

## IN THE MODERNIZATION OF THE NATIONAL ECONOMY ATTRACTING INVESTMENTS

**Ruzibaeva Nargiza Khakimovna**

*Samarkand Institute of Economy and Service Associate Professor of the Department of Investment and Innovation*

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### Abstract

This article examines the trends in attracting investments in the context of modernization of the national economy. One of the important factors of sustainable development of the national economy is the attraction of investments in its various sectors.

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One of the most important factors of sustainable development of the national economy is investment in its various sectors and industries. The study of investment problems has always been in the focus of economic science, because investments determine the general economic growth process of the country and cover the most basic foundations of enterprise activity. In the republic, much attention is paid to the implementation of an active investment policy focused on the modernization of the existing production, technical and technological re-equipment and the creation of new, modern, high-tech production. It is necessary to consistently continue the active investment policy for the rapid development of the economy. . As the President of Uzbekistan Sh. Mirziyoyev stated in his Address to the Oliy Majlis on December 20, 2022, it is planned to further improve the conditions for increasing local and foreign private investments in the economy, it is planned to invest 30 billion dollars this year, and 25 billion dollars of it will be private investments.

In the development strategy of the new Uzbekistan, it is required to carry out an effective investment policy to increase the country's international competitiveness. In this, first of all, scientific research is being carried out on the introduction of innovative technologies, modernization of production and ensuring the competitiveness of industrial production sectors, attracting investments to the technological reproduction of the main capital, and developing entrepreneurship. Special attention is being paid to macroeconomic issues of improving investment mechanisms in Uzbekistan, in this regard, to further improve the investment environment in the country and increase its attractiveness, mobilize to take measures to attract 120 billion US dollars, including 70 billion US dollars, of foreign investments in the next five years. special attention is paid to The importance of ensuring economic growth on the basis of the consistent and effective performance of these tasks is significantly increasing on the basis of the formation of an investment strategy and the improvement of the mechanism of its implementation.

One of the main directions of this policy may be the timely coordination of tools in accordance with the constantly changing and increasingly market-oriented structure of economic relations between market

entities, as well as between these entities and the state. The formation and development of the Uzbek financial market is followed by the gradual formation of the market infrastructure to serve the participants of the investment market. In this case, the creation of the institutional foundations of providing services to market participants provided an opportunity to form market relations through financial-credit, insurance operations on a commercial basis.

In the conditions of economic modernization, management and development of investment activity has become one of the urgent issues. Technical and economic modernization of the economy requires further development of priority sectors of industry, increase of production efficiency, increase of competitive goods that meet the requirements of foreign and domestic markets and creation of new ones. Determining specific investment directions, making scientifically based investment decisions, and finding internal and external financial sources based on rational regulation of investment activities have become a condition for economic growth .

Regulation of investment activity by the state, implementation of the investment policy that ensures the fulfillment of the state tasks of socio-economic development of the Republic of Uzbekistan and its territories, increasing the efficiency of investments, is a safe condition for investments in various investment objects in the territory of the Republic of Uzbekistan. - it is carried out by state administration bodies and local state authorities in order to ensure the conditions.

State regulation of investment activities is carried out through:

- improvement of the legal framework of investment activities;
- creating favorable conditions for the development of investment activity and providing guarantees of the government of the Republic of Uzbekistan;
- Establishment of special economic zones and small industrial zones in the territory of the Republic of Uzbekistan;
- granting the right to accelerated amortization of fixed assets;
- setting technical regulatory norms, rules and requirements;
- application of measures to support competition;
- Ownership of land plots and other natural resources and determination of conditions for their use.

The achieved macroeconomic stability in the country, the deepening of economic and institutional reforms and the improvement of the investment climate caused a significant increase in investment activity in the national economy and an increase in the volume of investments in fixed capital compared to 2021.

During the analyzed period, the ratio of investment by all funding sources has changed significantly. During 2013-2021, as a result of the targeted policy on modernization, technical and technological restructuring of the national economy, investments in fixed capital in the field of electricity, gas and steam supply increased by 7.9 times, manufacturing industry by 6 times ,4 times, the number of employed people increased by 1.2 times, agriculture by 4.6 times. We will further improve the conditions for increasing local and foreign private investments in the economy. In the last six years, we have achieved a 30% increase in the share of investments in the gross domestic product. Next year, about 30 billion dollars of investment will be attracted, of which 25 billion dollars will be private investments. In particular, we will launch more than 300 projects with a total value of 8 billion dollars, and 40 new large-scale projects will be launched.

In 2021, 239.5 trillion will be allocated for the development of economic and social sectors in the Republic of Uzbekistan. Sums or 192.1% of fixed capital investments were absorbed compared to 2018.

High growth rates of foreign direct investment and loans became the main factor in achieving high growth rates of fixed capital investments. Compared to 2018, they increased by 3.9 times and accounted for 31.0% of total fixed capital investments, including 19.6% of foreign direct investments (or an increase of 3.6 times).

