

COPY RIGHT



ELSEVIER
SSRN

2021 IJIEMR. Personal use of this material is permitted. Permission from IJIEMR must be obtained for all other uses, in any current or future media, including reprinting/republishing this material for advertising or promotional purposes, creating new collective works, for resale or redistribution to servers or lists, or reuse of any copyrighted component of this work in other works. No Reprint should be done to this paper, all copy right is authenticated to Paper Authors

IJIEMR Transactions, online available on 28th April 2021.

Link: <https://ijiemr.org/downloads/Volume-10/Issue-4>

DOI: 10.48047/IJIEMR/V10/I04/93

Title: **Problematic features of investment activity in Uzbekistan**

Volume 10, Issue 04, Pages: 459-461

Paper Authors:

**Baxromov Azizbek Azamat o'gli¹, Rasulov Mirkomil Hikmat o'gli²,
Yusupov Komaliddin Baxtiyor o'g'li³**



USE THIS BARCODE TO ACCESS YOUR ONLINE PAPER

To Secure Your Paper As Per **UGC Guidelines** We Are Providing A Electronic Bar Code

Problematic features of investment activity in Uzbekistan

Baxromov Azizbek Azamat o'gli¹, Rasulov Mirkomil Hikmat o'gli²,

Yusupov Komaliddin Baxtiyor o'g'li³

Student of Samarkand Institute of Economics and Service^{1,2,3}

e-mail: azbaxromov@gmail.com, e-mail: rasulov.mirkomil@gmail.com

e-mail: yusupovkomaliddin@gmail.com

Abstract: The article provides a personal characteristic of investment activities. In addition, the article contains problematic features of investment activities in Uzbekistan and proposals for their solution.

Keywords: investments, investment activity, investor, investment policy, financing of investment activities.

Introduction

An active investment policy pursued in Uzbekistan serves as an important financial factor in increasing the competitiveness of the national economy in the future. The investment program of the Republic of Uzbekistan for 2020-2022 includes: consolidated forecast parameters for the development of capital investments, including the development of 850.5 trillion soums of investments, including 35.5 billion US dollars of foreign investment, as well as a forecast for the development and attraction of investments and credits. The parameters include a target program for the commissioning of large industries and capacities in 2020, which provides for the creation of 206 new industries and more than 31 thousand new work places. Such large-scale reforms and a further increase in the effectiveness of an active investment policy in our country require, first of all, the formation of an integral system of systemic financing of investment activities at the macro and micro levels.¹ Investment activity is an integral part of the investment process. In turn, this has to do with connectivity. This is because the desire to achieve a goal prompts the investor to accumulate capital and then mobilize it for that purpose. After all, when a goal is focused on a specific result, the result, in turn, leads to

specific goals and, accordingly, creates a sequence that reflects the investment process. This investment movement occurs through investment activities. Consequently, knowledge of the essence of investment activity and its application in the national economic system leads to the development of the country's economy.

Different economic literary sources give different definitions of the concept of "investment activity". Having studied them deeply and comprehensively, according to the author, it is necessary to pay special attention to the following definitions of the content of investment activity. According to renowned American economists Frank Reilly and Keith Brown, "an investment is an investment made over a period of time to receive future payments." An "investor" can also be an individual, government, retirement fund, or corporation. In any case, they send a certain amount of money today and represent a set of measures aimed at obtaining higher payments in the future.² In our opinion, such a definition is appropriate, but when investing, it is necessary to pay attention to external factors. Similar definitions can be found in the opinions of the following scholars. In particular, according to the Russian economist V.

¹ Resolution of the President of the Republic of Uzbekistan dated January 9, 2020 No. RP-4563 "On measures to implement the Investment Program of Uzbekistan for 2020-2022."

² [www.cengage.com/highered/Frank Reilly and Keith Brown Investment Analysis & Portfolio Management](http://www.cengage.com/highered/Frank_Reilly_and_Keith_Brown_Investment_Analysis_&_Portfolio_Management).

