



International Conference of Economics, Finance and Accounting Studies

International Conference of Economics, Finance and Accounting Studies is a double-blind peer-reviewed, open-access journal published to reach excellence on the scope. It considers scholarly, research-based articles on all aspects of economics, finance and accounting. As an international congress aimed at facilitating the global exchange of education theory, contributions from different educational systems and cultures are encouraged. It aims to provide a forum for all researchers, educators, educational policy-makers and planners to exchange invaluable ideas and resources.

Regional Disparities In Access To Banking Services: Challenges And Solutions

Kasimova Mukhlisa Anvar kizi
Independent Researcher at
Tashkent State University of Economics

Abstract

This thesis examines regional disparities in access to banking services in Uzbekistan and identifies policy and management solutions for reducing territorial inequality in financial inclusion. The analysis distinguishes between physical access, digital access and actual use of banking products. Regional differences in deposits and lending are used as empirical evidence of uneven financial activity. The study proposes a differentiated territorial mechanism based on infrastructure, remote banking, financial literacy, product adaptation and continuous regional monitoring.

Keywords: *banking services, financial inclusion, regional disparities, territorial accessibility, digital banking, deposits, lending, Uzbekistan.*

1. Introduction

Equal access to banking services is an important condition for inclusive economic development. However, the territorial distribution of financial infrastructure, customer activity, income, business density, digital connectivity and financial literacy is rarely uniform. As a result, the formal availability of banking institutions does not necessarily ensure equal opportunities to use deposits, credit, payments and other financial products. For Uzbekistan, regional financial inclusion should therefore be assessed as a multidimensional phenomenon. Physical proximity to branches, ATMs and service points remains relevant, but digital channels increasingly reduce distance-related barriers. At the same time, the existence of a digital channel does not guarantee active use. A more accurate regional assessment must combine access, actual use, service depth and the ability of households and businesses to interact with banks through both physical and remote channels.

Globally, mobile-phone ownership reached 86 percent of adults, highlighting the growing potential of digital connectivity to reduce geographic barriers to financial services.¹

¹ World Bank. The Global Findex Database 2025: Connectivity and Financial Inclusion in the Digital Economy. 2025. <https://www.worldbank.org/en/publication/globalfindex/report>

2. Main Part

Official statistics of the Central Bank of the Republic of Uzbekistan demonstrate substantial territorial differences in banking activity. As of 1 August 2026, the total loan portfolio of the banking system amounted to 644.637 trillion UZS and total deposits reached 482.669 trillion UZS. The distribution of these resources across regions, however, was highly uneven. Tashkent city accounted for 292.832 trillion UZS of loans and 367.117 trillion UZS of deposits, while several regions recorded markedly smaller volumes.²

Table 1

Selected regional indicators of banking activity as of 1 August 2026³

Region	Loans, bln UZS	Deposits, bln UZS	Analytical interpretation
Tashkent city	292,832	367,117	Very high concentration of banking activity
Ferghana region	37,618	9,251	High lending, considerably lower deposit base
Samarkand region	33,301	14,682	Relatively stronger regional financial activity
Republic of Karakalpakstan	21,999	9,118	Moderate credit activity with a smaller deposit base
Namangan region	24,086	5,007	Limited deposit mobilization relative to lending
Djizzakh region	21,054	3,909	Low deposit concentration
Sirdarya region	21,002	2,324	One of the lowest deposit volumes

The chart reveals substantial regional disparities in deposit volumes as of 1 August 2026. Tashkent city leads with UZS 367,117 billion, indicating a strong concentration of deposit resources in the capital. This disparity highlights the need to assess regional differences in financial inclusion and banks' capacity to attract financial resources.

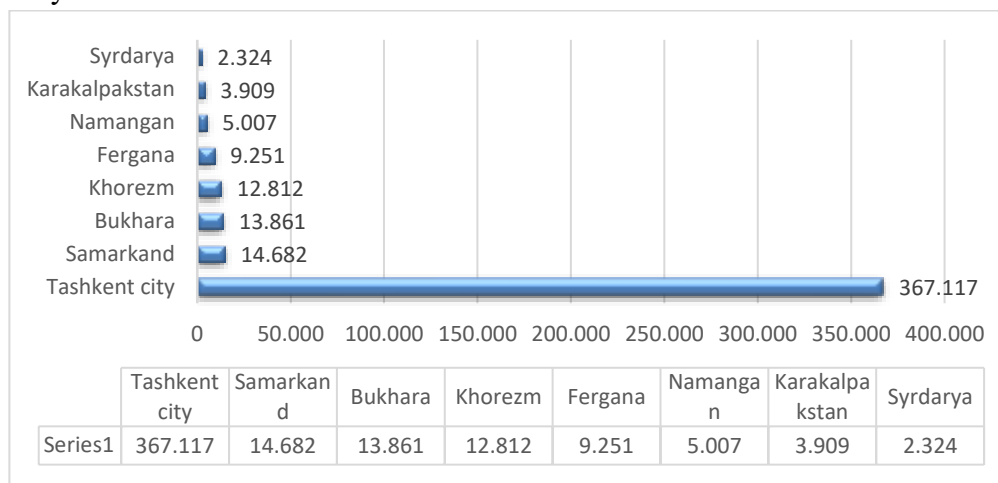


Figure 1. Regional disparities in deposit volumes in selected regions of Uzbekistan, 1 August 2026⁴

