



INVESTMENT ENVIRONMENT AND ITS DETERMINANTS

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Abstract: *This thesis examines the content of the investment environment, the need for its financing, its process and functions, the system of investment promotion, its sources and factors affecting it, the influence of state regulation of investment financing. Also, the sources of financing investment activities and the structural structure of their resources were analyzed.*

Key words: *investment, investment activity, investment environment, investment policy, state budget, investment financing.*

Enter

The active investment policy conducted in Uzbekistan serves as an important financial factor to increase the future competitiveness of the country's national economy. In the Investment program of the Republic of Uzbekistan for 2020-2022: 850.5 trillion. investments, including 35.5 billion soums. 206 new production facilities and more than 31,000 jobs in the cumulative forecast parameters of capital investment absorption, as well as the forecast parameters of investment and credit absorption and attraction the program aimed at launching large production facilities and capacities in 2020, which envisages the creation of Such large-scale reforms implemented in our country and increasing the effectiveness of active investment policy require, first of all, perfect systematic financing of investment activities on a macro and micro scale. This, in turn, determined the urgency of the research work on improving the role of the state in stimulating investment activities.

The main part

The Law of the Republic of Uzbekistan "On Investments and Investment Activities" states: "Investment activity is a set of actions of investment activity subjects related to the implementation of investments."

D.G. Gozibekov, one of the economists of our country, said that "the content of investments is to receive funds from clear and reliable sources, to mobilize them in a reasonable manner, to maintain the value of the capital, taking into account the level of risks, and to obtain the intended effect". 'rif gave.

As the investment activity embodies the relations that arise in connection with the investment resources directed by the subjects of the investment activity to the



objects of the investment activity, this activity arises and develops based on the specific goals of the investors.

The organization and implementation of investment activities should be based on, firstly, ensuring the dynamics of investments with the effective use of limited resources, and secondly, reducing risks and costs due to the composition of funds and effective use of tax benefits. Ensuring the effective functioning of this principle requires the establishment of a convenient system for the implementation and development of investment activities by the state.

It is known that large-scale reforms implemented step by step on the basis of the tasks defined in the Action Strategy for the five priority directions of the development of the Republic of Uzbekistan serve to increase investments in fixed capital and ensure economic stability (1 - picture).

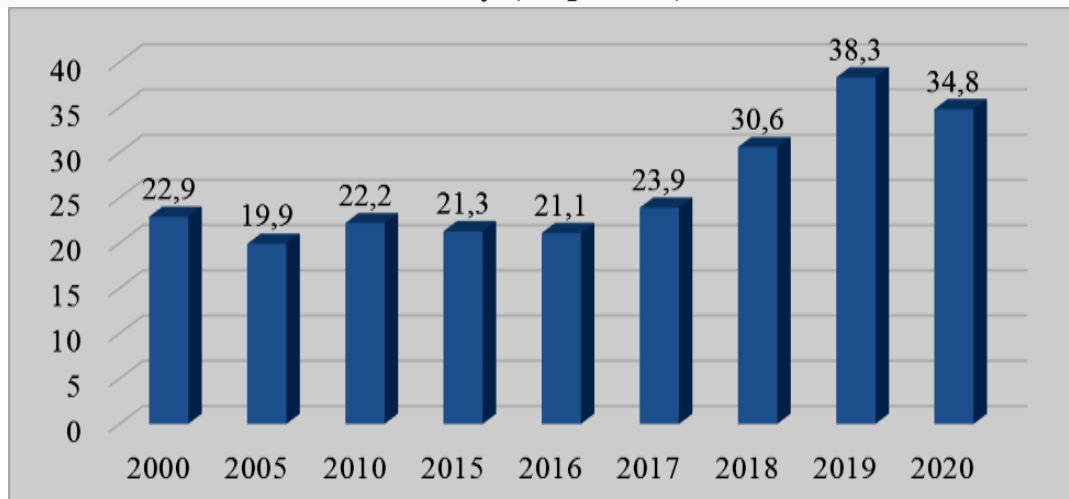


Figure 1. The share of fixed capital investments in GDP, in percent

The analysis of fixed capital investments in our country in 2000-2020 shows that its share in the gross domestic product increased by 11.9% in 2020 compared to 2000. As a result of the pandemic negatively affecting the level of investments in fixed capital, along with other sectors of the economy, the share of investments in fixed capital in GDP decreased by 3.5% in 2020 compared to 2019.

The level of development of regions is important in solving socio-economic problems in the country. Regions are a source of income for the central state budget, along with the formation of local budget revenues and the fulfillment of their duties. If the level of development of the regions is low, on the contrary, they will become a burden for the central state budget. For this reason, in the coordination of sources and volumes of investments at the country level by specific regions and sectors, firstly, the level of their investment attractiveness, and secondly, the strategic role of a specific region or sector in the economy is of great importance.



The direct intervention of the state in solving this priority task, which is necessary for the socio-economic development of the country, is an objective necessity.

The growth of investment resources will have a positive effect on the increase of production potential of the regions and a positive solution to the issue of employment of the population. This issue is considered to be one of the urgent issues of strategic importance for the Republic of Uzbekistan, which is a transitional economy. Because the results of our research show that the investment in 2020 is not distributed according to the potential of the regions. The share of investments attracted in Tahillar regions sometimes decreases and sometimes increases mainly due to the location of large investment objects of strategic importance in a certain region by the state, as well as the geographical location of administrative regions, the level of development of communication facilities, economic production shows that it depends on the potential and social aspects.