Bocharev: "Investment activity is the sum of practical actions of the state, citizens and legal entities to make investments."³ According to A. Arzimiyan and others, "Investment activity is the sum of practical actions for the implementation or investment and investment".⁴ The Law of the Republic of Uzbekistan "On Investments and Investment Activity" defines it as "Investment activity - a set of actions of economic entities associated with the implementation of investments."⁵ In our opinion, definitions of investment activity do not fully explain its essence. This is due to the fact that investment activity should consist of a sequence of investments and their variability, that is, the distribution of resources (values) (costs) and return on investment (profit, income). If it doesn't work, there will be no incentive to invest. Based on the foregoing, we consider it appropriate to define the concept of investment activity as follows: investment activity is the development and substantiation of new, innovative ideas that meet modern requirements, their material, technical and financial support. As a result, by financing the activities of the industry under construction, investors will be able to obtain high returns.

While investment activity includes relations arising in relation to investment resources that are directed to objects of investment activity by subjects of investment activity, this activity arises and develops based on the specific goals of investors. Economic transformation and international integration, the emergence of new economic entities as structural and structural changes in the economy, as well as the survival of existing ones in conditions of fierce competition and the influence of various factors are becoming more and more difficult. This will increase the demand and responsibility for financing investment projects, which in turn will lead to the emergence of new methods.

³ Bocharev V.V. Methods of financing the investment activities of enterprises. –M.: Finance and statistics, 1998. –p. 7.

⁴ Arzimiyan et al. Big Dictionary of Economics. –M.: Legal culture, 1994. –p. 157.

Based on an active investment policy, Uzbekistan has its own experience in financing investment activities. However, today's practice requires further improvement. Solving the existing problems will serve as an important factor in increasing the efficiency of financing investment activities. Therefore, today in our country there are the following problems of financing investment activities:

- One of the most important and key issues in financing investment activities is infrastructure;
- Insufficient loan security to finance investment projects;
- the problem of uniform distribution of joint ventures in the regions of the country;
- Incorrect organization of marketing services in enterprises;
- it is important for commercial banks to perform tasks that are not related to credit and financial institutions;
- Lack of highly liquid securities on the country's secondary securities market, commercial securities issued in foreign currency and solvent issuers, as well as weak integration of our national securities market into the world market.

In order to increase investment activity in Uzbekistan, the following proposals can be systematized:

1. Creation of a special optional fund for macroeconomic regulation of investment processes in the country, assessment of investment proposals, development and implementation of investment projects and a number of other functions in order to further accelerate the attraction of foreign direct investment. Effective organization of activities through the system (Trust management).

⁵ Law of the Republic of Uzbekistan "On Investments and Investment Activity" dated December 25, 2019, article 3. // www.lex.uz

2. Formation of a virtual information platform for foreign investors in order to increase the investment attractiveness of the Republic of Uzbekistan, an information platform for control and monitoring of investment projects and promising investment projects in international business, sale of shares in state and economic management bodies. periodic organization of presentations of public-private partnership projects ("Road Show").

3. Development of investment programs and consolidated proposals to the state budget for investment expenditures financed from the budgets of the budgetary system, including off-budget funds. To reduce capital costs, it is necessary to create a mechanism for financing off-budget funds and consolidated funds to the state budget by financing the investment program.

4. It is necessary to develop financing of free enterprise and investment activities by reducing the size of the "hidden" economy by further increasing the openness of the economy on the basis of a sharp reduction in government intervention in the management of the economy and an increase in the state budget. income.

Studying this topic, the following conclusions can be drawn:

1. The existing problems associated with the financing of investment activities in Uzbekistan are serious and urgent problems that negatively affect the development of a number of important sectors that play an important role in the development of the economy. This requires deep and comprehensive scientific research to solve existing problems.

2. Based on the study, a modern definition of the content of investment activity has been developed, according to which investment activity is the development and justification of new, innovative ideas that meet modern requirements, their material, technical and financial support. As a result, this creates opportunities for investors to obtain high returns by financing the activities of the sector under construction.

Literature:

1. www.cengage.com/highered/Frank Reilly and Keith Brown Investment Analysis & Portfolio Management.
2. Resolution of the President of the Republic of Uzbekistan dated January 9, 2020 No. RP-4563 "On measures to implement the Investment Program of Uzbekistan for 2020-2022."
3. Bocharev V.V. Methods of financing the investment activities of enterprises. –M.: Finance and statistics, 1998. –p. 7.
4. Arzimiyan et al. Big Dictionary of Economics. –M.: Legal culture, 1994. –p. 157.
5. Law of the Republic of Uzbekistan "On Investments and Investment Activity" dated December 25, 2019, article 3. // www.lex.uz
6. "Improving the mechanism for financing investment activities in the national economy" - abstract. Tashkent 2020