

IMPROVING THE INVESTMENT ENVIRONMENT TO INCREASE THE VOLUME OF INVESTMENT FROM FOREIGN COUNTRIES

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Abstract:

This article is about the ways of effective use of investments in the development of the economy of Uzbekistan, the economic meaning of the concept of investment, factors affecting the volume of investment, sources of investment financing, improving the investment environment in Uzbekistan, creating a favorable business environment, socio-economic reforms aimed at attracting investments, measures to organize the effective use of investments in economic sectors and prospects for attracting investments, directions for the development of economic sectors and industries through the effective use of investments, the impact of investments on the economy, among the population the role of investments in the development of entrepreneurship, along with investment, directions for the introduction of new technologies, advanced experiences, and highly qualified specialists to various industries and sectors, regions, directions for the effectiveness of investments in the development of the economy of Uzbekistan are presented.

Keywords: improving the investment, investment, economy of uzbekistan, active attraction of foreign, action strategy.

In 2017-2021, in accordance with the Action Strategy on the five priority directions of the development of the Republic of Uzbekistan, large-scale reforms are being implemented in our country to further strengthen macroeconomic stability, maintain high economic growth rates, and increase its competitiveness. Particular attention is being paid to actively attracting foreign investments to the country's economy and regions through the modernization and rapid development of industry, continuing institutional and structural reforms to reduce the state's participation in the economy, further strengthening the protection of private ownership rights, comprehensive and balanced socio-economic development of regions, cities and districts, improving investments.

In this, the main attention is focused on investments, and currently, investments are the most effective and optimal way to develop the economy of Uzbekistan. President Shavkat Miromonovich Mirziyoyev expressed the following thoughts about investment: "World experience shows that any country that has pursued an active investment policy has achieved stable growth of its economy. That's why investment is the driver of the economy, it is no exaggeration to say that it is the heart of the economy in Uzbek terms. Along with investment, new technologies, advanced experiences, and highly qualified specialists will enter various industries and sectors, regions, and entrepreneurship will develop rapidly"1.

In addition, many reforms are currently being carried out in our republic in order to increase investment attractiveness, create a favorable business environment, and conduct an active investment policy. The main goal of this was considered to be social and economic development of our country, increase the welfare of the population, reduce unemployment and increase the real income of the population. In this matter, in paragraph 3.4 of the decree of President Shavakat Miromonovich Mirziyoyev on the "Strategy of actions on five priority directions of the further development of the Republic of Uzbekistan", the main directions such as "Improving the investment environment, active attraction of foreign, first of all, direct foreign investments to the sectors and regions of the country's economy"² have been selected, and work is being actively carried out in these directions.

In addition, there are a number of laws and decrees of the Republic of Uzbekistan that regulate investment activity in our country, support it in every way, and provide investors with various incentives and benefits. For example, the new version of the Law "On Investment Activities" adopted on December 9, 2014, the Decree of the President of the Republic of Uzbekistan "On Measures to Fundamentally Improve the Investment Environment in the Republic of Uzbekistan", the Decision of the President of the Republic of Uzbekistan "On Additional Measures to Accelerate the Implementation of Investment and Infrastructure Projects in 2018-2019", O Decision of the President of the Republic of Uzbekistan "On measures to implement the investment program of the Republic of Uzbekistan for 2019", Decision of the President of the Republic of Uzbekistan "On measures to further improve the mechanisms of attracting foreign direct investment to the economy of the Republic", Additional measures of the President of the Republic of Uzbekistan "On the promotion of attracting private foreign direct investment" on" and a number of other legal documents protect investment activities and the rights of investors and create conditions for them to operate comfortably. In these legal documents, the main emphasis is on providing various benefits to more investors. The goal is to attract more investments, which are the most important factor in the development of our country's economy today, and thereby rapidly develop our economy. After all, we would not be wrong to say that investment is the most important link of economic growth and development. Currently, attention is paid to investments as the basis of economic and social development of any country. Because the world experience shows that the economy of the country that attracted more investments and created a favorable investment environment achieves rapid growth of the economy of that country.