Therefore, in order to encourage private investments in the regions, we consider it appropriate to introduce the procedure for providing state subsidies for infrastructure costs. As a result of the work carried out to improve the investment environment and attractiveness of our country, the level of investments in fixed capital in 2019 increased by 30.0% compared to 2015.

It is observed that the level of employment of the country's population is growing in accordance with the growth of investment amounts. According to the indicators of 2019, the employment rate of the population increased by 2%, despite the increase of labor resources by 0.9%.

Regional analysis of investments in fixed capital in 2015-2020, (in %)Table 1

Areas	Years					2020 year	2019-2015 ratio
	2015	2016	2017	2018	2019		
Republic of Uzbekistan	109, 4	104, 1	119, 4	129, 9	138, 1	91, 8	126, 2
Republic of Karakalpakstan	133, 5	56, 2	60, 4	169, 9	100, 3	80, 4	75, 1



Andijan region	105, 1	102, 4	114, 3	113, 7	129	100, 5	122, 7
Bukhara region	98, 7	120, 8	154, 7	60, 6	95, 9	96, 7	97, 2
Jizzakh region	96, 9	102, 7	108, 2	158, 1	194, 9	152, 5	201, 1
Kashkadarya region	112, 4	108, 9	129, 7	112, 4	131, 2	74, 1	116, 7
Navoi region	90, 7	144, 1	107, 4	188	144, 3	78, 7	159, 1
Namangan region	108, 5	108, 2	110, 2	178, 1	131, 1	87, 9	120, 8
Samarkand	115, 8	103, 4	105, 7	131, 4	134, 5	117, 9	116, 1
Surkhandarya region	110, 3	107, 6	148, 4	164, 2	144	76, 3	130, 6
Syrdarya region	97, 9	107, 9	115, 4	131	186	111	190, 0
Tashkent region	99, 3	87	118, 4	139, 9	158, 5	82, 8	159, 6
Fergana region	98, 7	97, 1	98, 6	145, 9	132	116, 4	133, 7
Khorezm region	87, 2	97, 8	128, 5	111, 7	150, 7	114, 5	172, 8
Tashkent city	102, 3	119, 5	121, 4	138, 2	145, 8	96, 5	142, 5

In our opinion, when evaluating the investment activity of the regions, it is appropriate to evaluate indicators such as the amount of investments per capita, the level of employment of the population, the growth of export opportunities, the state of reinvestments, and not limited to their size. . Because only the amount of investment volume cannot fully represent the investment activity of the region. For this reason, the need to evaluate the investment potential of regions was justified in the work.



The methods of assessing the investment climate in the countries of the world differ from each other, and in most cases the assessment is made in relation to the macroeconomic sphere.

For example, in Japan, a descriptive description of the investment environment is given, and no quantitative assessment is used. And in the USA, it is determined through four interrelated indicators, that is, business activity, the level of development of the economic management system, the economic efficiency of investments, and the main organizers of tax policy.

In the years of independence, the emergence of different forms of ownership and business management in the branches of our country's economy, in accordance with the market mechanism and principles, requires a new approach to social and economic relations related to investment and investment activities. As a result, the amount of GDP, as well as the composition of sources of financial income in the income part of the state budget changed, and the main attention was paid to the development of mechanisms for the formation of decentralized sources of investment and market entities from the centralized distribution of capital funds.

2020 202.0 trillion. 65.4% or 132.0 trillion soums of fixed capital investments were absorbed. 34.6 percent or 70.0 trillion soums were financed from the funds raised by enterprises, organizations and residents. Soums were financed. In the volume of total investments, the share of investments in fixed capital financed from decentralized financing sources decreased by 8.0% compared to the share in the corresponding period of 2020, and its volume was 39310.2 billion. amounted to soum. Correspondingly, 162,289.9 billion from decentralized financing sources. Soums or 80.5% of total investments were absorbed, which increased by 8.0% compared to the same period last year. In 2020, investments in fixed capital financed from the own funds of enterprises and organizations amounted to 51911.3 billion. soums or 25.7% of the total capital investments. 8.9% or 18,077.8 bln. soums were appropriated.

The volume of investments made at the expense of foreign direct investments is 28740.5 billion. amounted to soums and decreased by 5.3 percent compared to 2019 and amounted to 14.2 percent. Strengthening the incentive functions of taxes within the framework of the investment activity regulation system leads to the expansion of the role of market mechanisms in investment financing. In order to expand the flow of foreign direct investments, all kinds of customs fees, taxes, levies, exemptions and preferences are applied to foreign investors until they acquire production capacities.

CONCLUSIONS AND SUGGESTIONS



As a result of the research conducted on this topic, the following general conclusions were formed:

Based on the conducted research, a modern interpretation of the content of investment activity was developed, and according to it, investment activity is the development and justification of new advanced innovative ideas that meet the requirements of the present time, their material, technical and financial interpretation. is to provide. As a result, it creates opportunities for investors to achieve high profits by financing the activities of the established industry.

The country's investment attractiveness is evaluated by international financial institutions and the country's rating is periodically announced and reviewed. It is important for the investment decisions of foreign investors.

In order to improve the system of assessing the investment attractiveness of sectors and regions in our country, the use of the system of indicators representing it is based on the basis and ways of calculating these indicators have been developed.

Ease of infrastructure and level of development of countries and regions serve to increase investment attractiveness. Our research has shown that the level of infrastructure development of all regions of our country is different, which is the reason for attracting investments and the level of development is low. In order to increase the investment attractiveness of the regions, it is proposed to introduce state subsidies for the costs of infrastructure creation.

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