

## Attracting Foreign Investment is the Foundation of Development

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**Abstract:** The article deals with the attraction of foreign investments processes have been studied. Attracting foreign investment within the framework of ways to make and use them effectively existing deficiencies are identified. To the national economy foreign investment attraction system scientific proposal and practical recommendations for improvement formed.

**Keywords:** investment, investment policy, foreign investment, investment, investment activity, strategy, tactics.

### INTRODUCTION

Investments, including foreign investments, play an incomparable role in the rapid development of Uzbekistan's economy and the introduction of innovations in production, as well as in ensuring macroeconomic stability and high rates of economic growth. Increasing attention to investments has led to the development of investment activity in our country. A broad and comprehensive analysis of concrete achievements and successes achieved in this regard, important practical conclusions based on this, among the most urgent issues that we should pay attention to in the future, in determining the priority directions of our country's development and development programs, of course, the main focus is on foreign investments it should be noted that it is directed. In the Address of the President of the Republic of Uzbekistan Sh.M. Mirziyoyev to the Oliy Majlis: "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. We will achieve rapid development of our economy only by actively attracting investments and launching new production facilities. Positive results in the economy make it possible to systematically solve the accumulated problems in the social sphere. We must all understand this deeply and organize our work on this basis. In order to attract foreign investments, it is necessary to take measures to fully demonstrate the investment potential of our country, which should be one of the most urgent issues in our daily life," he said, noting the extremely important importance of foreign investments in the development of the economy and its recognizes the relevance of engagement. A number of measures aimed at increasing the investment attractiveness of our country's economy and improving the system of effective use of the existing investment potential are the measures of the President of the Republic of Uzbekistan dated April 29, 2019 "Measures to further improve the mechanisms of attracting foreign direct investment to the economy of the Republic "On the activities of and capacity-building tasks are prioritized.

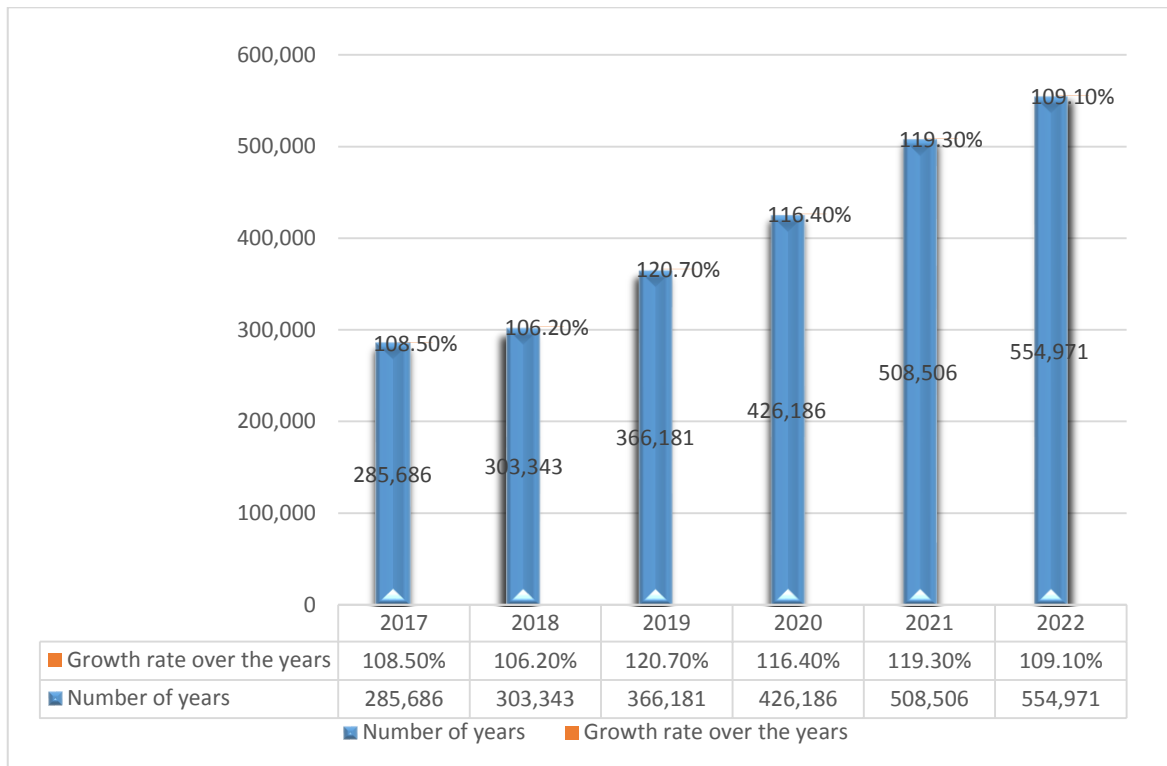
### ANALYSIS AND RESULTS

The demand of the economy for investment, the lack of funds directed to investment requires the effective use of investment resources. In the management and evaluation of investment projects, the financial and economic analysis of the country proposing this project is a necessary component. In order to develop the investment activities of the national economy and improve their financing, it is necessary to pay special attention to the issues of studying and improving the financing experiences of foreign countries with developed economies and using positive achievements in their practices. Based on the above, the financial issues related to the investment environment and the problems of financing investment activities are being solved in a systematic manner in order to increase the efficiency of