Active investment policy is the most effective means of structural restructuring of the industry. In Uzbekistan's investment strategy, investment projects aimed at creating new high-tech developments that provide advanced technology and deep redevelopment of our raw resources, increase the country's export potential, and create new jobs are considered preferable.

One of the priority directions of market reforms is the development of the investment process in industrial sectors aimed at the priority directions of modernization of the national economy and increasing its competitiveness.

In the decision of the President of the Republic of Uzbekistan "On measures to implement the investment program of the Republic of Uzbekistan in 2023-2025" No. 459 of December 28, 2022, acceleration of the development of the republic's economic sectors, expansion and modernization of production capacities, industry, wide introduction of modern technologies in the service and agricultural sectors, increasing the production of exportable products with high added value, accelerating investment processes and actively attracting foreign direct investments to the regions, as well as creating high-paying jobs and local employment intended to provide.

In recent years, the main part of investments in total fixed capital, i.e. 52.5%, was made in four regions of the republic, including 21.8% in Tashkent city, 12.4% in Kash-kadarya region, 9.4% in Navoi region and Tashkent 8.9% was used in the region. For example, the first stage of development of the "Yoshlik" copper mine was completed, and the 3rd copper beneficiation plant with the capacity of processing 60 million tons of ore was put into operation. Thanks to this, the ore processing capacity of the Almalik combine increased from the current 40 million tons to 100 million tons. The construction of a 4 million ton gold ore processing complex at the Pistali mine in Navoi has been completed. Our big programs in the field of metallurgy will allow us to increase copper by 3 times and gold to 150 tons per year after five years. Large-scale projects will also be launched in the fields of chemistry, automotive engineering, and agricultural machinery. At the same time, it is necessary to fully and effectively use the possibilities of privatization and public-private partnership to attract active investments.

In the regions, the high growth rates of capital investments in Jizzakh region - 195.2% (volume of capital investments - 7919.3 billion soums), in Syrdarya region - 194.3% (6129.2 billion soums), in Khorezm region - 167.1% (5566.8 billion soums), in Surkhandarya region - 148.8% (12232.4 billion soums), in Navoi region - 145.7% (17775.3 billion soums), in the city of Tashkent - 142.5% (41497.9 billion soums), in Andijan region - 142.3% (8183.7 billion soums) and in Fergana region - 140.1% (9164.2 billion soums).

The following main directions of formation of an attractive investment environment in the republic can be indicated:

- considering foreign investments, first of all, as a source of introduction of modern techniques and technologies, at the same time, expanding the possibilities of effective use of domestic investments;
- ensuring macroeconomic stability, creating institutional conditions and making extensive use of the experience of the world's leading countries as the main direction of investment environment formation;
- effective use of the opportunities of the private sector in the formation of the investment environment and ensuring its guaranteed protection;
- To assume that the formation of the same investment climate for subjects who are the main participants in investment processes will increase the competitiveness of the national economy.

The consistent path of the Republic of Uzbekistan towards expropriation and privatization of property, the formation of the securities market, the development of small business and private entrepreneurship creates real conditions for the activation of the process of attracting direct and portfolio investments to the country's economy.

In addition, significant changes are being observed in the general composition of investments by sources of financing, that is, the state is moving away from the role of the main investor, and there are ample opportunities for private investments to increase. The share of the state increased from 9.3% in 2021 to 4.7% of total investments in 2012.

Foreign investments and loans accounted for 19.0% in 2012, and by 2021, this figure will be 42.3%. 44.0% of the investments in fixed capital have been absorbed from the decentralized sources of financing, or 62.0% by 2021.

The main source of financing of investments in fixed capital in industrial sectors is the company's own funds.

Realization of the stated goal of investment activities in the national economy should be focused on solving the following most important tasks:

- ensuring the maximization of profit from the implementation of investment activities;
- minimization of investment risks;
- ensuring the financial stability and solvency of the industrial enterprise in the course of investment activity;
- To find ways to implement investment programs and effective investment projects.

The analysis of investment activity helps to identify not only the problems of investment attractiveness of business premises, but also to determine the effectiveness of the involved investments and, based on it, to develop scientifically based recommendations on their practical use in the future, which, in turn, helps to develop the investment process and creates ample opportunities for creating an economic mechanism for its implementation.

Therefore, one of the main directions of the economic reforms implemented in our republic is the development of an attractive investment policy. Creating attractive conditions for investment activities includes the following closely related areas of government activity:

- formation of a favorable investment climate that allows reducing the risk of investing in the country's economy;
- improvement of the legal basis of activity of national and foreign investors;
- improving the activity of institutions in the field of attracting foreign direct investments;
- Creating a positive investment image.

Thus, modernization of the economy of our country, rational use of production capacity and, based on this, increasing the efficiency and competitiveness of industrial production are one of the main conditions for ensuring the stability of the national economy, development of investment activities, domestic and foreign investment resources that are introduced into the real sector of the economy. it is necessary to significantly expand the scope of investments.

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