

THE ROLE OF FOREIGN INVESTMENT IN THE COUNTRY'S INNOVATIVE DEVELOPMENT

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ABSTRACT	KEYWORDS
<p>The article examines the economic resources at the enterprises of our country as well as various theoretical approaches that characterize their essence, their importance in the development of economic resources of industrial enterprises. It is scientifically substantiated that the economic essence of investments, the application of which ensures the socio-economic well-being of industrial enterprises,is considered the main factor in achieving economic efficiency, investment is one of the important factors in achieving developed market competitiveness in the context of the formation of a digital economy.</p>	<p>Investment, production, resources, economic factor, industrial network, enterprise, resources, industrial economy, efficiency, economic resources, commodity, digital economics, theoretical approaches.</p>

Introduction

Many targeted plans are being implemented in our country to improve the internal and external investment potential and increase the well-being of the population. In recent years, the investment forum held in our country is one of the main types of activity between Central Asian countries and investors from all over the world.

In the competitive conditions of uncertainty and economic development, any investor pays special attention to the efficiency of the object when directing his investments. In other words, investors also face the question of being able to use investments effectively. Choosing the optimal solution to this issue based on the mutual agreement of both parties guarantees the effectiveness of the investment. Of course, in this process, the government will encourage the expansion of investments in economic sectors, further improve the investment environment, support the development of enterprises with foreign investment, including the formation and implementation of a single investment policy, favorable conditions for all parties. should be coordinated based on.

Literature Review

In fact, economic and financial evaluation of investment projects is very important in the process of choosing and justifying optimal options for spending money on real assets [2].

In this case, it is necessary to make wider use of the existing opportunities and potential of the sectors by determining the influence of the factors affecting investments and the priority directions of

attraction, and to eliminate the sharp inter-regional differences in different sectors and sectors of the economy [3].

In world practice, they say that economic analysis methods can be used to evaluate the effectiveness of investments. Assessment of the integrated effectiveness of investment projects in the national economy assumes that it reflects all socio-economic aspects of its implementation. In particular, they emphasize the need to take into account not only direct internal factors, but also external results and costs related to the relevant sectors of the economy, as well as environmental, social and other non-economic effects [4].

Also, clearly defining the priority areas of investment, attracting internal and external financial sources based on rational regulation of investment activities, taking into account all conditions, determines the future of the national economy, and the investment multiplier indicator is considered as another important indicator in evaluating the effectiveness of investments [5].

Studying the efficiency and development of investments makes it possible to conduct a rational investment policy. Also, the analysis of income and product price is important to increase the efficiency of investments.

Research Methodology

Analytical comparison, logical and comparative analysis, statistical evaluation and tabular methods were widely used in this research. Analytical conclusions are also presented based on a wide study of the research works of foreign and local scientists on the topic.

Analysis and Results

The term investment as an economic category is defined as follows in the Law of the Republic of Uzbekistan "On Investment Activities" [1]: Investments are material and immaterial benefits included in business activities and other types of activity objects that are not prohibited by law. and rights to them, including rights to intellectual property, as well as reinvestment.

In addition, this law defines the following terms related to a number of investments:

An investor is a subject of investment activity that invests its own funds in objects of investment activity and attracts other investment resources;

Investment commitment is the commitment of the investor to achieve certain goals provided for in the investment project;

Investment activity is a set of actions of investment activity subjects related to the implementation of investments;

Investment activity participant - investment activity entity that ensures the fulfillment of investor's orders;

Reinvestment - any income received from investments, included in business activities and other types of activities not prohibited by law, including profits, interest, dividends, royalties, license and brokerage fees, technical assistance, maintenance and other payments, and other forms of rewards.

Investments have been given different definitions by our scientists. In particular, Professor B.Y. Khodiyev and Professor Sh.Sh. Shodmonov gave the following definition of investments: "Investments are a steering wheel view of expenditures made for the restoration and improvement of the main and circulating capital, expansion of production capacities." In this definition, our scientists paid the main attention to production, that is, they considered investments as expenses for the

restoration and improvement of the main and circulating capital of enterprises, and the expansion of production capacities.

Regional investments are divided into capital, innovation and social investments according to their intended purpose:

Charitable investments - include investments in the creation and reproduction of fixed assets, including new construction, modernization, reconstruction, technical re-equipment, as well as the development of other forms of material production.