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investment utilization in the economy of our country. Direct and other foreign investments and loans under the influence of an active investment policy aimed at stimulating direct and other foreign investments and loans in the economy of Uzbekistan share is increasing sharply. In particular, in 2017-2021, the volume of direct and other foreign investments and loans increased by almost 3.5 times. During this period, the average annual growth rate of direct and other foreign investments and loans is higher than 50 percent.



**Figure 1 Operating enterprises and organizations**

The fact that the number of enterprises and organizations operating in 2022 increased by 46,465 compared to 2021 (508,506) can be expressed by a significant increase in the number of enterprises in the following areas.

Therefore, we should list the following tasks of cost accounting:

- organization of cost accounting for separate production processes or divisions and ensuring control over them;
- formulating information about the main production costs for individual types of products;
- to collect analytical data of all non-production management costs of business entities and to interpret them.

**Newly established enterprises in the cross-section of regions (number and percentage compared to the corresponding period of the previous year)**

**Table 1**

Name of regions	Number of established enterprises	Operating enterprises in % compared to last year
Tashkent sh.	6376	85,3%
Samarkand v.	5 500	139,3 %
Kashkadarya v.	4 155	75,4 %
Fergana v.	3 526	100,1 %
Tashkent v.	2 999	78,5 %
Andijan v.	2 928	114,6 %



Namangan v.	2 306	83,1 %
Khorezm v.	2 272	116,3 %
Jizzakh v.	2 218	107,4 %
Bukhara v.	2 058	78,3 %
Surkhandarya v.	2 033	72,0 %
Navoi v.	1 918	98,9 %
Karakalpakstan R.	1 679	84,1 %
Sirdarya v.	1 067	93,8 %

Legal documents such as "On additional measures to encourage the attraction of foreign direct investments" have been adopted, and they have created a foundation for the development of entrepreneurship in Uzbekistan. In particular, the adoption of the Law of the Republic of Uzbekistan "On Investments and Investment Activities" dated December 25, 2019, as well as legal and regulatory documents regulating the activities of foreign investors and enterprises with their participation in our republic is proof of our opinion. Foreign investors have the opportunity to make investments in various forms in Uzbekistan. According to Article 34 of the Law of the Republic of Uzbekistan "On Investments and Investment Activities", foreign investors may establish enterprises with foreign investment in the territory of the Republic of Uzbekistan and all rights granted to them by the legislation of the Republic of Uzbekistan, can use guarantees and benefits. In accordance with the current legislation, from September 1, 2018, the minimum amount of the share of foreign investments in the charter fund of enterprises with foreign investment was reduced from 30 percent to 15 percent, and the minimum amount of the charter fund of such enterprises is 600 million. 400 million soums. reduced to soum. This situation made it possible to increase the number of joint ventures in the country. However, the fact that the minimum share of foreign investments in the charter fund of enterprises with foreign investment was set at 30 percent before this period had a negative impact on the scope of attracting foreign investments. 104,4573 billion in January-December 2021. soums (USD 9.8 billion in dollar equivalent) or 105.2 percent of foreign investments and loans to the main capital compared to 2020. The share of foreign investments and loans in total fixed capital investments was 42.7 percent. As part of foreign investments and loans, foreign investments amounted to 39,879.4 billion. soums and foreign loans, respectively, 64,5779 bln. organized soum. 87,1391 bln. in the current period due to foreign direct investment and loans. 17,3182 billion soums under the guarantee of the Republic of Uzbekistan. Soums of foreign loans were absorbed.

## CONCLUSIONS AND SUGGESTIONS

It is necessary to increase the investment attractiveness of our country and support the activities of foreign investors in our country, while maintaining an accelerated investment policy based on international experiences in attracting foreign investments. Also, it is necessary to speed up the organization of international conferences and investment forums in order to inform foreign investors widely about the conditions and legal guarantees created for doing business in our country. For this purpose, preparing videos, accelerating the creation of special economic zones, attracting large strategic investors to these zones; It is necessary to strengthen the position of Uzbekistan in international ratings and indexes.

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