

# International Standards in the Field of Complains are a Means of Coordination in the Context of Economic Integration

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**Annotation.** An overview of the main international standards in the field of complains control relating to financial market organizations is given.

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It is especially important to comply with regulatory requirements with the emergence of new international standards and extraterritorial laws, as well as in connection with international sanctions and the application of other measures of influence on the financial market organizations of regulatory bodies, as well as to take measures to timely respond to the measures of influence of regulatory bodies. In order to effectively manage the organization's compliance with regulatory requirements, it is necessary to create a complains management system.

Complains control is part of the internal control system of the organization responsible for activities to minimize complains-risk. The Basel Committee on Banking Supervision's April 2005 document "compliance and compliance function in banks" (Basel recommendations) defines complains-risk as the risk of legal or regulatory sanctions imposed by the bank, large financial losses or loss of reputation as a result of non-compliance with laws, guidelines, regulations, standards of self-governing organizations or the corporate moral code regarding banking activities.

Basel contains a list of issues of supervisory powers that comply with the recommendations, namely: compliance with laws, compliance with regulations, relevant standards, the fight against the legalization of income from crime, tax legislation, preventing financial institutions from participating in operations regulated by their clients or used to avoid financial reporting requirements, evasion from paying tax obligations or committing illegal actions.

Compliance with laws, regulations and standards in the field of Komplpaens control has a wide variety of resources, including basic laws, regulations and standards adopted by legislative and regulatory bodies, market agreements, codes adopted by industry associations, and internal rules of Conduct for employees of the organization. In the Basel recommendations, it is separately noted that the complains should be part of the corporate culture of the organization, and not just the responsibility of the complains control specialists.

It is also recommended that the organization has a complains control policy or other official document that addresses the following issues:

- \* Roles and responsibilities of the Complains control service;
- \* measures to ensure its independence;

\* interaction of the complains control service with other departments in the organization and the Internal audit Service;

\* in cases where the control tasks of complains are performed by employees of various departments-the presence of a mechanism for the distribution of obligations between departments;

\* access to documents and processes of the complains control service

\* the right of the complains control service to access the information necessary for the performance of its functions and the obligation of the organization's employees to cooperate in the provision of this information;

\* the right of the complains control service to investigate violations of the complains policy and, if necessary, to appoint third-party specialists to perform this task;

\* the right of the complains Supervisory Service to freely express and disclose its conclusions to the executive bodies, as well as, by necessity, to the Supervisory Board or to the committees of the council;

\* direct access to the Supervisory Board or board committees of the complains control service.

Despite the fact that the Basel document "complaints and complaints function in banks" was published almost ten years ago, the norms enshrined in it are purely advisory in nature and are carried out only by some banks. In most countries of the territory of the former Soviet Union, complaints control services are available only in a small part of banks, as well as in branches of the largest international companies in the country. At the same time, the presence of the complains control service, as a rule, is nominal, and compliance is reduced to the development of a high level of policy, in which risk management is practically not applied. At the same time, in addition to Basel's recommendations, there are a number of other international standards, the fulfillment of the requirements and compliance of which falls within the scope of complains control and is mandatory for financial organizations.

For example, the US law of December 19, 1977 No. 95-213 "on corrupt practices abroad"(Foreign Corrupt Practices Act) and the law "on bribery of Great Britain"(United Kingdom Bribery Act).

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The U.S. law on corrupt practices abroad, the world's first law prohibiting bribery against foreign officials, came into force in 1977. This law prohibits candidates for official, political party and its officials, foreign public office, foreign official from making proposals, payments, making any payments, making promises or presenting any money, proposals, gifts, promises or anything valuable to a foreign citizen, allowing the use of mail and other means of cross-border trade for corrupt purposes.

The UK law on bribery, adopted on April 8, 2010, entered into force in July 2011. The purpose of the law is to prevent bribery both directly in the UK and abroad. The concept of "bribery" includes both bribery and receiving.

The main feature of the British law on bribery in relation to the anti—corruption legislation of other countries is that it is primarily aimed at introducing mechanisms for the Prevention of corruption by potential bribery-commercial firms. Unlike US law, responsibility is established not only for the bribery of persons performing state functions of the state, but also for the bribery of officials in the private sector.

For companies registered outside the UK, the obligation to comply with UK Anti-bribery legislation may arise in the following cases:

- \* if the company has a branch, office in the UK, work in the UK;
- \* the company is served by a British company agent or distributor registered in the UK.

