

ATTRACTING FOREIGN DIRECT INVESTMENT IS A GUARANTEE OF PROGRESS

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Annotation: The article analyzes the effectiveness of foreign direct investment in the sectors and sectors of the economy. Scientific proposals and practical recommendations aimed at purposeful use of foreign investments, improvement of the system of attracting foreign investments have been formed in the sphere and sphere of activity of sectors of the economy.

Keywords: foreign direct investment, investment incentives, investment policy, investment climate, attraction of investments, investment activities.

INTRODUCTION

The dynamic rate of change in the amount of foreign investment requires coordination of investment relations at a macroeconomic level according to the exact time and object situation between the investor and the state. The process of ensuring the expediency and attractiveness of investment activity requires prioritization of a certain form of implementation of investment activity. A number of circumstances, such as investment preferences, its consequences, the impact of the investment climate on the volume of investment involved, create the need to give priority to the form of foreign direct investment in the implementation of investment activities.

In this regard, the president of the Republic of Uzbekistan on the actual tasks facing the economy of our country Sh.M. In his address to the Supreme Assembly on December 29, 2020, Mirziyoyev touched upon the following: "... public participation in the implementation of investment policies should be reduced and the share of private and direct investments should be increased. In the field of geology, in the current year, 21 mining and promising fields were sold to investors through open auctions. In 2021, another 50 mining and promising areas will be sold on an open-ended basis to local and foreign investors. We must continue such work in other directions as well"[1].

LITERATURE REVIEW

Improvement of the system of attracting foreign investment, oriented scientific research has been studied extensively. The research in this regard was carried out by scientists from The Economist O.Titus, A.Isiak, T.Rovland acquires an important character in scientific research. According to the results of the study, investment is the main condition for ensuring macroeconomic changes. The high rates of economic growth in the world economy are explained by the provision of investment accounting, the potential volume of sustainable economic growth and the presence of an integrated linkage between investments [2].

A.Akbar, A.Nasir, A.Hafiz, M.In Naseem research, the impact of direct foreign investment on the country's economic growth is demonstrated through regression models [3].

L.Igonina in their research, the mechanism and conditions for the implementation of the investment process in the conditions of the market economy are considered [4].

L.Zubchenko active aspiration to the country's participation in scientific research as an importer of foreign capital is noted as a motivating factor for the integration of the country into the system of World Economic Relations[5].

G. Okyustik in their research, foreign investment is considered as a form of international capital movement [6].

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O.Sukharev, S.Shmanev, A.Kuryanov scientific research studies are investigating the problems of ensuring the effectiveness of foreign investments [7].

Scientists of our country's economist A.Vakhabov, Sh.Khodibakiev, N.Mominov in minovs research, the processes of ensuring the optimal ratio between gross demand and gross supply are prioritized by directing foreign investment to modernize and diversify the country's industrial production [8].

N. Oblamurodov macroeconomic factors of improving the system of attracting foreign direct investment have been studied in scientific research and it is noted that investment attractiveness and the role of investment activity play a high role in improving the system of attracting investments [9].

B.Baykhanov scientific research, special attention is paid to the process of eliminating such problems as the limitation of the process of using investment capacity due to the fact that the role of risk in the effective use of investments and the degree of risk is not determined [10].

K.Muminova through scientific research, the role of foreign investment in supporting the industrial production system in the regions is studied. In the process of research, such cases as the rapid adaptation of rich climates to market relations with the infra - structure of production - the use of investment in circulation, the prioritization of the level of qualification of labor resources on account of the improvement of the system of targeted use of foreign investment are studied in interdependence [11].

RESEARCH METHODOLOGY

In the course of the study, research methods such as scientific abstraction, induction and deduction, systematic analysis, statistical analysis were used. Through the use of the method of scientific abstraction, scientific proposals and practical recommendations on improving the system of attracting foreign direct investment into the country's economy have been developed.

ANALYSIS AND RESULTS

Today, the socio-economic development of the countries of the world is sharply different from the previous stages in terms of its meaning. The most important aspect of this is that as a result of the ever-growing integration and globalisation of the national economy, competition in the international arena is strained and a struggle is being waged to strengthen the position of each country in the international division of labor.

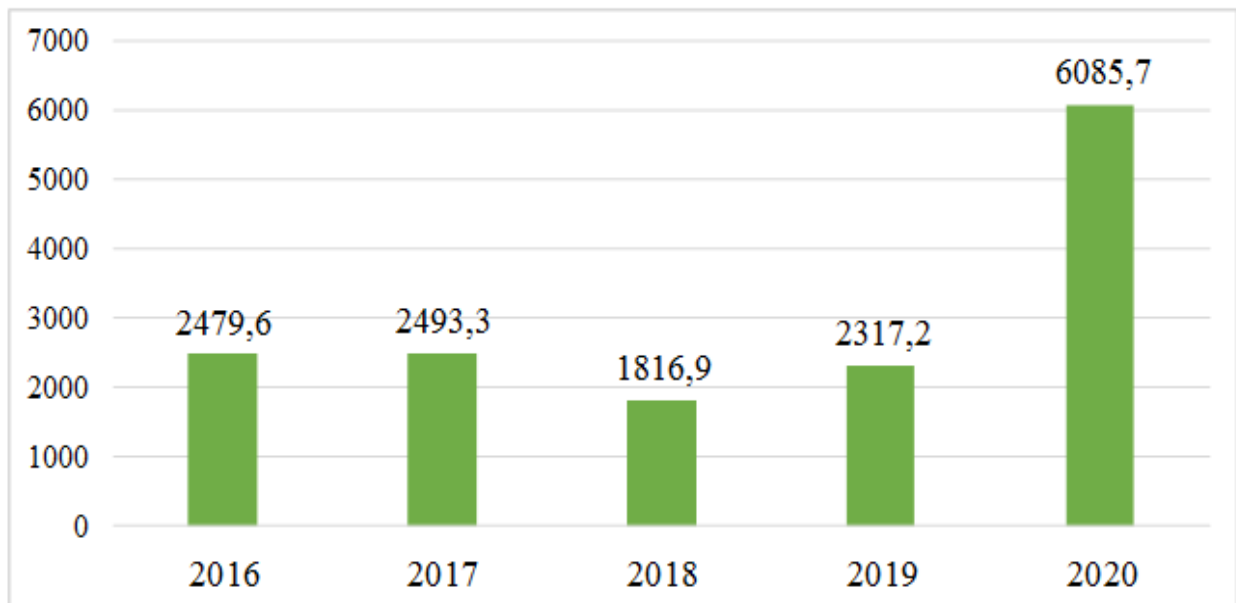
Countries that attract more foreign investments to the national economy and organize modernization of the economy have achieved high levels of economic development and dominate the world competition. For its part, the Republic of Uzbekistan is also a member of international financial institutions for attracting more foreign investments from the international capital market to the national economy, improving investment activity using the experience of developed countries.

