of the efficiency of the application of the revenue and expenditure parts of the budget and the use of the property of the State involves the following factors:

- organizational and supervisory activities in terms of the speed of implementation of the income and cost parts of budgets, and State off-budget funds, based on the volume, structure and purpose [13, p. 212];

<sup>6</sup> Centre for Financial Reporting Reform. Internal audit key performance indicators. URL: <https://documents1.worldbank.org/curated/en/840271546848703532/pdf/Internal-Audit-Key-Performance-Indicators.pdf> (accessed on 26.06.2021).

- determination of rationality of costs and use of state property;
- assessment of the reasonableness of income and cost component of budgets.

The Audit Chamber found a significant number of irregularities during the internal control process, of which the key ones are:

- a) costs incurred in contravention of current Tajikistan legislation, including failure to comply with the conditions for writing off cash against cash expenditures of budgetary institutions or spending in excess of specified period limits;
- b) unreasonable calculation of cost rates, which budget was overstated to its recipients;
- c) reduction of the group of “fixed assets” and other inventory items in accounting;
- d) payroll in excess of number of services rendered or work performed;
- e) no capitalized transactions of material or cash value;
- f) Illegal payment of bonuses, pensions, benefits and other payment;
- g) cash shortfalls by State-owned companies in the disposal of assets arising from undervalued purchases and sales;
- h) other illegal expenses.

The problem of control over budget funds and public expenditures remains today for various reasons quite complex and requires an accelerated solution.

Results of the auditor’s check, which is carried out as control of budget implementation and use of budget funds, suggests that the unsatisfactory pre-monitoring and ongoing monitoring of budgetary resources and demonstrates the need for a coherent system of financial and budgetary control. The introduction of new State institutions and changes in budgetary technologies require the development of an adequate system of financial and budgetary control, ensure a coherent system of control over the management of public resources, to coordinate the activities of all competent authorities of the State in the organization and implementation of public expenditures and to ensure the mobilization of budgetary resources [14, p. 210].

The principles of control set out in the comments to the Law on the State Budget of the Republic are the basis for the formation of a coherent system of control over State resources, funds and property in the preparation of a system legislative act on the organization and implementation of State financial and budgetary control.

Another legal problem of the system of state financial control is the uncertainty of its impact on the management of resources at the municipal level.

Many heads of local authorities are of the view that the State is not responsible for their financial obligations and therefore some State financial control should not be discussed. However, this is not the case, because it does not mean that the territorial collectivity carries out economic activities on equal terms with other economic entities.

It is logical that the leadership of the Republic should ensure reliable external and internal financial control, compliance of regional bodies with similar restrictions on financial activities. However, there is currently no legislative definition of who should exercise this control and to what extent.

Another problem of state financial control is the uncertainty of its forms and methods, the unpreparedness to act in the context of global transformations in the global economic mechanism. In order to bring the system of state financial control in the Republic in accordance with the norms and rules of EU legislation, it is necessary to adopt “Concept of reform of the State financial control system” and make significant changes to the procedures and mechanisms of the entire system.

The modern system of state financial control and audit has many components, the organizational structures of such a system, existing in different countries of Europe, may differ. However, the system of mechanisms, procedures, approaches and standards is common to all EU countries.

The main parts of the European Union’s internal public financial controls are:

- cash management and control;

- internal audits;
- harmonizing the central apparatus.

There is an opinion on the need to develop one system and external control of finance. Control is now fragmented into organs, but it is not one. This allows each entity to act within its own competencies, carrying out the tasks assigned to it, which has a number of disadvantages. Among them — similarity of actions, poorly built communications, inconsistencies in different areas, etc. It reduces productivity, takes a long time to discover the truth and fix problems. As a result, each can pass the test once, and one — not once.

Control of finances requires updating, getting rid of contradictions, harmonization of activities with laws. These measures must be taken now. Developed countries have long used experience, where not only organizations, but also the disposal of State funds is subject to control.

State control of the financial sphere is essential for regulation, because it touches aspects of the sustainability of the economy in a country, so that the object of control increases and acquires gets new paint [15, p. 137, 138].

It should be noted that today it must be recognized that the inconsistency of actions and elementary errors have not yet allowed the Republic to establish an effective, market-based State system of financial control [16, p. 456]. The official position on the system has not yet been clearly established. Although, as a rule, the Constitution of each democratic country determines the procedure for the establishment of the supreme control body and the necessary degree of its independence and rights, the powers of control and other details are established by the relevant law. According to the Constitution,<sup>7</sup> the Audit Chamber of the Republic performs State control functions and manages through independent information. The concept of a

system of public financial control has not yet been adopted, nor does it exist in existing laws. These circumstances have a negative impact on the nation-building process. In addition, much of the control of public funds is now concentrated in the hands of the executive authorities, which are responsible for the administration of the funds. This limits the rights and oversight powers of the financial control bodies, including the Audit Chamber, and prevents control of various areas of public resource management.

The situation cannot meet the needs of the State or the expectations of society. Therefore, one of the ways to reform the system of public financial control is to further develop external independent control in the management of public resources.