Investment as an economic category has a very broad meaning. The concept of investment (derived from the Latin word "investio", which means "to wear") is interpreted in practically any dictionary as the investment of capital in economic sectors at home and abroad³.

The term investment as an economic category is defined in the Law of the Republic of Uzbekistan "On Investment Activities" as follows:

"Investments - tangible and intangible benefits and rights to them, including rights to intellectual property, as well as reinvestments, included in business activities and other types of activity objects not prohibited by law"⁴.

In addition, this law defines the following terms related to a number of investments:

"Investor - subject of investment activity that invests its own funds in objects of investment activity and attracts other investment resources;

Investment commitment is the commitment of the investor to achieve certain goals provided for in the investment project;

Investment activity is a set of actions of investment activity subjects related to the implementation of investments;

Participant of investment activity is a subject of investment activity that ensures the fulfillment of investor's orders;

In order to attract investments, the following should be done in the country:

- Must have a prospective and well-developed plan for the future activity of the economy;
- It should have a high level of population in the world;
- The country should conduct an open or more precisely transparent policy;
- The country's political situation must be stable.

In addition to the ones listed above, in some literature it is noted that the following factors influence the attraction of investments:

1. Social factors:

- The attitude of the local population to private property and foreign investments;
- Social activity of the working class;
- The level of integrity of democratic consciousness in society;
- In general, the intellectual potential of the population of all strata;
- The existence of advanced ideas on the social development of society.

2. Economic factors:

- General and stable state of the economy;
- The level of inflation should be within the set parameters;
- Amount of credit and its interest rate;
- Procedure for using economically active and inactive labor force;
- Maintenance of the exchange rate at the established rate;
- The relationship between demand and supply in the domestic and foreign markets for a certain type of product or service;
- Tax benefits and opportunities to reduce the tax burden;
- Benefits in customs.

3. Political factors:

- Political stability, that is, the level of peace and tranquility prevailing in each country;
- Level of observance and implementation of international agreements;
- The role of the state in the economy;
- Level of effective activity of state bodies;
- Investment policy of the state in relation to investments;
- The level of the state's participation in various international exchanges and having agreements.

The above factors have a significant impact on the economy, playing an important role in attracting investments and managing them.

When making investments, first of all:

- ☐ To fully ensure the freedom and initiative of investment activity subjects;

□ Giving investment status to tangible and intangible assets that are introduced for the development of a certain industry;

□ It is necessary to create the necessary conditions and opportunities for investment activities in accordance with the law. There are basically the following 5 main requirements for attracting investments:

1. Availability of strong and almost perfect investment managers in the country;
2. The products and services produced in the country should be superior in terms of competitiveness compared to other similar products and services in the world markets;
3. The country should occupy a large volume of the world market by showing products and services that are not available in any other country;
4. Absence of legal obstacles that clearly exist or may exist in the future;
5. In the future, the country should have a clear development plan and an understandable strategy for a certain period of time.

Currently, in our country, all the above-mentioned factors affecting investment are being created for investors in a positive way. All the rights and obligations of investors are defined in legal documents. In the Law of the Republic of Uzbekistan "On Investment Activities", the Investor's rights are described as follows:

"Investor:

- to independently determine the volumes, types, forms and directions of investment;
- in order to implement investment activities, as a rule, to conclude contracts with legal entities and individuals based on the results of tenders;
- owning, using and disposing of one's own investments and the results of investment activities in accordance with the procedure established by law;
- independent and free disposal of the income received as a result of investment activity after paying taxes and other mandatory payments;
- to use the property and any property rights that belong to him on the basis of property rights as security for all types of obligations he has assumed, including obligations aimed at attracting debt funds in accordance with legal documents;

Based on the above, increasing the volume of investment creates the need to continue reforms aimed at improving the investment environment and creating a favorable business environment in our country, and while consistently continuing these activities, achieving the goals of rapid macroeconomic growth and rapid development of our economy is the main task facing our country today. Because the development of any sector of the country is directly dependent on the economy.

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