Innovation investments - include investments in the development and adoption of new or improved goods (works, services), production process, new marketing method or organizational method in conducting business activities.

Social investments include investments in increasing human potential, skills and production experience, as well as in the development of other forms of intangible benefits.

Investments can be divided into two types according to the object of investment: financial investments and real investments.

Financial investments are investments in financial assets. Financial investments can be in the form of shares, bonds and other securities.

Real investments are the funds entered for the purpose of purchasing non-financial assets of all types (working and non-working).

According to the nature of participation in the investment process, investments are divided into direct and indirect investments.

In direct investments - the investor directly participates in the selection of the investment object and the introduction of funds. Direct investments are usually made by specially trained investors who have accurate information about the investment object, are familiar with the investment mechanism, and have extensive experience in this field.

Indirect investments are made through investment or other financial transactions. According to the investment period, investments are divided into short-term and long-term investments.

According to the form of ownership, investments are divided into the following types: private, state, foreign and joint investments.

Private investment is the introduction of funds by citizens and non-state economic entities of ownership.

State investments are investments made by central, regional and local governments and management bodies at the expense of budget, extra-budgetary funds and debt funds, as well as by state enterprises at the expense of their own and debt funds.

Foreign investment is a complex of all types of property and intellectual assets that foreign investors invest in business and other types of activities for the purpose of earning income.

Currently, investments are the most important part of the economy in the development of the economy of any country. Investments in the country serve to rapidly develop the economy, ensure macroeconomic stability, reduce the level of unemployment, increase the income of the population and the well-being of the population.

The Law "On Investments and Investment Activities" defines the following basic concepts within the framework of the law:

An investment project is a set of interrelated activities aimed at realizing or attracting investments for economic, social and other benefits;

Investment obligation - an obligation accepted by the investor to achieve the set goals;

Investment policy - a set of interrelated measures aimed at ensuring the necessary level and structure of investments in the economy of the Republic of Uzbekistan and its specific sectors, increasing the investment activity of investment activity subjects, aimed at finding investment sources and determining the priority sectors of their use ;

Investment activity - a set of actions of investment activity subjects related to the implementation of investments;

Participation in investment activity - subject of investment activity that ensures the implementation of investments as an executor of orders or on the basis of an investor's order;

Investment contract - a written agreement concluded between subjects of investment activity, defining the rights, obligations and responsibilities of the investment contract tariffs;

Investments are tangible and intangible assets and rights to them, including rights to intellectual property objects, as well as reinvestments, which are invested by the investor in the social sphere, entrepreneurship, scientific and other types of activities on the basis of risks for the purpose of profit;

Investor - a subject of investment activity that invests its own funds and (or) debt funds or other attracted investment resources in objects of investment activity for the purpose of profit;

Local investors - citizens of the Republic of Uzbekistan carrying out investment activities, foreign citizens with the status of residents of the Republic of Uzbekistan and stateless persons, including individual entrepreneurs, as well as legal entities of the Republic of Uzbekistan;

Reinvestments - any income received from investments, included in business activities and other activities, including profits, interest, dividends, royalties, license and brokerage fees, technical assistance, technical services and other types of payments and fees;

Foreign direct investments - investments of a foreign investor without government guarantees, at the expense of own funds or debt funds under risky conditions;

Foreign investments - tangible and intangible assets and rights to them, including rights to intellectual property objects, as well as reinvestments, invested by a foreign investor in objects of the social sphere, entrepreneurship, scientific and other types of activities;

Foreign investors - foreign countries, administrative or territorial bodies of foreign countries, international organizations established in accordance with agreements or other agreements between countries or subject to international public law, organized and operating in accordance with the laws of foreign countries. legal entities, any other companies, organizations or associations, citizens of the Shet state.

Today, every country aims to attract foreign direct investment in order to maintain its stable economic development and stability of the financial system. This, in turn, leads to acceleration of growth in the economy.

