

Investment Environment and Its Importance in Providing Economic Growth

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Abstract: The article describes the role of the investment climate in the development of the country's economy and theoretical aspects of the effective use of investments for economic development

Key words: investments, investment attractiveness, investment environment, investment resources

Introduction

Any country cannot develop without studying the theory and practice of developed countries. Therefore, it is expedient for each country to establish mutually beneficial cooperation with foreign partners in order to better organize production, achieve high performance, and improve the living standards of the population. In this regard, the investment climate in the country plays an important role. Where there is a favorable investment climate, the power that drives the economy is the flow of investment.

Literature Review and Results

The development of our country and reforms of it require, first of all, the search for optimal ways to develop the investment climate and economy. Today, Uzbekistan, along with developed countries, pays great attention to all areas, especially foreign and domestic investors. In order to achieve economic growth, it is necessary to use all sources of investment (they can include budget funds, external loans, direct investments, funds of enterprises and the population). In some developed countries, people's money is being invested in their economies. This is one of the most significant measures in other transition countries. The goal is to make the population more profitable in the future, while preserving the value of money. The countries have developed a number of measures to increase investment and foreign exchange inflows into their territories, including the Strategy of Actions for the Development of the Republic of Uzbekistan (2017-2021). investment attractiveness and opportunities for investors should not be overlooked. It is important to pay attention to the investment and investors when investors are now making their investment in any region or country. At a joint session of the Legislative Chamber and the Senate of the Oliy Majlis on January 21, 2020, President Mirziyoyev said, "Let the Oliy Majlis of this country protect the rights of investors, trust the Oliy Majlis and enter the country without fear." In order to demonstrate the investment climate in the country and its attractiveness to the world, plans to hold an international investment forum in Tashkent. Given the importance of this forum for our regions, with special emphasis on the need to hold this forum at the highest level, President Sh.

In order to create conditions for the formation of the investment climate and to accelerate and stimulate its operation, a number of laws have been developed, implemented and are being implemented. In the economic literature, "Investment environment is a set of economic, political, organizational, legal, social and other conditions that affect the investment process in the country," described A.V. Vakhobov and Sh.H. In Khadjibakiev's book "Foreign Investments".

In our opinion, the investment climate is a set of conditions created within a particular region or country in order for investors to get the maximum benefit or high efficiency.

Uzbekistan's investment policy is based on the following three aspects. These are:

- Activation of investment demand, concentration and diversification of investment resources in priority sectors of economic development;
- Full involvement of enterprises (organizations), population funds in the investment process and its use in solving socio-economic problems of the republic;
- Creating a favorable economic environment for the inflow of foreign capital.

It should be noted that the forum which will be held in our country to demonstrate the investment climate and attractiveness of our country, paid special attention to attracting representatives of foreign companies, international financial institutions and the media.

Investment attractiveness means that countries attract domestic and foreign investors to develop a particular industry or sector by effectively using their domestic potential.

Our country is historically, ecologically, politically, economically and culturally highly developed, and it is a set of opportunities to raise the inflow of foreign investment and services to a high level by promoting our cultural monuments to the world. Such a large-scale work is being carried out, and the existing investment potential will be fully and effectively used to attract foreign investment. In 2019 alone, foreign direct investment will reach 4.2 billion soums. dollars. 3.1 billion compared to 2018. dollars or 3.7 times. More than 2,800 social infrastructure and production facilities, in particular; 145 large production facilities were commissioned. But with so many opportunities and investment potential, the amount of investment remains low. It should be noted that the bulk of foreign investment in our country comes from China, Russia and Germany. The number of countries investing in our country has exceeded 50. In accordance with the Investment Program approved by the President of the Republic of Uzbekistan on January 9, 2020 No PP-4563, the possibility of partial payment of taxes to investors in 2020, partial state reimbursement of infrastructure costs, partial state reimbursement of construction and modernization of new facilities, discounts on construction and modernization costs About 233.2 trillion soums were invested in fixed assets from all sources of financing. UZS, of which 7.1 bln. UZS of foreign direct investment and loans. USD 2.7 bln of state-guaranteed foreign investments and loans dollars was planned to be disbursed. All planned activities were completed in 2020. In 2020, more than 2,000 social, infrastructure and industrial facilities were commissioned and the plan was implemented. 206 large production facilities, 240 regional production facilities, 1,600 social and infrastructure facilities have been commissioned to meet the needs of the population. The essence of the reforms is to provide employment and improve living standards. It is no secret that the location of investments in Uzbekistan is unstable. Therefore, in 2021, such issues as regional programs for investment in the country, further improving the implementation of private partnership projects, increasing the material base of tourism potential are envisaged.

However, the solution of these issues, in our opinion, requires the implementation of the following measures:

- Strengthening international measures such as large-scale promotion, analysis and evaluation of the investment climate in the country, the investment opportunities of the national economy;

- Introduction of high-speed Internet in the regions to provide local and foreign investors with the necessary statistical information in the network, as well as information on the conditions created for doing business;
- Organization of savings in processing resources with the introduction of advanced methods of managing modern technical achievements to achieve diversification processes, the creation of new production and industries that provide competitive products;
- Creation of sufficient conditions for opening representative offices of large foreign banks, leading companies and corporations in international financial markets, etc.

Conclusion

In short, many reforms are underway in our country to use investments effectively. It is very important to form an innovative program in Uzbekistan, to train personnel who will effectively use the investment. To do this, our state must develop a national program for technological development. We are confident that through this program, Uzbekistan will become one of the developed countries in the near future.

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