



The Objective Necessity of Attracting Foreign Investments to The Economy of Uzbekistan

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Abstract: *In the article, attracting foreign investments is recognized as one of the important priority tasks based on the directions of the development of the economy of Uzbekistan, the importance of foreign investments, the need to conduct an investment policy as a very important condition of the strategy of reforms carried out in the country, suggestions and recommendations for attracting more foreign investments are presented.*

Key words: *investment, foreign investment, investment policy.*

Introduction

Uzbekistan has all the conditions for bringing foreign investments into the country. Uzbekistan has a number of advantages for attracting foreign investments. In general, creating a favorable investment environment is considered one of the central issues of the economic policy of our country.

It should be said that no country has been able to achieve development and economic development without attracting foreign investments. That is why this work is one of the priority directions in the economic policy of our country. In the Republic of Uzbekistan, this policy is:

- liberalization of foreign economic activity;
- formation of the legal basis, socio-economic and other conditions ensuring the attraction of capital funds to the republic's economy;
- regularly conducting an open door policy towards foreign investors who supply technologies that meet the requirements of world standards and help to establish modern structures of the economy;
- it is being implemented through principles such as spending funds on the most important priorities related to the development of competitive product production.

In this regard, the existing legislation in our country provides a number of guarantees and privileges to foreign investors. At this point, recognizing the necessity of foreign investments in our economy, foreign investors should win the trust of the investment policy conducted in the Republic of Uzbekistan, the rule of law, and most importantly, as a strong partner capable of solvency. For this purpose, it is necessary to create legal, social, economic and other necessary conditions for attracting foreign investments to our economy, mainly in the form of direct capital investments, to support the establishment of joint ventures, as well as to improve the protection of investors' interests.

Main part

Uzbekistan has all the conditions for entering the group of countries where huge foreign investments are directed, and a number of advantages for attracting foreign investments. Uzbekistan plays an important role in front of the world community with its level of socio-economic development, its geographical location on the world map, the structure and reserves of its natural resources, the economic policy of the government, etc.

From a legal point of view, foreign investment is related to the ownership, use and disposal of capital in the territory of another country. From the economic point of view, their forms of territorial, time and space movement will have the possibility of encountering more and more additional risks in order to gain profit. The development and deepening of the investment base is defined as a very important condition of the strategy of reforms carried out in the country, and in order to carry out a strong investment policy, it is necessary to implement the following priority tasks:

first of all, it is necessary to carry out a policy with a clear goal of further liberalization of foreign economic activity. In this case, the introduction of a preferential procedure for the free use of the income of foreign investors in the export and import of goods.

secondly, to further improve the legal, socio-economic and other conditions for wide attraction of foreign investments, mainly investments in the form of direct capital funds, to the economy of the Republic;

thirdly, conducting an open door policy towards foreign investors who will help to create a modern structure of the national economy that will bring world-class technologies to Uzbekistan;

fourthly, it is necessary to spend funds on the most priority areas - the development of the agricultural sector, the fuel and energy complex, and other basic sectors, which ensure the independence of the republic, and the development of the production of ready-made products capable of competition. Because it is impossible to expand export opportunities without restructuring the economy structurally.

It is suggested that the extent to which our government attracts foreign investment will ultimately determine the future of our economy in many ways. It is worth noting that the future state of our economy depends in many ways on how much we attract foreign investments today [1]. In this regard, it is envisaged that foreign investments will be focused primarily on the introduction of new technologies and the commissioning of new capacities.

Recognizing that foreign investments must be determined with great difficulty and over a long period of time [2], and that they must selectively change their direction and increase their investment, there will be possible losses, but they can increase their capital, profitably raise funds, and profit from it. It can be noted that capital is not just lying idle, looking for a place where it can get.

The policy of attracting foreign investments for the development of the priority sectors of the economy in the Republic of Uzbekistan is aimed at the effective use of available funds, time and opportunities, the effective deployment of resources based on the existing conditions, and thus the rise of the republic's economy, its integration into the world economic system, and the promotion of investments in the priority sectors of the economy. aimed at attracting to networks and using them effectively.

