



THE ROLE OF STRUCTURAL CHANGES IN THE DIGITALIZATION OF THE INVESTMENT ECONOMY

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Article history:	Abstract:
Received: 11 th January 2023 Accepted: 11 th February 2023 Published: 26 th March 2023	This article highlights the role of structural changes in the conditions of digitalization of the investment economy. Also, the available literature and legal documents on ways of attracting foreign investments to the economy of Uzbekistan and their effective use were analyzed. In addition, it is scientifically based that the development of investment activities in accordance with the conditions of the economic environment, ensuring their activity in all aspects of the economic life of the society, modernization of the national production process and ensuring stable economic growth.

Keywords: investment economy, digitization conditions, foreign investments, investment activities, foreign direct investments.

INTRODUCTION

In the conditions of economic liberalization, the modernization of the national economy and its integration into the world economy depend to a large extent on the correct and well-founded investment policy. Development of investment activity in our country in accordance with the conditions of the economic environment, ensuring their activity in all aspects of the economic life of the society, modernization of the national production process and ensuring stable economic growth is one of the important factors. Therefore, one of the main issues on the agenda of the reforms implemented by our government every year is the issue of attracting investments to the national economy of the country. In 2017-2022, Uzbekistan improved its position by 31 places in the overall ranking of the International Index of Economic Freedom, rising from 148th to 117th place. In 2017, the volume of direct foreign investments in the country amounted to \$2.2 billion, and by the end of 2022, this indicator will increase by 1.5 times to \$3.3 billion.

In November 2022, the first plenary meeting of the Council of Foreign Investors was held, and the president noted that in the next 5 years, it is planned to increase the volume of investments to \$120 billion and attract at least \$70 billion of foreign investments.

The head of the state also noted the attraction of foreign investments in the development of banking and finance, IT, mining, and energy sectors.

The following procedure for organizing work with foreign investors is defined:

- An Investor Support Working Group will be established under the Ministry of Investments and Foreign Trade;

- the working group operates under the Council of Foreign Investors and provides comprehensive and systematic support to foreign investors;
- provides all services on the basis of the "one-stop" principle, from meeting the investor at the airport to issuing necessary permits and licenses for business, etc.

In 2017-2021, the number of enterprises with foreign investments increased by 2.7 times and reached 13.2 thousand at the beginning of 2022.

China, Russia, Turkey, Kazakhstan and South Korea are the leaders of more than 50 investing countries.

The share of enterprises with the participation of foreign capital corresponds mainly to the industrial (30.6%) and trade (28.5%) sectors of the economy.

METHODOLOGY

The available scientific researches on ways of attracting foreign investments to the economy of Uzbekistan and their effective use, studying the experience of foreign countries, comparing and analyzing statistical and economic data, logical thinking, scientific abstraction, information grouping, analysis and synthesis, induction and deduction methods are widely used.

LITERATURE REVIEW

M. V. Charaeva's scientific studies have studied the conceptual basis of financial management processes of real investments of organizations. Features of strategic financial management of real investments in the conditions of innovation-oriented economy are described. T.V.Uskovao's scientific research proved that the task of ensuring high rates of economic growth is of strategic importance, that its solution requires a transition from raw materials export to an



innovative model of the economy, and that investments are of primary importance in this regard. M.M. Prusak stressed that the modernization of the economy and the provision of real conditions for economic growth require the activation of investment activities both in the country as a whole and in the regions. N.G. Karimov, taking into account macroeconomic, legislative and administrative conditions and opportunities for foreign investment enterprises, the processes related to the introduction of a stable tax legislation system and the formation of a program for attracting foreign investments to the economy are researched. Through his scientific research, U.S. Nodirkhanov studies methods of increasing investment activity at the regional level, assessment of the investment environment in the regions, processes of formation of a favorable investment environment supporting preferential investment projects by the state.

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 an investment made from the territory of one country to the territory of another country." In addition, in the theoretical views of professor D. Gozibekov on foreign investments, the following points are stated: "Foreign investment is the connection of the capital of one economic entity to another economy for a certain period, and the scope of risks from domestic investments It is characterized by changes in legal conditions, investment environment, and as a result, capital migration occurs across countries and regions". is a volatile capital, which differs from internal investments by the scope of risks. Also, in the scientific works of N. Koziyeva, Doctor of Economics, on the nature of foreign investments: "In order to gain profit in the future,

capital exporting countries, legal entities and individuals transfer various forms of wealth (movable, the investment of real estate, intellectual property, etc.) and the income received from them (profit, interest, dividends, license and commission fees, royalties, technical support and other fees) is called foreign investment. given. According to the scientist, the classification of foreign investments based on their various characteristics will further clarify their economic nature. 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".

ANALYSIS AND RESULTS

Widely attracting foreign investors and managers to joint-stock companies, creating favorable conditions for their active participation in corporate management, modernization of production, technical and technological re-equipment, organization of high-quality, competitive product production and export to foreign markets, investment plays an important role in financing its activities. Sources of investment financing are funds that can be used as sources of investment. Not only the viability of the investment activity, but also the distribution of the final income from it, the efficiency of the use of advanced capital and the financial stability of the organization making the investment depend on the choice of sources of financing. Investments in fixed capital per capita in 2016 amounted to 1608.6 thousand soums. We can see that by 2021, this figure will reach 6,861,0 thousand soums. Table 1.