Anti-corruption laws of the United States and Great Britain establish criminal liability for individuals and legal entities.

The UK law on bribery focuses heavily on the responsibility of legal entities for corruption crimes and offences. Companies are punished for bribery in the form of fines, the amount of which is not limited and determined by the judge, as well as a ban on participation in state contracts in the countries of the European Union. The law also provides for responsibility for the bribery of foreign officials whose duties are not related to Great Britain and are carried out outside the UK. At the same time, responsibility is established not only for the bribery of persons performing state functions of the state, but also for the bribery of officials in the private sector.

The Companies of Uzbekistan, which conduct business in the UK and with British companies, first of all faced the need to comply with the requirements of the law "on bribery" and create internal anti-corruption policies and procedures.

Anti-corruption standards have become one of the first to operate in a single order not only at the level of individual states, but also in most developed and developing countries of the world. Along with the standards for combating the legalization of income from crime and the financing of terrorism, anti-corruption standards are universally recognized and universal, and are largely uniformly enshrined in national legislation. At the same time, anti-corruption policies are an integral part of the internal documents of each large international company.

Complains Supervisory Authority also includes a large work block dedicated to compliance with international standards and tax discipline laws. The U.S. law "on taxation of foreign account numbers" of March 18, 2010 (Foreign Account Tax Compliance Act,) and the "standard economic cooperation and Development Organization for automatic exchange of account information for tax purposes" of July 21, 2014 (automatic exchange for the standard of Economic Cooperation and development for the organization, Financial Information tax matters (General Reporting Standard, SRS)). These rules are, in fact, extraterritorial laws that apply to all financial institutions of the world.

As financial institutions are understood as: banking organizations (Treasury institution), depository organizations (Liberty institution), investment companies (investment entity), insurance organizations (fixed insurance company), holding companies (holding company) and treasury centers (Surkhandarya region Center).

Financial institutions participating in FATCA are subject by law to the following obligations:

- \* register the financial institution and its affiliated companies — financial institutions with the US Internal Revenue Service, thus signing the FATCA agreement (FFI agreement).;
- \* Identification of existing clients of individuals and legal entities for FATCA purposes;
- \* Amending the procedure for accepting new customers of individuals and legal entities in order to collect customer data for FATCA identification;

FATCA provides for the possibility of an intergovernmental agreement between the United States and the partner country on one of the existing models (Model 1 or Model 2). The conclusion of such an agreement makes it possible to legally resolve contradictions between the requirements of the FATCA and the legislation of the partner country, and also removes certain obligations from financial institutions registered in the partner country in relation to the obligations imposed by the FATCA on financial institutions of countries without intergovernmental agreement. Countries that have entered into such an agreement with the United States include most European countries, as well as Brazil, South Africa, Japan, etc.

After the entry into force of FATCA, the European regulatory authorities developed their own version of the tax discipline law — the CRS standard. Unlike FATCA, CRS is applied only to financial institutions in countries that agree to join the system of automatic exchange of tax information. Since the beginning of 2015, 90 countries have been forced to participate in CRS. Since 2017, most of them force financial institutions to provide information about the accounts of customers who are tax residents of each of the participating countries, which are then exchanged by the tax services of these countries.

Thus, the main international standards in the field of complains control are determined by the following documents:

- \* Recommendations of the Basel Committee on Banking Supervision "complaints and complaints function in banks" ;
- \* U.S. law on corrupt practices abroad;
- \* British law on bribery;
- \* US law "on tax discipline in relation to foreign accounts";
- \* Standard for automatic exchange of information on calculations for tax purposes of the Organization for Economic Cooperation and development;
- \* International sanctions;
- \* Other extraterritorial laws.

The Complaints control service is a key element of the internal control system, allowing the organization to comply with regulatory requirements. In the context of economic integration and an increase in the requirements of international regulators, the complaints control service can become a unit with a general idea of the external regulatory environment due to its position in the organizational structure of the company, which allows it to form a company's strategy in terms of compliance with applicable standards.

The ever-increasing dynamic international cooperation in the field of complaints standards makes it possible to conclude that the external environment will be more regulated in the coming years due to the need to develop general rules that are the key to economic integration.

### Literature

1. UK law 8 April 2010 "on bribery"
2. US law of December 19, 1977 "on the practice of corruption abroad".
3. US law of March 18, 2010 "on taxation of foreign accounts".
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