The peculiarity of the investment policy implemented in our country is manifested in the priority given to the implementation of investment projects aimed at the deep processing of local raw resources and the organization of new productions based on energy-saving and high technologies. In order to develop the economy of our country in the future, it is necessary to pay attention to the following in order to attract more foreign investments:

- to further liberalize the economy, promote private property, small business and private entrepreneurship, increase the number of small and medium-sized enterprises working for export and create the necessary conditions for their efficient operation, and continue the system of state support for them;

- to organize and strengthen public control with representatives of local government representative bodies, civil society institutions to ensure the timely implementation of state programs related to the development of production and service infrastructure in order to attract foreign direct investment in remote areas;

- to identify the fields, objects and places of interest to foreign investors and to form a database about them, and to find ways to attract foreign investors to economically beneficial fields;

- encouraging the attraction of foreign direct investments by establishing more free economic zones, taking into account the nature of the industry and the economic development of the regions and their geographical location;

- production of a complex system of measures to attract foreign direct investments to the private sector, etc. is required.

The implementation of these proposals will have a positive effect on the further activation of attracting foreign direct investment to our country [3]. Ultimately, this situation provides an opportunity to completely solve the task of doubling the GDP production in our country by 2030 based on the continuous technical and technological renewal of production, the implementation of deep structural changes in the economy, and the consistent continuation of modernization and diversification of industry.

A number of reliefs and benefits have been established for the enterprises with participation of foreign investments operating in our country in relation to current taxes and duties. The implementation of these benefits directly constitutes one of the main foundations of the investment policy in our country and is having a positive effect [4]. For example, in our Republic, the property imported by foreign investors for their production needs is not taxed, production enterprises with participation of foreign investments spent on projects included in the Republic's investment program are exempted from income (profit) tax for a period of 7 years, the contribution of foreign investment funds to the enterprise fund is 50 % and above, they are exempted from income (profit) tax for 2 years and other tax benefits are established [5].

It is important to create a favorable investment environment for attracting foreign investments to the country's economy, to be based on the following principles in the implementation of measures to attract foreign investments (including the provision of incentives):

- conducting policy with a specific goal in the field of further liberalization of foreign economic activity;
- progressive improvement of the conditions that ensure wide attraction of direct capital funds to the economy of the republic;
- maintaining an open door policy towards foreign investors who supply innovative technology and help create a modern structure of the economy;
- concentration of funds in the most important priority direction related to production of import substitution and competitive products.

In Uzbekistan, regulatory documents have been adopted for the smooth operation of foreign-invested enterprises and the protection of investors' rights. In particular, the laws of the Republic of Uzbekistan "On Investments and Investment Activities" adopted on December 25, 2019 and the Tax Code determine the legal basis and procedure for the implementation of foreign investments. It's no secret that a foreign investor who wants to invest his money in the economy of a country first of all wants to know the benefits and facilities created for him. Here, in accordance with the Law "On

Investments and Investment Activities", the duty payment on property imported by foreign investors for their production needs, as well as for the personal needs of foreign investors and citizens of foreign countries residing in the Republic of Uzbekistan in accordance with employment contracts concluded with foreign investors can be shown not to be received.

In Uzbekistan, foreign investors are guaranteed the opportunity to transfer their profits and other income received as a result of legal activities to a foreign country without any restrictions [6]. In addition, foreign investors can have an account number in any currency in the banks of the Republic without any restrictions.

Conclusion

An enterprise with foreign investment has the right to export the products it produces without a license and to import products necessary for its production needs, according to the current laws. Foreign investors may be granted concessions for exploration, production and use of natural resources and other economic activities. Concession contracts are concluded between foreign investors and the representative bodies of the state administration of the Republic of Uzbekistan. In the case of exit from an enterprise with foreign investments or liquidation of such an enterprise, foreign investors have the right to recover their share from the property of this enterprise in proportion to the value of the enterprise's property in money or in kind. Calculations in the economic affairs of enterprises created with the participation of foreign investments should be carried out on the basis of the legislation of the Republic of Uzbekistan.

If the conditions specified in the legislation of the Republic of Uzbekistan differ from the international contract and the conditions specified in agreements with foreign investors, the international contract and agreement shall be used. Thus, the created legal frameworks create favorable conditions for foreign partners' extensive investment activities and protect their rights and investments.

By now, the process of forming the legal basis for the activities of foreign companies in the territory of Uzbekistan has been largely completed and is being used in practice. The following system of measures aimed at stimulating this activity has been developed:

- participation of foreign investments in the process of privatization;
- technical rearmament;
- promotion of production of products intended for public consumption and export.

The Republic of Uzbekistan guarantees that foreign investments will not be nationalized and requisitioned. Foreign investments can be requisitioned only in cases of emergency, emergency, epidemic, by decision of the Cabinet of Ministers. This situation ensures that the investor will be compensated in the amount of the specified loss.

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