

The Role of Foreign Investment in Ensuring Economic Development

Komilova Mukammal Shavkatovna

Azimov Firuz Akbarovich

Abstract: *This article presents the interregional and intersectoral composition of investments, their relative distribution by regions and sectors, the current role and significance of foreign investment in ensuring economic development.*

Keywords: *Investment, foreign investment, conversion, private investment, modern equipment and technology.*

From the first years of independence, Uzbekistan has determined its own direction for the development of the national economy. As a result of its timely and correct understanding of the incomparable role of investments in the development and stability of the economy, there has been an increase in attention to investments, in particular foreign investments, which has led to the development of investment activity in our country to this day. It should be noted that the establishment of today's developed investment activity is the result of the rational investment policy pursued by our government.

Today, in order to attract foreign investments on a larger scale and to encourage them to spend their funds for the economy of our country, preferential financial conditions have been created by law.

We can call any form of property directed from one country to another for the purpose of generating income a full-fledged foreign investment.

Foreign investments are all property, financial, intellectual assets that are mobilized by foreign investors to the economy, business and other activities of another country in order to generate high income and achieve efficiency.

Investments are the main means of arming with modern equipment and technologies, restoring scientific and technical, production and intellectual potential. It is through foreign investments that the national economy is revitalized, and production is specializing in the production of modern, competitive goods. This, in turn, leads to the creation of new jobs and the solution of existing economic and social problems in the country.

We can call any form of property directed from one country to another for the purpose of obtaining income a full-fledged foreign investment.

Foreign investments are all property, financial, intellectual assets that are mobilized by foreign investors in the economy, business and other activities of another country in order to obtain high income and achieve efficiency.

Investments are the main means of arming with modern equipment and technologies, restoring scientific and technical, production and intellectual potential. It is through foreign investments that the national economy is revitalized, and production is specializing in the production of modern, competitive goods. This, in turn, leads to the creation of new jobs and the solution of existing economic and social problems in the country.

Foreign investments, unlike domestic investments, are a source of external financing.

Foreign investments are of great and important importance in establishing joint ventures, creating enterprises fully owned by foreign investors, participating in privatization, establishing banks with foreign partners, purchasing securities, obtaining the right to use land and other natural resources, and operating in free economic zones.

Investments in terms of directing investment funds to objects are divided into real and financial investments:

The interregional and inter-sectoral composition of investments indicates their relative distribution by regions and sectors.

- Private investment refers to the investment of funds of non-state legal entities and citizens in business activities.
- Public investment is the state's expenditure of national income in the form of state budget funds for the development of the country's economy.
- Foreign investment can also be in the form of public or private investment. In the first form, public investment is involved, in which one state can provide loans or other forms of debt to another state. Such relations are governed by international law. In the second form, investments made by private firms, companies or citizens of one country to relevant entities of another country are understood.

Monitoring the implementation of investment projects included in the Investment Program of the Republic of Uzbekistan.

State regulation of investment activities is also carried out in other forms stipulated by legislation.

In the process of attracting foreign investment to the national economy, it is advisable to carry out the following additional measures:

- when establishing enterprises with foreign investment, the founders' agreement should clearly define the amount and form of the parties' shares, how much of the initial activity will be carried out at the expense of the authorized capital or at the expense of the loan, who will guarantee the loan, and the procedures for increasing the authorized capital in the subsequent period;
- the establishment of free economic zones, the development of a special state program and the establishment of a state body coordinating the activities of the zones;
- the development of laws and resolutions on the processing and development of natural minerals and the adoption of special laws on individual types of resources;
- the establishment of tender committees, etc.

It is appropriate to classify foreign investment according to the form of ownership into private, state, foreign and mixed investments. At the same time, foreign investment can also be divided into financial and real investments depending on the object of its direction. In developed countries, the main place in the structure of financial investments is occupied by investments of private property owners. The securities market in our republic is only at the stage of formation and practically does not fulfill the function of distributing financial capital between sectors. One of the differences between foreign investments and domestic investments is the preliminary calculation of all risks associated with their implementation, which are divided into three additional groups. The importance of foreign direct investment in the development of the economy of Uzbekistan is incomparable.

It is worth noting that about 54 percent of all investments made are made by enterprises and the population. This once again confirms the correctness of the tax policy pursued in our country to reduce the tax burden and stimulate the investment activity of economic entities.

Uzbekistan, due to its potential, favorable natural conditions, abundance of raw materials, abundance of qualified and cheap labor force, and developed communications, has great opportunities among the countries of Central Asia. However, the amount of foreign investment invested in Uzbekistan to date is much lower than expected. This, in our opinion, is due to the fact that the country has not introduced full-fledged free convertibility of the national currency "sum" in current accounts; Despite the country's stable solvency, this is due to the lack of information reaching the general public and foreign investors, as well as the lack of widespread coverage of the government's path to liberalizing the foreign exchange market and foreign economic activity in the near future.

List of used literature

1. Zoyirov L.S, Asamxodjayeva Sh.Sh, Yunusova S.B. Investitsiya. Darslik. – T.: Iqtisod-moliya, 2019. – 652 b.
2. Управление финансовыми рисками: учебник и практикум для бакалавриата и магистратуры / И. П. Хоминич [и др.]; под редакцией И.П. Хоминич, И.В. Пешчанской. – М.: Издательство Юрайт, 2019. – 345 с.
3. Экономическая оценка инвестиций: учебник и практикум / Т. Г. Ка-сяненко, Г. А. Маховикова. — М.: Издательство Юрайт, 2018. – 559 с. – Серия: Бакалавр. Углубленный курс.
4. Зайиров Л., Насиров Э., Ханова Н., Асамходжаева Ш. Инвестиции. Учебное пособие. – Т.: IQTISOD-MOLIYA, 2019. – 448 с.
5. Сабирова Л.Ш., Хужамкулов Д.Ю. Инвестиция. Учебное пособие. - Т.: IQTISOD-MOLIYA, 2019. – 254 с.
6. www.mininnovation.uz – (O'zbekiston Respublikasi Innovatsion rivojlanish vazirligi sayti).
7. www.stat.uz – (O'zbekiston Respublikasi Davlat Statistika Qo'mitasi sayti).