

In Recent Years, International Loans and Investments Allocated to the Development of the Economy of Uzbekistan

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ABSTRACT

The article discusses loans allocated to the economy of Uzbekistan, international investments, the role of investments in economic development, as well as the problems faced by foreign investors and lenders and ways to solve these problems.

Since the first years of independence, Uzbekistan has determined its own direction of national economy development. 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. After all, according to the First President Islam Abdug'aniyevich Karimov, "Structural economic restructuring, expansion of export opportunities will be achieved only with a strong investment policy " [1] . Not only domestic, but also foreign loans and investments have their own contribution to the development and prosperity of Uzbekistan's economy. The main purpose of receiving foreign investment and loans is to develop and improve the underdeveloped sectors of our economy.

It was adopted as one of the priorities in the new development strategy of Uzbekistan for 2022-2026, adopted by the President of the Republic of Uzbekistan Shavkat Mirziyoyev, that is, in the 7th section of the development strategy, rapid development of the national economy and high a

number of tasks to ensure growth rates were defined. Attracting foreign investment to our country or taking loans from foreign institutions expands the economy of our country, introduces new techniques and technologies in such fields as production and service, produces products that meet modern standards, and creates exportable goods.

Analysis of literature on the topic

In the Law of the Republic of Uzbekistan "On Investments and Investment Activities" dated December 25, 2019, foreign investments are defined as follows: "foreign investments - social sphere, entrepreneurial, scientific and other types of activities by a foreign investor tangible and intangible assets and rights to them, including rights to intellectual property objects, as well as reinvestments". [1]

The general definition of foreign investment is given in the 2nd edition of the foreign trade dictionary published in the USA in 1947 by F. Henius as follows: "Foreign investment is the investment made from the territory of one country to the territory of another country".[2]

In addition, in the book of professors JRZaynalov, SSaliyeva and NXRuzibayeva, the following opinion about investment is given: investment is the introduction of material, financial and intangible assets into circulation for the purpose of earning and placing them in the sectors (networks) that bring the most results. In the conditions of modernization of the economy, investment flows are considered a stable source of finance for the development of long-term strategic plans of the country. [3]

Sh.Q. Fozilchayev and N.G'. Khidirov's book "Fundamentals of Investment and Leasing" defines foreign investment as follows: "Foreign investment is all the property, financial, intellectual property, which is mobilized by foreign investors to the economic, entrepreneurial and other activities of another country in order to obtain a high level of income and efficiency. are riches".[4]

RR Tojiyev's book on international currency - credit relations is defined as follows: international credit is the movement of loan capital related to the provision of currency and commodity resources in the course of international economic relations based on the terms of return, term and interest payment. Creditors and borrowers are private enterprises (banks, firms), state organizations, governments, international and regional currency-credit and financial organizations.[5]