Foreign investments are all property, financial, and intellectual assets mobilized by foreign investors to the economy, entrepreneurship, and other activities of another state in order to achieve high income and efficiency. Foreign investment, unlike domestic investment, is a source of external financing. They are attracted to the national economy from abroad, encouraging their arrival. But not all forms of attracting foreign capital can be an external source of financing. This applies primarily to loans and debts that require repayment with interest payments. Because foreign loans and debts of international financial institutions require repayment of fixed interest along with the principal debt after a certain period of time. There are specific differences between foreign investments and foreign

loans. In this regard, the scope of risks of foreign investments and the scope of risks of foreign loans differ.

Under the leadership of our President, on July 11, 2023, a video selector on measures to further expand investment attraction was discussed.

Today, the President emphasized the need for new technologies, modern production facilities, and qualified specialists for the further development of the country. In the course of the discussions, the implementation of foreign investment planning tasks planned at the beginning of the year was considered. As part of this year's investment and regional programs, work and plans for the absorption of a total of 20 billion dollars of foreign investments were defined. Therefore, investment indicators in sectors and regions, implementation of projects and priority tasks until the end of the year were discussed today.

Today, investment projects are implemented by investors in various fields of activity. In this regard, the classification of investment activity is considered as a separate object of study in a number of economic and legal literatures. The general idea is that the classification of investment activities is explained directly in connection with the type of investment. Based on the above, if the goal of investment activity is to achieve a high level of social and economic development of society, its means are investment, investment potential and investment processes. Obtaining income from investment assets, increasing existing capital and investment resources and creating conditions for their effective use are evaluated as the result of investment activity. Also, investment activity:

- 1) independent activity;
- 2) investment of property and property rights;
- 3) according to risk;
- 4) aimed at obtaining profit or achieving other positive results;
- 5) implemented in a certain legal form;
- 6) representing the target use of investment means;
- 7) it is distinguished from other types of activity by its specific characteristics, such as being carried out in several stages.

During the last six months of this year, 3.6 billion dollars worth of investments were made in the networks. More than 50 million dollars of direct investment was attracted to Andijan city, Buloqboshi, Romitan, Ghallarol, Forish, Karmana, Davlatabad, Chust, Kattakorgan, and Syrdaryo districts.

As a result, a total of 50,000 new jobs were created in these districts, and additional income of 1 trillion soums was generated. Today, additional tasks have been set to accelerate 1,500 projects in investment programs and to absorb more than 12 billion dollars of foreign investments. Also, the head of our state showed a specific algorithm of actions for attracting investments and implementing projects in each sector and region. In particular, within the framework of the state investment program, it was decided to organize a "project" work on the early commissioning of 272 large projects worth 11.5 billion dollars. In particular, it will be possible to start 29 projects earlier by accelerating construction, and 49 projects by helping to bring and install equipment. As a result, 700 million dollars' worth of investments will be utilized 2-3 months ahead of schedule.

The President gave instructions to the Minister of Transport and ambassadors of our country in this regard. It was decided to allocate another 100 million dollars in addition to the 1.2 trillion soums provided for infrastructure projects in the regions. At the same time, it is necessary to absorb 4.4 billion dollars of foreign direct investment in the framework of 230 projects in the sectors, 4.6 billion

dollars in the framework of 1200 projects in the regions. Projects are divided into 3 categories and dealt with individually. That is, the regional governor's deputy for investment is responsible for large projects, the district governor is responsible for medium projects, and the district governor's deputy for investment is responsible for small projects. Officials were attached to each region to effectively implement this system and solve issues on the spot [6].

If we pay attention to the investment forecasts for 2025-2030, it is expected that 379,772 billion soums will be invested in 2025 and 746,870 billion soums in 2030. It is projected to reach a growth rate of 109.0 percent in 2025 and 109.7 percent in 2030. In addition, direct investments will amount to 75,036 billion soums in 2025 and 166,337 billion soums in 2030, with a growth rate of 111.5 percent in 2025. and is projected to reach a growth rate of 112.3 percent in 2030, and much work is currently being done in the economy to achieve these figures (Table 1).

