



The role of foreign investors in the economy of Uzbekistan

Ayubov I.I.¹,

¹ PhD in Economics, Associate Professor of the Department of Economic Theory, Samarkand Institute of Economics and Service, Uzbekistan

Amirov T.M.²

² Trainee Assistant, Department of Economic Theory, Samarkand Institute of Economics and Service, Uzbekistan

ABSTRACT

This article discusses the role and importance of foreign investment in the country's economy, and details about its achievements in the welfare of the population.

Keywords:

Finance, finance, credit, fund, resource, GDP

Introduction

Investment is a key factor in economic growth for developing countries with an unfavorable demographic system and a negative trend in the growth dynamics of the working population, similar to Uzbekistan. For the short and long-term development of developing countries, it is necessary to direct investment to fixed capital to ensure the increase of labor productivity.

In Uzbekistan, it is possible to negatively evaluate the relations of some state bodies with foreign companies. If we consider the official policy support of foreign investment, foreign companies and those engaged in commercial activities in Uzbekistan face a lot of administrative and bureaucratic obstacles, and some of our politicians are afraid of foreign investment.

Analysis of literature on the topic.

Investment as a science is a field of knowledge that includes economic theory, macroeconomics, microeconomics, money circulation, and the credit and banking system. Therefore, it is sufficiently covered in the economic literature. Among them, M.

Ostanakulov. It was studied by EF Gadoyev, KS Ismailov, MS Abishov, TS Malikov, PT Jalilov and Sh.A. Toshmatov. In many scientific works, investment policy is promoted as the main pillar of the state's economy.

Research methodology.

In Uzbekistan, some people are swindling foreign investments or exploiting foreign companies of our country's economy.

Such worldviews ignore the attractiveness of Uzbekistan, such as natural resources, production forces, technical obsolescence and regular underutilization of equipment, availability of cheap and qualified labor force, high scientific and technical potential.

The creation of a political, socio-economic, financial, cultural, legal base that attracts or rejects investors in the conditions of a market economy, the sum of geographical factors specific to certain countries is called investment climate.

It should be noted that during 2018, the State Investment Committee of the Republic of Uzbekistan developed 18 legislative acts, four

draft laws, two draft decrees of the President of the Republic of Uzbekistan, draft decisions and orders of the Cabinet of Ministers of the Republic of Uzbekistan.

As a result of the implementation of currency liberalization policy in Uzbekistan since September 2017, the total volume of domestic and foreign investment in the country's economy has increased. As of October 1, 2018, 7,144 foreign-invested enterprises were registered in the Republic of Uzbekistan.

Analysis and results

In 2017, 68.4 trillion soums (in the amount of 13.4 billion US dollars) were invested in fixed capital from the total resources for the development of the economy and social sphere of the Republic of Uzbekistan, or an increase of 120.4% compared to 2016.

High investment activity was observed in Bukhara, Surkhandarya, Kashkadarya, Khorezm, Tashkent regions and Tashkent city (1.2-1.6 times more than in 2018). Compared to 2019, the volume of investment in fixed capital in the Republic of Karakalpakstan decreased by 42.4%.

In 2019, the volume of investment in fixed capital in the Republic of Uzbekistan per capita amounted to 2112.6 thousand soums or increased by 118.4% compared to the previous year.

In 2021, the following regions are leading in terms of investment in fixed capital per capita: Bukhara region - 6123.3 thousand soums or 154.3% increase compared to last year, Tashkent city - 5546.1 thousand soums or 119.5%, Navoi - 4041.4 thousand soums or 106 %, Kashkadarya-3479.7 thousand soums or 128.8%, Tashkent-1962.6 thousand soums or 120.5%.

Directing the investment to the fixed capital, 62% was used in the following economic directions: mining industry -20.8% of the total investment, processing industry - 17.9%, transportation and storage - 9.3%, electricity supply, gas, steam air conditioning and refrigeration equipment - 8%, wholesale and retail trade, vehicle, motorcycle repair-3.7%, information and communication-2.8%.

In 2021, the volume of investment in fixed capital was distributed as follows: new construction - 61.2%, reconstruction and modernization of existing facilities - 22.1%, expansion - 1%, and other directions - 15.7%.

The share of foreign investment in total investment increased from 22.1% in 2016 to 25.1% in 2017, an increase of 3%.

Investments allocated from the state budget were used to finance targeted investment programs to support social protection of the population, improve living conditions, and develop infrastructure in the Republic of Uzbekistan.

In 2021, the state budget funds were mainly used for the development of the following regions: Tashkent city-budget contribution from total investment was 28%, Syrdarya region -8.7%, Tashkent-7.3%, Surkhandarya-7.2%, Samarkand and Fergana regions 7% each.

As a result of the implementation of measures designed to improve and increase the attractiveness of the investment environment in Uzbekistan, the volume of direct investments in 2017 increased by 44.9% to 12,768.6 billion soums (in the amount of 2,493.3 million US dollars) or 18.7% of the total investment volume.

In 2021, the total volume of foreign investment and loans was absorbed in the following activities: oil and natural gas production - 54.2%; in the chemical industry - 4.8%, in transportation and storage - 8.5%, in electricity supply, gas, steam and air conditioning-refrigeration equipment - 2.3%, information and communication - 8.7%, in the production of textile products and clothes - 3.2 %, water supply, sewage -1.6%, -3% to healthcare.

Summary

In conclusion, the state's active policy in this direction is positively changing the socio-economic situation in a particular region, increasing its investment attractiveness and, as a result, improving the standard of living of the local population.

At this point, it is worth noting that it is necessary to improve the tasks of creating an

investment climate monitoring system in Uzbekistan. This, in turn, creates a basis for Uzbek banks to conduct an independent credit policy in the flow of foreign investment and its optimal rational use.

Reference list

1. Pardaev MQ, Atabaev R. Analysis and assessment of tourist resources. - S.: SamISI, 2006. - 137 p.
2. Safarov B.Sh. Improving the economic mechanism of the regional tourism service market // Monograph. - T.: State Scientific Publishing House "National Encyclopedia of Uzbekistan", 2013. - 150 p.
3. Tukhliev IS and others. Socio-economic problems of tourism service market development in Uzbekistan. - T.: Economy, 2012. 340 p.
4. Aslanova DX Model of the formation of tourist cluster for foreign countries. - C.: Servis, 2013. No. 1, S. 4-9.
5. Ayubov II Improving the methodological and methodological foundations of the investment environment in the market of tourism services of Uzbekistan // Bulletin of Berdak QSU. - N.: 2020, No. 3 (48) 2020 pp. 45-48 (08.00.00; No. 2)