

DEVELOPMENT AND IMPROVEMENT OF INSTITUTIONAL FRAMEWORKS OF NATIONAL FINANCIAL CENTER

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Annotation

This article explores the development and enhancement of institutional organizations in national financial center. It emphasizes importance of rules and legal system and technological innovations in being resilient and competitive financial hub. New York, London, Singapore are the best examples of successful financial centers and evolving countries like Astana and Dubai, the paper highlights how institutional reforms, financial governance and digitalization contribute to sustainable growth

Keywords: Institutional organization, capital flows, regulation and oversight, staying competitive, and innovating.

Introduction

A national financial center serves as a hub for a country's financial system by bringing together banks, stock exchange, insurance companies and fintech startups. Unlike global financial organizations, in the first place their goal to strengthen domestic economic development while gradually integrating into global markets.

Main body

New York and London have enjoyed global leadership in the past for centuries when their strong institutional foundations have been rooted. In the process, Astana and Dubai represent a case in point of how developing centers can enhance their positions by constructing new, contemporary institutions with their own set of modern rules that resemble international standards.

Development and Improvement of Institutional Frameworks

1. Regulatory Systems

a financial center's trustworthiness begins with solid regulations and watchful management. Independent regulators such as, the U.S. The Financial Conduct Authority (FCA) is in charge

of keeping an eye on the financial markets. The Financial Conduct Authority (FCA) has been a key player in maintaining transparency and trust for investors for quite some time. Following their lead, spots like the Astana International Financial Centre (AIFC) have set up rules based on English common law. This not only reassures international investors but also establishes a reliable and consistent legal framework.

2. Judicial and Legal Foundations

The legal system is the core that provides financial transactions stable and secure. When contracts are enforced consistently and disagreements are sorted out quickly, trust in a financial hub increases. The Dubai International Financial Center gives an excellent example: it has its own courts and adheres to international standards, which makes it highly autonomous and credible. This structure significantly boost trust and encourages global businesses to settle in Dubai.

3. Institutional Adaptation and Technology

In today's era, financial institutions are shaped by technological advancements. Success now requires not just stability at the financial core, but also adaptability. Singapore provides perfectly example of this approach in action. Proactive fintech regulation, cybersecurity, and digital banking has helped it a become one of the most dynamic financial hubs in Asia. Similarly national centers that adopt on blockchain, AI for keeping things in check, and safe online systems, they will be better positioned to compete on the global stage.

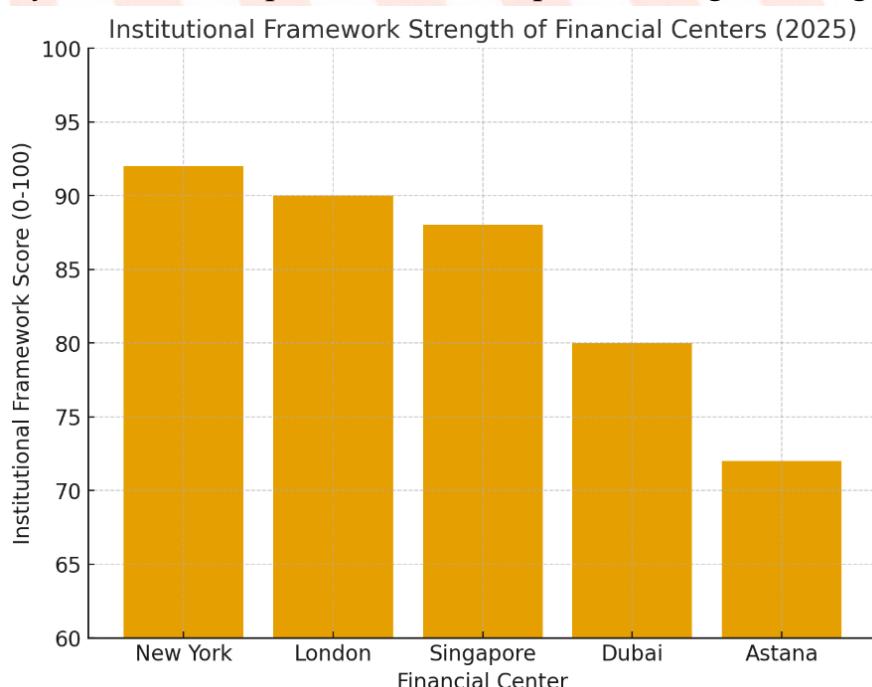


Figure 1. Global Financial Centers Institutional Ratings (GFCI 2025-Institutional Framework Score, Illustrative)

The comparison of global financial centers suggests several important lesson.

- New York and London remain dominant, thanks to their solid, trusted institutional systems.
- Singapore shows how continuous innovation and adaption in regulation can sustain global competitiveness.
- Dubai and Astana are highlight how reform and the adaptation of international legal practices can accelerate the growth of emerging centers.

Conclusion

The ability of growing financial centers either in national or globally scale depend on strengths and adaptation. Transparent regulations, independent governance, effective judicial systems, and technological readiness form the pillars of the hub.

For countries looking to elevate their financial centers, the key steps are clear:

- Strengthen the independence of regulators.
- Modernize courts and legal frameworks to align with international standards.
- Embrace technological innovation while keeping security in check.
- Prioritize transparency and build long-term institutional trust.

Only by following these reforms can national centers not only support their domestic economies but also secure recognition as reliable and competitive players in the global financial landscape.

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