

Priority Directions for Improving the Investment Environment in the Country

Jalilov Shokhrukh, Najimova Nigora
Samarkand Agroinnovations and Research University

Abstract: This article highlights the important issues of creating an attractive environment by improving the investment environment in Uzbekistan and the implementation of existing investment opportunities in the country. The creation of economic and legal conditions for the effective management of capital flows in increasing the attractiveness of the investment environment is researched.

Key points: foreign investment, investment environment, attractiveness, investment program, territory, doing business, competition, production, modernization, investment capital.

In order to create an attractive environment, it is necessary to continuously present and transmit advertising information about the investment opportunities available in the country to potential investors. At the same time, it is required to organize and participate in investment exhibitions, presentations and seminars abroad. In working with international investors, information support is a necessary element, especially in cases of changes in the general economic or regulatory conditions of investment activity in the host country. The quality of information plays an important role in economic development. Because the completeness and openness of information determines the level of competition in the market and determines the allocation of resources by agents, the assessment of risks and the level of required profitability. At the same time, the development of modern means of communication leads to an avalanche of open information. The relevance of information and its level of reliability gain importance.

At this point, the Honorable President Sh.Mirziyoyev's Decree No. PF-5969 "On the primary measures to mitigate the negative impact of the coronavirus pandemic and global crisis on economic sectors" It should be noted that it was accepted in This decree states that the economy of Uzbekistan, which is a part of the global economic system, was affected by these factors, and that, in turn, it is required to take effective preventive measures to mitigate the negative effects of this situation [1].

There are theoretical views of a number of economists regarding the importance of the investment environment in attracting investments to the economy. For example, according to Sh.Shodmonov, U.Gafurov, "Investments are the monetary form of expenditures for the restoration and increase of fixed and working capital, expansion of production capacity" [2].

R. Yuldashev evaluates the investment potential of our country as follows: "Uzbekistan is located at the crossroads of Central Asia, it is a country with convenient transport corridors for establishing effective regional cooperation and participation in regional and transnational projects" [3]. Prof. D.G. Gozibekov interpreted the essence of the economy of investments as a financial category and defined it as follows: "The essence of investments is obtaining funds from clear and reliable

sources, mobilizing them in a reasonable manner, taking into account the level of risks in this case, it consists of maintaining the capital value and obtaining the intended effect" [4].

Prof. N.H. Haydarov gives the following definition of the essence of investments: "Investment is the use of natural and legal entities operating on the basis of entrepreneurship, regardless of the form of ownership, or the state, in order to achieve economic and social benefits. what kind of business object is spent" [5].

Research methodology

Studying the results of a number of existing problems related to the investment environment in attracting investments to the national economy, which made it possible to determine the main directions for the further development of attracting investments to the national economy. The importance of solving the main problems related to the wide application of the attractiveness of the investment environment to life in attracting foreign investments to the national economy was highlighted at the state level. The main goal of ensuring the attractiveness of the investment environment in attracting investments is to increase the effectiveness of active investment activities.

Analysis and results

In the modern business world, the demand for information is high, so many countries have an active and aggressive policy of promoting their advantages to information consumers, influencing them to form the necessary stereotypes that are important to them. . There are well-developed technologies for shaping the positive side of the whole country and some enterprises. Taking into account that ordinary investors stand behind powerful investment corporations, extensive practical work is required to provide timely and accurate information to investors in countries where potential investors are located.

It should be noted that in this regard, comprehensive measures have been implemented in our country to introduce modern scientific achievements, innovative ideas and technologies to the economy, social sphere and state administration [7].

The practice of creating specialized state agencies responsible for relations with foreign investors is widespread in the world. Such agencies operate in more than 100 countries. Agencies perform three main functions:

1. Creating a favorable environment of the country in the eyes of potential investors;
2. Implementation of targeted investment attraction;
3. Providing services to investors related to the implementation of investments.

Targeted attraction of investments is carried out by establishing direct contact with the companies whose investments are considered the most important for the economic development of the country and introducing them to the prospects of making investments. Within the framework of the competition policy for investment attraction, such contacts are aimed at certain sectors, organization of investment missions and seminars aimed at exchanging information with potential investors and companies, and the creation of a nationwide information network consisting of information between the representatives of the agency and the management of these companies. it is appropriate to create.

In order to reduce the accumulated debts, it is necessary to conduct a policy of expressing the level of responsibility from the economic point of view, rather than using the policy of coercion and bribery towards debtor-enterprises and creditor-enterprises. It is necessary to facilitate the replacement of managers of enterprises and their managers due to inefficient work, and to provide control over the timely transfer of bad debts to losses.

In order for enterprises to effectively manage the problem of overdue debts, the state should help create the necessary infrastructure. In particular, the creation of regional debt settlement operators should be encouraged.

In order to improve the investment environment in Uzbekistan, to increase production and productivity, it is very important to equalize the conditions of competition and further expand the economy. Inefficient enterprises should not be directly or indirectly supported by state and local government bodies. On the contrary, stronger, more efficient companies should be preferred to renew the economy.

It goes without saying that this process has never been painless and will remain so. The slowness of the change process is explained by this. It follows from here that the structural restructuring of the economy should be carried out simultaneously with special programs such as retraining and re-employment of the dismissed employees, and at the same time should not hinder the growth of efficiency.