Analysis and results

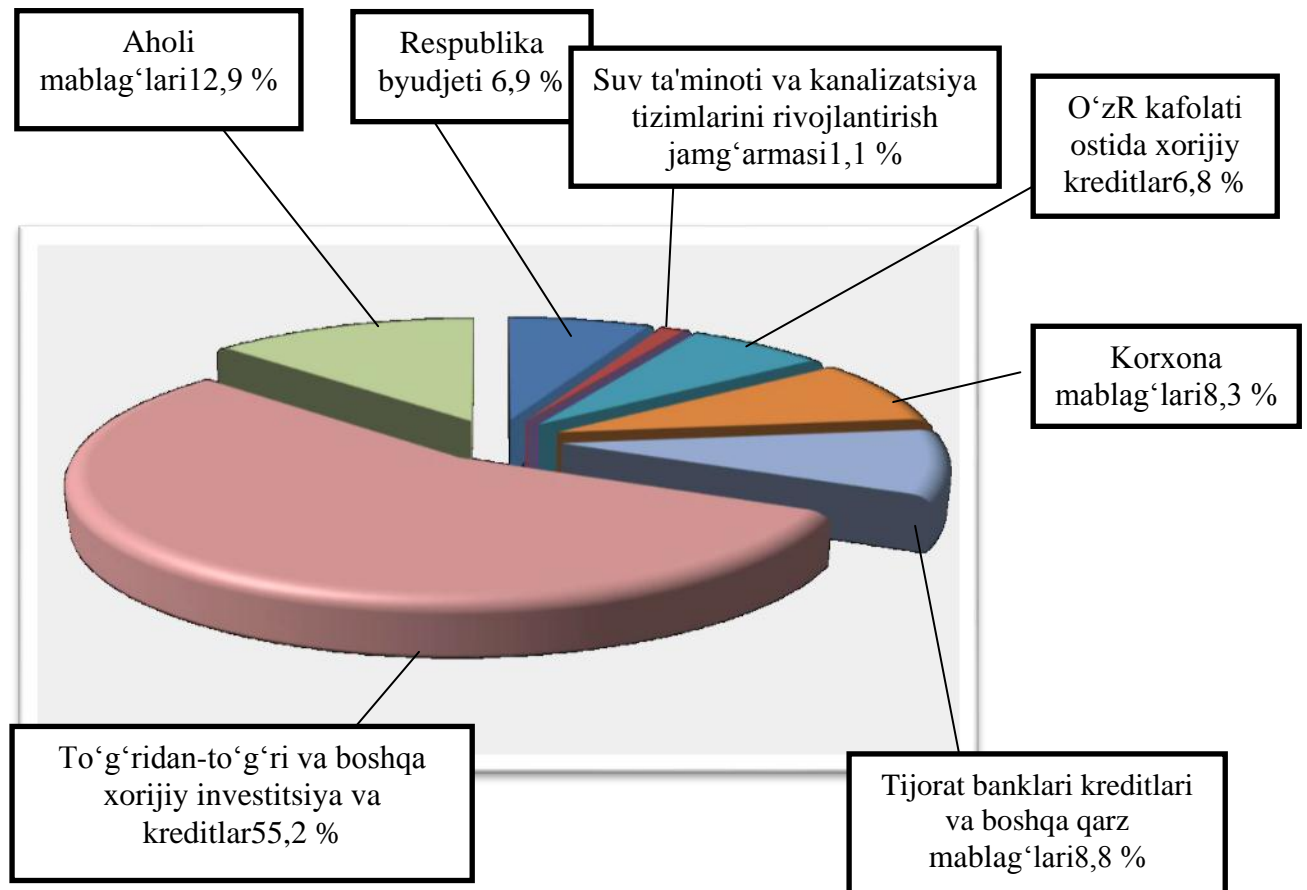
The role of investments and loans in the development of the economy of our country is incomparable, they give the following opportunity to expand our economy:

- With the expansion of production, modern equipment and technologies are used, which saves resources and time and increases labor productivity;
- Small business and private entrepreneurship will develop and new jobs will be created;
- It gives an opportunity to saturate the domestic market in our country, which increases the competition in the goods market, the more competition there is, the higher the quality of goods and products, the lower the prices;
- As a result of the introduction of new technologies, there is an opportunity to process resources, which prevents pollution of nature, which is one of the global problems;

On January 5 of this year, under the leadership of the Deputy Prime Minister - Minister of Investments and Foreign Trade S. Umurzakov, in the discussion about the results of investments and foreign trade activities in 2021 and the measures aimed at further stimulating the attraction of investments in 2022 and increasing the volume of exports in 2021 the results of the year were announced, including the total volume of investments of 254 trillion. amounted to soums (\$23.5

billion), an increase of 109% compared to 2020, of which foreign direct investments amounted to \$8.6 billion.

During the reporting period, 318 large investment projects with a total value of \$5.9 billion were implemented within the State Investment Program, and 15,710 investment projects with a total value of \$7.4 billion were implemented within the regional investment programs. Thanks to the implementation of these projects, a total of more than 275,000 new jobs were created. [6]



1 – picture. Based on the data of Surkhandarya region statistics department, investments in fixed capital December-January 2020 [7]

Despite the above-mentioned achievements, there are still several problems in front of our economy, including the fact that every financial organization or investor, when betting on another production or service sector, first of all focuses on its financial results, that is, its to the financial report. In the current period, starting from the end of 2021, transition to the international standards of the financial accounting system has been set for several business entities in Uzbekistan, including the list of persons who must prepare financial reports based on the MFRS starting from the end of 2021. It includes joint-stock companies, commercial banks, insurance organizations and legal entities included in the category of large taxpayers. They are:

- Starting from January 1, 2021, they will organize the maintenance of this x utility account based on MHXS;
- It is necessary to provide x equipment x izmat x steps sufficient for quality application of international standards . [8]

But these decisions are not enough, this measure should be further improved, the transition to world standards should be accelerated, and it should be introduced not only to large commercial organizations, but also to small business entities, because in the development of our economy, not only large joints, but also small ones It is also necessary to pay attention to gins.