² Central Bank of the Republic of Uzbekistan. Information on total loans and total deposits of the banking system by regions as of August 1, 2026. <https://cbu.uz/en/statistics/bankstats/4470250/>

³ Source: compiled by the author based on the Central Bank of the Republic of Uzbekistan.

The table shows that territorial inequality is visible not only in the absolute scale of banking operations but also in the relationship between lending and deposit mobilization. A region may have relatively significant credit activity while maintaining a weak deposit base. This may indicate differences in household savings capacity, business concentration, income levels, trust in formal finance, the availability of banking channels or the intensity of actual use. Therefore, regional financial inclusion should not be measured by a single indicator. The central analytical challenge is to distinguish between three interconnected dimensions: physical accessibility, digital accessibility and actual financial usage. Physical accessibility reflects the territorial presence of branches, ATMs, infokiosks and agent networks. Digital accessibility captures the possibility of receiving services through mobile and internet banking. Actual usage reflects whether households and firms actively use deposits, credit, transfers, payments and other products. Regional policy becomes more precise when these dimensions are evaluated jointly.

Table 2

Regional challenges and differentiated solutions⁵

Regional problem	Financial-inclusion consequence	Priority solution
Insufficient physical coverage	Higher transaction and travel costs	Agent banking, optimized service points and self-service infrastructure
Weak digital connectivity or digital skills	Low use of remote banking	Connectivity support, simplified onboarding and digital literacy
Low deposit mobilization	Weak participation in formal savings	Micro-savings, flexible deposits and trust-building measures
Limited product suitability	Formal access without meaningful use	Segment-specific credit, savings and payment products
Uneven financial literacy	Low confidence and weak financial decision-making	Targeted regional financial education
Weak regional monitoring	Uniform policy despite different needs	Regional financial-inclusion map and KPI-based monitoring

A differentiated territorial mechanism is proposed for reducing regional disparities. First, indicators of physical coverage, digital use, deposits, lending and active customer behavior should be compiled for each region. Second, indicators should be normalized to ensure comparability. Third, regions should be grouped according to the level and structure of banking-service accessibility. Fourth, a specific package of measures should be assigned to each segment. Finally, results should be monitored through a Regional Financial Inclusion Map that allows policy measures to be recalibrated as regional conditions change. The proposed mechanism is based on a sequential approach that transforms regional banking data into targeted management decisions. Regional data are first assessed through accessibility and usage indicators, followed by normalization and segmentation to identify the dominant barriers to financial inclusion in each region. Based on the identified constraints, differentiated banking measures are developed and incorporated into the

⁴ **Source:** Central Bank of the Republic of Uzbekistan. *Information on Total Loans and Total Deposits of the Banking System by Regions as of August 1, 2026*. Tashkent, 2026

⁵ Source: developed by the author.

Regional Financial Inclusion Map. The final stage involves continuous monitoring and evidence-based management decisions. This approach enables banks and policymakers to move from uniform expansion of banking services towards targeted measures that reflect the specific financial inclusion needs of each region.

3. Conclusion

Regional disparities in access to banking services in Uzbekistan remain multidimensional. The concentration of deposits and lending in Tashkent city and the substantially smaller volumes observed in a number of regions confirm the need for territorial differentiation in financial-inclusion policy. At the same time, regional inequality cannot be solved only by increasing the number of physical banking facilities. Digital accessibility, actual use of services, financial literacy, product suitability and trust must be considered simultaneously.

The proposed differentiated mechanism recommends combining regional indicators into a continuous monitoring framework and translating the results into targeted measures. A Regional Financial Inclusion Map can serve as a practical management instrument for identifying underserved territories, selecting priority interventions and evaluating whether digital and physical banking expansion is producing meaningful financial inclusion.

REFERENCES

1. Central Bank of the Republic of Uzbekistan. Information on total loans and total deposits of the banking system by regions as of August 1, 2026. Tashkent, 2026.
2. World Bank. The Global Findex Database 2025: Connectivity and Financial Inclusion in the Digital Economy. Washington, DC: World Bank, 2025.
3. Sarma M. Index of Financial Inclusion - A Measure of Financial Sector Inclusiveness. Working Paper.
4. Demirgüç-Kunt A., Klapper L., Singer D., Ansar S. Global Findex research on financial inclusion and use of formal financial services.
5. Alliance for Financial Inclusion. Policy approaches to financial inclusion and digital financial services.