In essence, the most important components of these reforms are the following efforts:

- ✓ protection of ownership rights;
- ✓ strengthening corporate governance;
- ✓ strengthening the discipline of contract execution;
- ✓ small business support;
- ✓ development of the banking system and financial market institutions;
- ✓ reform of natural monopolies;
- ✓ land reform.

In this way, the creation of a full-fledged investment infrastructure serves to create an environment of attractiveness.

At the current stage, a favorable investment environment is the main task for ensuring economic growth, without which it will not be possible to maintain the scientific and technical potential that will allow solving social problems and supporting the status of Uzbekistan as an industrialized country. A fundamental improvement of the investment environment is required, because despite the positive changes observed since 2017, it remains unattractive.

Many processes, for example, administrative orders, establishment of corporate governance, ensuring the reliable functioning of the judicial system, elimination of corruption and other institutional changes have become long-term. A principled and rational policy will lead to a rapid, permanent and permanent improvement of the situation. Then investors should be sure that today will be better than yesterday, and tomorrow will be even better than today. Therefore, the state's economic policy requires a long-term strategy for attracting investments, including foreign investments, and encouraging savings.

It is inevitable that public investments, infrastructure and the direction of supporting potentially competitive sectors of the economy will give some positive results. However, it should be clear that it is necessary to monitor the effective use of the necessary resources and their required sectors. This leads to greater attention to foreign and domestic investments. They require a favorable investment environment.

In many cases, rather than the efficiency of investments, their size is considered to be the efficiency of investments.

The fact is that the lack of investments first of all prompts us to increase the volume of investments. However, in fact, we should prefer efficiency, because the process of changing investment regimes, which is observed during the transition from a planned economy to a market economy, has not been completed. Therefore, not all investments are equally profitable. Most of the enterprises, including local investments, have low efficiency indicators. Of course, the larger the amount of investments, the higher their efficiency indicators will be if the projects are carried out with quality. As the volume increases, the number of projects that can be included in the list of financed projects increases. However, it is important that the most effective projects occupy the first places in this

list.

Recently, the view that it is necessary to stimulate consumer demand and increase the monetary income of the population has become widespread for economic growth. There were even proposals to immediately double the monthly salaries. It should be remembered that the income of the population can grow only with the growth of labor productivity and production. Another way is to print more money and wait for the price to rise to eat up nominal money income, which we don't need.

If we talk about attracting or encouraging investments, the question arises as to how to do it at the expense of better priority projects or at the expense of giving some benefits to investors or at the expense of creating the same favorable conditions for everyone. The question is very relevant because, first of all, it is easier to provide certain privileges and special conditions and it is possible to get results from them faster. This kind of practice is more typical for us.

In this situation, it will not be possible not to apply certain benefits for investors, for example, the investment tax credit provided for in the tax code. However, as a rule, general improvement of conditions for investments, for example, general reduction of the tax burden, instead of tax incentives, is more effective.

One of the main problems is what to do to stop the outflow of capital. There are two fundamentally different approaches here, but they complement each other.

The first approach is to strengthen administrative restrictions and state control.

The second approach is more important and more promising - to create economic and legal conditions so that the withdrawal of capital is useless. However, it is necessary to take into account the structural features of the capital flow, its various components. They are as follows:

- public or semi-public (that is, willing to pay taxes) capital - seeks more reliable and profitable placement in order to avoid political and socio-economic instability, threats to property rights and high transaction costs;
- origination of capital flow for the purpose of "laundering" illegally earned money.

A sharp change in the first flow becomes as important as the task of creating a favorable investment environment.

It is also necessary to set priorities for the improvement of the investment environment. According to experts, the fight against corruption and crime, ensuring and strengthening the independence of the judicial system, protecting property rights and improving corporate governance, "transparency" of Uzbek enterprises for foreign investors and creditors are among the priorities for improving the investment environment. is considered

List of used literature

1. Decree of the President of the Republic of Uzbekistan No. PF-5969 "On priority measures to mitigate the negative impact of the coronavirus pandemic and global crisis on economic sectors" // People's word, 2020 March 20.
2. Sh. Shodmonov, U. Gafurov. Economic theory. Textbook. Tashkent: Economics, 2018. 347 pages.
3. Yuldashev R.Z. Investisionnoye obespecheniye privatizirovannyx predpriyatiy v Uzbekistane: administrative aspect. Monograph. T.: Economy, 2018. — 93-S.
4. G'ozibekov D.G'. Investment financing issues. T.: "Finance" publishing house. 2013. 26 pages.
5. Haydarov N.H. Issues of improving financial and tax relations in the investment activities of enterprises in the conditions of economic liberalization. i.f.d. dissertation written for a degree. - T.: 2003. 29 p.

6. Danko T.P., Svobodniye yekonomicheskiye zony v mirovom hozyaystve. - M.: "INFRA-M", 2018. - S. 31.
7. On the state program of the President of the Republic of Uzbekistan Sh. Mirziyoyev on the implementation of the action strategy on the five priority directions of the development of the Republic of Uzbekistan in 2017-2021 in the "Year of active investments and social development" PF-5635- Decree no. January 17, 2019, "Halk sozi" newspaper -1-2 p. 18.01.2019