In addition, in order to increase investment attractiveness in our country, it is necessary to create sufficient conditions for investors and support them legally and economically. Such support was reflected in the decree of the President of the Republic of Uzbekistan on additional measures to encourage foreign direct investment.

It should be noted that during the years of independence, a favorable investment environment was formed in Uzbekistan, a wide-scale system of privileges, advantages and guarantees was established by law to protect the rights and interests of foreign investors.

As a result, more than 4.2 thousand enterprises were established and are successfully operating in the leading sectors and sectors of the economy in the republic with the participation of foreign investments. Annually, more than 3.0 billion foreign direct investments are absorbed, they account for more than 26.6 percent of the total volume of investment in the country's economy. This is a clear indication of the increasing interest and confidence of foreign investors in the stability and sophistication of the republic's economy, its development prospects.

Exemption from payment of land tax, property tax and tax for use of water resources, depending on the volume of direct private foreign investments made for the period determined by the decision of the President of the Republic of Uzbekistan tax benefits in the form of [9]

Such benefits have shown their effectiveness, especially in 2017-2021:

- The number of enterprises and organizations with foreign capital was 1371;
- The number of countries investing in the economy of Uzbekistan has increased to 50;
- The number of free economic zones in the regions reached 21, 281 investment projects with a total value of 1690.3 million US dollars were implemented in the republic;
- The export nomenclature includes 74 new types of products, and the geography has expanded to 42 countries; [10]

On October 19, 2018, in the framework of the first interregional forum of the two countries, which was held in Tashkent with the participation of the heads of state Vladimir Putin and Shavkat Mirziyoyev, about 800 trade and investment deals with a total value of \$25 billion were signed between Russia and Uzbekistan and memorandums were signed.

Russia and Uzbekistan signed a similar economic cooperation program for 2019-2024. A plan of measures (15 sections and 82 items) and a list of 109 promising projects were developed for its implementation.

Uzbekistan ranks fourth among the CIS countries in terms of trade with Russia. Last year, the volume of mutual trade increased by 34 percent. In the nine months of this year, according to Mirziyoyev, this indicator has increased by 30%, and by the end of the year it is expected to reach \$6 billion: "We never had such an indicator when we planned, we have \$5 billion dollars - said the President of Uzbekistan. The next goal is \$10 billion. [11]

Therefore, it is necessary to intensify these activities. The main costs for the investor from the company's income are the raw materials, taxes and other fees used to create the product. Therefore, investors should be given certain benefits until they find their place in the market, because every one who finds a place in the market the business entity contributes to the economy of our country.

The European Bank for Reconstruction and Development provided a total of 210 million to 4 commercial banks in Uzbekistan as part of the trade financing assistance program. allocates a dollar credit line.

New permanent trade financing limits to the four largest banks of Uzbekistan - Asakabank (\$60 million), Ipoteka-bank (\$30 million), Uzmilliybank (\$40 million) and Uz sanoatqurilishbank (\$80 million).

million) to local enterprises to better manage stock of goods and trade in longer terms. allocated for planning purposes.

EBRD's Trade Finance Assistance Program currently works with seven local banks in Uzbekistan to help their private corporate clients, including small and medium-sized businesses, conduct international trade. Since relaunching its operations in Uzbekistan in 2017, the Trade Finance Assistance Program has facilitated nearly 1,000 trade transactions worth over €700 million.

To date, EBRD has invested more than 2.92 billion euros in 108 projects across Uzbekistan. [12]

Conclusions and suggestions

Due to the great contribution of investments to the economy, the new enterprises created by attracting foreign investments and loans are the direct result of measures and measures of our state aimed at supporting this sector. However, it is necessary to improve and develop the necessary investment environment for them to attract new investors and creditors using these privileges and conditions. In addition to these reforms, the following measures should be implemented:

- Reducing the tax burden on investors, simplifying the tax system for investors;
- Lowering the inflation rate means reducing the impact on investment projects;
- Creating a system to support investors;
- Making financial statements mandatory for all micro- and macro-level economic entities
- Expanding the conditions for attracting investments in the development and implementation of innovative ideas and technologies ;
- We should support research and innovation projects.

We can expand the investment activities of our economy using the suggestions and comments given above.

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