

The Role of Foreign Investments in Ensuring the Financial Stability of The Economy

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Abstract

Since the first years of independence, Uzbekistan has determined its own direction of development of the national economy. As a result of his timely understanding of the incomparable role of investments in the development and stability of the economy, there was an increase in attention to investments, especially foreign investments, which led to the development of investment activities in our country. It should be noted that today's development of investment activity is a product of the rational investment policy of our government.

Introduction

To further increase the effectiveness of the reforms carried out in the Decree "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan" adopted by the President of the Republic of Uzbekistan Shavkat Mirziyoyev, to create conditions for comprehensive and rapid development of the state and society, In order to implement priority directions for modernization of our country and liberalization of all spheres of life, the Strategy of Actions on five priority directions of development of the Republic of Uzbekistan in 2017-2021 was approved. One of the priority directions of economic development and liberalization in this Strategy of Actions is to improve the investment environment, to actively attract foreign, first of all, direct foreign investments to the sectors and regions of the country's economy. Therefore, without attracting foreign investments, especially without expanding the participation of foreign investments in leading sectors, it is necessary to implement structural changes in the economy and modernize it, re-equip enterprises with modern equipment and competitive products. Production cannot be started. Attracting foreign investments to the economy of our country is of great importance in ensuring the economic power of our country by accelerating the expansion of its economic opportunities, using internal capabilities and reserves in all areas, adopting new techniques and technologies, developing exportable goods, and establishing their production. earns.



Decree of the President of the Republic of Uzbekistan No. PF-4947 of February 7, 2017 "On the Strategy of Actions for Further Development of the Republic of Uzbekistan" and No. PF-5087 of June 19, 2017 "Legitimate interests of business are protected by the state Decree No. PF-5177 dated September 5, 2017 "On measures to fundamentally improve the system of further development of business activities" and implementation of the tasks defined in other normative legal documents related to this activity serve to increase the attractiveness of foreign investments.

The main tasks of the investment strategy until 2025 are determined in three main directions: improving the investment environment, expanding domestic investment sources and increasing the efficiency of investment sources, implementing effective measures and developing new approaches to attracting foreign investments.

Until 2025, the main sources of investments will be direct investments, including public-private partnerships, state investments and corporate securities investments. It is planned to absorb more than 1,002.5 billion soums of decentralized investments within the framework of new and promising investment projects in 2019-2025. Also, about 30 percent is financed from the enterprises' own funds.

The share of fixed capital investments in GDP is expected to increase from 30.5 percent in 2018 to 37.5 percent in 2025. Also, in 2025, the amount of attracted foreign direct investments and loans will reach 11 billion US dollars, this figure was 1.6 billion US dollars in 2018.

The result of the implementation of the investment policy strategy is to comprehensively ensure the territorial and industrial development of the republic, as well as the formation of value chains of products from raw materials to finished products, the strengthening of existing ones and the formation of new interregional and intersectoral relations, sectors, regions, state bodies and private business o will develop cooperation between

A total of 104.5 trillion in January-December 2021. Soums of foreign investment and loans were absorbed into the fixed capital. Of them, 87.2 trillion from foreign direct investment and loans. 17.3 trillion soums were appropriated under the guarantee of the Republic of Uzbekistan. Soums of foreign loans were absorbed. The growth rate of foreign investments and loans in fixed capital compared to 2020 was 105.2%.

The number of new enterprises with the participation of foreign investments and the fact that new ones are being established is the result of the great attention of our state to this field and the facilities it creates for them. Therefore, one of the most important issues is economic stimulation of enterprises attracting foreign investments to our country and creation of necessary conditions for them. Therefore, it is necessary to implement the following measures to activate the attraction of foreign investments to our national economy: first, to reduce the impact of inflation on the value growth of investment projects, as well as to further increase the volume of foreign investments; secondly, to attract investments to the sphere of real production, that is, to industries processing raw materials; thirdly, to further improve the incentive system in order to create a more favorable investment environment for foreign investors, in particular, to reduce the tax burden and simplify the tax system for investors; fourthly, to improve the system of implementation of mutually beneficial projects with foreign economic entities and to establish free investment economic zones with them; fifth, systematic development of industry by attracting investors to places with existing infrastructure and



favorable development; sixth, to strengthen efforts to attract long-term, low-interest direct foreign credit resources; seventhly, based on foreign experiences, the establishment of state-supported funds for foreign investors. The practical implementation of the above suggestions will have a positive effect on the further activation of the attraction of foreign investments to our national economy.

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