According to the “Lima Declaration of Control Guidelines” as a strategic direction of development of the state financial control, the transition from the so-called regulatory audit (verification of compliance with established standards) to audit of effectiveness is considered. It is well known that the cost-effectiveness assessment is based on two main elements: result, the extent to which a particular objective is achieved and the resources required to achieve it. The ratio determines the effectiveness of an activity.

## CONCLUSION

Thus, the most important condition for the organization of state financial control to determine the effectiveness of the use of public resources is the presence of an appropriate target, or, in other words, a clear understanding of what goals and objectives we monitor. Unless the goals and objectives are understood and the means to achieve them are understood, it is impossible to determine the effectiveness of the formation and use of public resources [17, p. 10].

The system of State financial control should be holistic only because it should be based on uniform principles, norms and standards of operation and performance, with clear definition of control bodies and allocation of their functions and duties. Such a system

<sup>7</sup> The Constitution of the Republic of Tajikistan (at the edition referendum from 26 September 1999, from 22 June 2003, from 22 May 2016). URL: <https://www.mfa.tj/ru/main/tadzhikistan/konstitutsiya> (accessed on 24.06.2021).



should not be hierarchically subordinate and hierarchical. Each body should carry out its specific tasks, have its own auditees and act according to the same methodological and organizational principles [18].

The next important condition for public financial control is its unity and integrity. Interaction of the bodies of the system, coherence of their actions will guarantee maximum transparency of budget movements, objective and comprehensive information, as well as proper monitoring of the elimination of violations and implementation of proposals.

The control of finance throughout the system should be oriented towards the management of the bodies exercising this type of control. Here it is necessary to provide for the delimitation of authorities, making the function "individual". Interestingly, the tasks that arise involve the use of various powers, which obliges the delineation of functions.

If there is no consistency in actions, the duties are multiplied and carried out by different bodies repeatedly, although the peer work on the projects increases the quality, freshness of views, depth of analysis.

The development of one system would, a priori, add value to the activities of the bodies that are part of it. To do this, you need to define the hierarchy, clarity of actions, responsibility, functions. But do not forget that the leading role in the control of finances belongs to the legislator.

Since financial control laws are imperfect, it should be noted that:

1. There is a need to adjust the information showing the current status of cash amounts, their targeted spending during the execution of the budget, as well as the results of actions and performance analysis.

2. It is important to introduce new principles and change the previously adopted framework regarding internal communications in the bodies, which contributes to their development.

3. It is necessary to separate external communications as "special".

4. International experience should be taken into account and attempts should be made

to incorporate it into their own monitoring system.<sup>8</sup>

The main objective of State control is to ensure the stability and economic security of the State. To achieve this, it is necessary:

- first, to increase the revenue of the state budget;
- second, save budget expenditure;
- third, reduce the number of financial offences;
- fourth, reduce the level of corruption in the State.

All this should be the basis for defining the main tasks of the state financial control bodies. Deleting at least one of them would not achieve the main objective of public financial control.

Public financial supervision must become comprehensive. The more budget funds come under control, the more complete and quality information will be provided to the public authorities and the public; unaudited matters by control officers will be reduced and, therefore, budget violators will not go unnoticed.

Also, the system of state control should be mobile, i.e. operational, adequate and professionally responsive to any changes in the economy and legislation; ensuring the fullest possible prior, ongoing and follow-up monitoring.

Attention should be given to the first warning of financial discipline violators in order to avoid undesirable consequences in the future.

Taking into account the above-mentioned prerequisites for reforming State control, it is advisable to address its problems in the following areas:

- formation of a common conceptual framework for the organization of State financial control, taking into account the modern conditions of development of the economy of the Republic;

<sup>8</sup> Implementing the International Standards for Supreme Audit Institutions (ISSAIs): Strategic considerations URL: <https://docplayer.net/19107167-Implementing-the-international-standards-for-supreme-audit-institutions-issais-strategic-considerations.html> (accessed on 26.06.2021).

- creation of a single legal field for the development of the system of State financial control and legislative consolidation of its subjects' control functions;
- establishment of new and improved public financial control procedures;
- improvement of methods of state financial control;
- optimization of State financial control organizational structures;
- improvement of staffing of the State financial control system, creation of a modern research and training base on international standards;<sup>9</sup>

- creation of an adequate modern information and communication infrastructure;
- improved logistics and financial management of the State financial control system.

The use of these recommendations will create a strong management system, which minimizes lawlessness in the budget, modernizes the management of the state's finances, will lead to the optimization and implementation of those standards, which have long been accepted by developed countries and can form the basis of a successful system.

<sup>9</sup> Performance Audit of Guidelines: ISSAI 3000–3100. Standards and guidelines for performance auditing based on INTOSAI's Auditing Standards and practical experience. URL: <https://www.auditorgeneral.gov.tt/sites/default/files/Performance%20Audit%20Guidelines.pdf> (accessed on 26.06.2021).

[www.auditorgeneral.gov.tt/sites/default/files/Performance%20Audit%20Guidelines.pdf](https://www.auditorgeneral.gov.tt/sites/default/files/Performance%20Audit%20Guidelines.pdf) (accessed on 26.06.2021).

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*Conflicts of Interest Statement: The author has no conflicts of interest to declare.*

*The article was submitted on 08.08.2021; revised on 20.08.2021 and accepted for publication on 27.12.2021.*

*The author read and approved the final version of the manuscript.*