

THE ROLE OF FOREIGN INVESTMENT IN THE NATIONAL ECONOMY

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Annotation

This article provides an analysis of the nature of foreign investment, its contribution to the country's economy and the need and direction of its attraction, as well as foreign investment in Uzbekistan.

Key words: investment, foreign investment, straight investment.

Introduction:

Today, almost every expert and business entity is well aware that the future development of any country's economy depends largely on investment. Therefore, it is not difficult to understand that the wider attraction of investments in the economy of the Republic, in particular, foreign investments, is due to the fact that they have become an important basis for the effective implementation of economic reforms in our country. The role of investment, including foreign investment, in the social, economic and political development of the country is great. It is known that no country can develop in isolation from the world, without studying the world experience, without accepting the achievements of leading countries in science, science and technology.

Foreign investment is all the property, financial, intellectual wealth that foreign investors mobilize in the economy, entrepreneurship and other activities of an absolutely different state in order to achieve a high level of income and efficiency.

Without attracting foreign investment, especially the expansion of foreign investment in key sectors, it is impossible to carry out structural changes and modernization of the economy, re-equip enterprises with modern equipment and launch the production of competitive products.

Currently, 38 projects in Samarkand region, 89 in Tashkent region and 41 in Khorezm region are lagging behind. It is known that given the current situation, 450 billion soums allocated for delayed construction were withdrawn from the Investment Program. Of this amount, 150 billion soums were used to develop 40,000 hectares of land and create 80,000 permanent jobs. The Investment Program for 2020 includes more than 3,000 projects, the implementation of which will involve investments of 235 trillion soums, including \$ 7 billion in foreign direct investment.

Projects with foreign direct investment also play an important role in the development of our national economy.

This year, 34% of foreign direct investment is in the oil and gas, energy, mining and metallurgy sectors, and 52% in regional projects. At the same time, it was noted that there is an opportunity to increase such investments in the electrical, chemical and food industries several times.

In general, it is necessary to change the approach to attracting foreign direct investment and expand support for local investors.

Until now, the benefits provided only to foreign investors will now be extended to local private investors.

For example, if a private investor starts a project worth more than \$ 25 million, external engineering and communication networks will be built at the expense of the budget.

In January-March 2020, there was a decrease in investment activity, the growth rate of investments in fixed assets compared to the same period last year was 89.8%. In January-March 2020, 33.4 trillion. UZS, of which 63.9% or 21.4 trillion soums were invested in fixed assets. 36.1% or 12.0 trillion soums were financed by enterprises, organizations and the population. soums were financed.

Due to the low level of disbursement of funds for 98 projects financed by loans from international financial institutions, a number of reforms are needed in this area.

The cost of the project, the quality of the projects and their future effectiveness largely depend on the project documentation. Most of them do not meet international requirements, and companies and specialists from abroad cannot work on the basis of these projects.

Therefore, it is necessary to adapt to international standards more quickly. From next year, all processes, from the design of large facilities to their commissioning at the expense of the state budget, will be carried out in accordance with international standards. Restrictions on project funding will also be lifted.

In terms of regions, the highest growth rate of fixed capital investment compared to the same period last year was observed in Jizzakh region, an increase of 163.6%. This is mainly due to the construction of a cement plant. Syrdarya region also saw a high growth rate, 137.7% compared to the same period last year. This result can be explained by the gradual modernization of power units at the Syrdarya thermal power plant. The increase in fixed capital investments in Surkhandarya region by 128.0% compared to the same period last year is due to the work on the construction of a cement plant. The city of Tashkent still leads in terms of the share of investments in fixed assets in terms of regions. The region accounted for 22.0% of total fixed capital investments. In Kashkadarya and Navoi regions, the figures were 14.3% and 10.4%, respectively. The city of Tashkent and Kashkadarya region, which have a high share in the volume of investments in the country, but have low growth rates, significantly contribute to the low growth rate of total investments in the Republic of Uzbekistan. showed a mystery.

Foreign direct investment in the current period amounted to 3648.9 billion rubles. Foreign loans under the guarantee of the Republic of Uzbekistan amounted to 6006.1 billion soums.

soums, 4945.2 bln. soums were used for other foreign investments and unsecured foreign loans. The growth rate of foreign investment and loans in fixed assets compared to the same period last year was 117.9%.

The processing industry accounted for 44.4% of total foreign investment and loans or \$ 6481.5 billion. UZS were used from foreign investments and loans, including the production of other non-metallic mineral products - 11.3% or 1648.3 billion soums. soums, metallurgy - 11.0% or 1610.5 bln. soums, textile production - 5.7% or 831.0 bln. soums of foreign investments and loans. The mining industry is worth \$ 2,813.2 billion. soums or 19.3% of the total foreign investments and loans. In the field of electricity and gas supply, a large amount of foreign investment and loans were used, totaling 1,965.7 billion soums. soums or 13.5% of total foreign investments and loans

Conclusion

In conclusion, as the President of the Republic of Uzbekistan said in his Address to the Oliy Majlis on the most important priorities for 2020, “we will consistently pursue an active investment policy, which is an important condition for the development of our economy. To this end, the investment climate created in our country for foreign investment has become one of the key factors of economic policy.

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