The investment policy in our country, which is coordinated with international norms, is characterized by increasing the negative impact of foreign investment in large quantities and increasingly improving the investment climate. The main objective of this investment policy is to implement omillarni systematically, which affects the increase of population income and the provision of quality of life. The effectiveness of these reforms, in turn, directly depends on the level of foreign investment. The fact that foreign direct investment plays a cross-border role in the production process represents the complex character of targeted development of production factors.

In the process, a high concentration of labor, capital and production factors is provided. This priority provides the basis for the formation of the framework for ensuring the socio-economic development of the country. Therefore, each country gives a special priority to foreign direct investment in investment processes.

In recent years, thanks to an active investment policy aimed at stimulating foreign direct investment, the share of foreign direct investment in the economy of Uzbekistan has increased dramatically. In particular, in 2016-2020, the volume

of foreign direct investment increased by almost 2.5 times. During this period, the average annual growth rate of foreign direct investment records an indicator higher than 50 percent (Figure 1).



1-picture. The rate of change in foreign direct investment attracted to the economy of Uzbekistan in 2016-2020 years[12]

The high growth rates of foreign direct investment attracted to the economy of Uzbekistan have been ensured on account of the development of the Kandym mining group and the construction of a modern gas processing plant. Also, large investment projects such as geological exploration in the Kungrad region, hydrocarbon production in the South-West fortification and Ustyurt regions were provided directly from the account of foreign investments. However, direct foreign investment in the economy amounted to 28740.5 billion. the sum was appropriated and decreased by 5.3% compared to 2019, accounting for 14.2% of total investments. This situation can be based mainly on the account of the negative impact of the pandemic on the economy.

Table 1

Development of foreign direct investments and loans within the framework of regional investment projects worth one million US dollars in Uzbekistan. [13]

№	Region	2018	2019
1.	Tashkent City	425,2	1550,4
2.	Tashkent	20,5	346,0
3.	Xorazm	11,7	242,5
4.	Fergana	73,2	346,9
5.	Syrdarya	69,1	214,6
6.	Surkhandarya	39,3	222,6
7.	Samarkand	25,57	214,1
8.	Namangan	60,4	277,2
9.	Navoiy	12,0	130,4
10.	Kashkadarya	5,3	145,5
11.	Jizzakh	45,3	367,9
12.	Buxoro	100,1	310,6
13.	Andijan	56,0	232,1
14.	Republic of Karakalpakstan	107,5	189,9

Above, the indicators on foreign direct investment and credit disbursement within the framework of investment projects in the regions were analyzed. It should be noted that in 2019, the appropriation of foreign direct investment and loans increased several times more than in 2018 year. It can also be seen that in our country there is an active policy on attracting foreign investments and loans of international financial institutions.

In the future, the development of ready-made investment proposals for attracting foreign direct investment to the economy of our country, the broad use of opportunities of investment and business forums, presentations ("Road Show") and marketing campaigns are noted as priority directions for the implementation of public-private partnership projects. It is also aimed at increasing the role of the state in strengthening the guarantees of inviolability of private property, encouraging investment in the development of restrictions and priority areas of the economy in the distribution of foreign direct investment.

CONCLUSION

In order to increase the volume of foreign direct investment in our country, to create guarantees for foreign investors and to strengthen their confidence, it requires the formation of a more favorable investment environment. Proceeding from these directions, it is worthwhile to pay attention to the implementation of major foreign investment projects on the establishment of industrial enterprises, which currently provide the production of competitive finished products, are aimed at increasing export potential and serve to create new jobs.

The preparation of prospective projects to attract foreign direct investment and the consideration of the country's natural conditions and labor resources in this process will serve to further increase productivity.

In order to increase investment attractiveness in attracting foreign direct investment, it is necessary to use the experience of foreign countries, to apply and adapt international experience in determining the aspects that should be taken into account in the conduct of investment policy.

In our opinion, it is appropriate to ensure practical implementation of the following tasks in improving the system of attracting foreign direct investment to the economy of our country and increasing its role in ensuring socio-economic development:

- the use of different models of legal regulation on state support of investment activities in international experience, harmonization of national legislation on foreign direct investment with international and regional standards;
- providing additional incentives and benefits to high-tech networks and enterprises developing and implementing innovative projects;
- development of cooperative relations with enterprises directly involved in foreign investment, in particular, ensuring the integration of the local economy into the world market through access to their production chain;
- implementation of modern methods of conducting business and managing international economic standards of cooperation;
- development of effective foreign investment introduction, through the introduction of various financial support systems to innovation science enterprises, industrial sectors with high capacitance, etc.

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