Today, the results of investment partnership with partner countries were also reviewed. In particular, in the last two years, many agreements have been reached at high-level meetings with Saudi Arabia, France, Hungary, Singapore, Egypt, Germany, China, Italy, Qatar and other countries, which has become important in the economic development of our country. In this regard, we can see that there are positive changes in cooperation with Hungary, Pakistan, Thailand, the Czech Republic and Japan, and investment attraction from these countries has reached 450 million dollars this year alone. Now it is decided to introduce a new system for working with investors within the framework of foreign agreements. According to it, the position of "investment manager" will be established in the Ministry of Investment and Foreign Trade and will report directly to the minister. They are in constant contact with foreign investors and solve the necessary issues. Working on the basis of this system, it was mentioned that an additional 3 billion dollars of investment can be attracted this year. Also, it was shown that the investment projects formed in most regions, districts and cities do not correspond to the real possibilities.

Table 1 *Forecast of investment in fixed assets by resources (2025-2030)*

Indicators	2025 (forecast)			2030 (forecast)		
	billion soum	growth rate, %	total in percent	billion soum	growth rate, %	total in percent
Capital investments, total (billion soums)	379 772	109,0	100,0	746 870	109,7	100,0
Focused investments:	96 712	105,3	25,5	141 797	103,9	19,0
Budget funds, including extra-budget funds	29 263	109,8	7,7	46 685	104,0	6,3
Recovery and Development Fund	16 518	103,5	4,3	23 040	103,5	3,1
Foreign investments and state-guaranteed loans	50 931	103,5	13,4	72 072	104,0	9,6
Decentralized investments:	283 060	110,4	74,5	605 073	111,2	81,0
Population funds						
Enterprise funds	108 816	108,2	28,7	198 589	109,0	26,6
Commercial bank loans and other debt funds	62 121	113,7	16,4	170 365	113,4	22,8
Direct foreign investments	75 036	111,5	19,8	166 337	112,3	22,3
Population funds	37 086	109,1	9,8	69 782	109,7	9,3

In particular, in the last two months, consulting companies were attracted to 60 districts with low industrial development, and more than 2,000 promising projects worth 6.5 billion dollars were found. This means an average investment of 110 million dollars and hundreds of jobs in each district. Based on this, together with consulting companies, in all districts and cities, the task of forming new projects based on the principle of "research - development - implementation" was set. To present them to foreign investors, a regional investment forum will be held in each region before the end of the year. Also, 97 large-scale industrial projects have been developed by the Government Commission, which will give a great impetus to the economy. Through this project, 6.7 billion dollars will be used, 3 billion dollars' worth of products will be produced and more than 27 thousand jobs will be created. Today, it was noted that the President will introduce a new system for launching 1,500 projects in the investment program and absorbing 12.1 billion dollars of foreign investments. In a word, the launch of such investments will serve the further development of our country in terms of socio-economics, as well as the creation of vacancies with quality and decent working conditions, thereby increasing the income of the population and creating comfortable living conditions.

Another important aspect, as noted at the meeting, is that foreign investments are widely attracted to our country, the conditions created in our country, the existence of strong legislation, sufficient conditions and infrastructures for them to implement investment projects without fear or hesitation, the most important thing, there should be no barriers, no corruption. Foreign investors should feel the presence of such conditions as soon as they enter our country [6].

It is aimed at attracting the heads of large foreign investments, financial and economic organizations and companies interested in integrating into the rapidly developing market of Uzbekistan. On April 27-28, the second Tashkent International Investment Forum was held in the Congress Hall of our capital, Tashkent, with the participation of more than 2,500 participants from the USA, European Union, Great Britain, CIS, Turkey, China, South-East Asia, India, Egypt, and the countries of the Middle East. was held and more than 30 expert meetings were planned, including panel sessions, roundtable discussions and B2B talks.

During the Second Tashkent International Investment Forum, 164 investment agreements and contracts were signed. The total amount of contracts was 11 billion dollars. For comparison, in 2022, documents worth 7.8 billion dollars were signed at the investment forum in 105 years [7]. As part of TXIF-2023, a panel session "Modern construction and building materials industry" was held, where experts discussed the prospects for the development of the industry.

Conclusion

In conclusion, we found it desirable to present some thoughts, ideas and suggestions as an improvement of the reforms implemented in the country to increase the investment attractiveness of the country by improving the foreign investment potential. In particular, we should mention the increase of investment potential in the regions and the growth of the national economy in all aspects as a result of its impact on the regional economy as the main basis of investment attractiveness. It is also necessary to increase the attention to increase the standard of living of the population and decrease the level of unemployment as the most important priority of the socio-economic development of the country.

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