Table 1
Investments in fixed capital per capita (thousand soums)

Territories	2016	2017	2018	2019	2020	2021
Republic of Uzbekistan	1608,6	2227,8	3769,6	5834,6	6140,3	6861,0
Republic of Karakalpakstan	2094,0	1542,2	3641,1	4644,4	3710,0	4189,2
Andijan	745,3	999,6	1550,3	2406,0	3047,2	3470,1
Bukhara	3237,6	6254,2	5112,4	5429,3	6295,0	10462,9
Jizzakh	1125,1	1361,9	2693,9	5778,9	8984,7	6470,7
Kashkadarya	2389,3	3583,4	5193,4	7534,6	6214,7	5148,2
Navoi	3168,1	4185,4	10892,1	17855,2	15604,2	14672,4
Namangan	1074,8	1340,3	2992,5	4344,1	4229,2	4477,8

Samarkand	1001,6	1189,4	1878,3	2674,9	3746,0	3920,7
Surkhandarya	879,1	1427,1	2848,3	4552,8	3792,2	4438,7
Syrdarya	1660,3	2011,1	3280,2	7002,9	8425,4	9257,1
Tashkent	1507,5	2087,2	3898,4	6970,0	7169,0	9644,5
Fergana	747,8	822,4	1516,8	2336,2	2916,0	3272,3
Khorezm	885,8	1215,1	1655,6	2718,4	2868,2	4344,3
Tashkent city	3848,1	5552,7	10627,8	16710,5	19065,6	20619,8

Also, in the Republic of Uzbekistan, in 2017, investments in fixed capital amounted to 51232.0 thousand soums, in 2019 it reached 195927.3 thousand soums, and by 2021 it reached 239552.6 thousand soums we can see Table 2.

Table 2
Investments in fixed assets (billion soums)

Territories	2016	2017	2018	2019	2020	2021
Republic of Uzbekistan	51232,0	72155,2	124231,3	195927,3	210195,1	239552,6
Republic of Karakalpakstan	3778,3	2822,0	6757,8	8750,6	7089,8	8110,7
Andijan	2188,5	2986,0	4711,9	7452,1	9622,6	11176,6
Bukhara	5922,9	11613,4	9610,9	10366,6	12183,9	20528,3
Jizzakh	1449,7	1788,2	3606,3	7900,9	12545,4	9233,6
Kashkadarya	7304,4	11175,3	16518,5	24462,5	20557,6	17359,1
Navoi	2963,2	3977,9	10579,5	17646,3	15688,4	15020,1
Namangan	2824,5	3586,7	8158,1	12084,9	12007,2	12982,0
Samarkand	3623,5	4384,2	7061,4	10266,7	14656,4	15641,6
Surkhandarya	2142,4	3551,0	7240,6	11835,1	10068,2	12037,8
Syrdarya	1322,9	1628,0	2699,3	5869,1	7191,9	8051,8
Tashkent	4238,7	5938,4	11226,9	20353,9	21148,6	28113,6
Fergana	2643,6	2954,5	5539,1	8685,4	11040,0	12625,2
Khorezm	1560,5	2175,9	3013,8	5032,0	5391,8	8292,0
Tashkent city	9268,9	13573,7	26435,7	42458,1	50371,3	58172,7

Investments in fixed capital reached 119.4% growth rate in 2017, and by 2021 this indicator was 102.9% growth rate, Table 3.

Table 3.
Investments in fixed assets (growth rate, %)

Territories	2016	2017	2018	2019	2020	2021
Republic of Uzbekistan	104,1	119,4	129,9	138,1	95,6	102,9



Republic of Karakalpakstan	56,2	60,4	169,9	100,3	69,9	105,1
Andijan	102,4	114,3	113,7	129,0	110,6	106,0
Bukhara	120,8	154,7	60,6	95,9	104,7	147,4
Jizzakh	102,7	108,2	158,1	194,9	147,4	72,4
Kashkadarya	108,9	129,7	112,4	131,2	76,5	77,8
Navoi	144,1	107,4	188,0	144,3	77,1	86,0
Namangan	108,2	110,2	178,1	131,1	88,0	100,5
Samarkand	103,4	105,7	131,4	134,5	128,8	98,7
Surkhandarya	107,6	148,4	164,2	144,0	77,4	109,7
Syrdarya	107,9	115,4	131,0	186,0	111,2	107,7
Tashkent	87,0	118,4	139,9	158,5	92,2	120,3
Fergana	97,1	98,6	145,9	132,0	113,5	105,7
Khorezm	97,8	128,5	111,7	150,7	92,7	139,3
Tashkent city	119,5	121,4	138,2	145,8	108,6	105,0

As subjects of the investment process, entrepreneurs, organizations (enterprises) and their associations, state bodies and investment funds that plan to get a profit (or other beneficial effect) from investing in a specific object can participate. The following can be investors:

- The government of the Republic of Uzbekistan in the form of bodies that manage state property or are provided with property rights;
- local self-government bodies in the form of bodies and services established in the order of the governor;
- local enterprises, as well as business associations, organizations and other legal entities provided with the necessary rights in their charter;
- joint ventures, organizations and other legal entities established with foreign countries;
- national and foreign credit organizations;
- foreign legal entities;
- foreign countries in the form of bodies represented by their governments;
- international organizations.

CONCLUSIONS

In conclusion, it should be noted that the importance of investments for our national economy depends on a number of factors, among which the following stand out: the possibility of additional financing of large investment projects; use of advanced methods of production organization by attracting foreign investment in the latest technologies and equipment, innovative projects. At the same time, in our country,

it is often pursued by the desire to protect enterprises from technically and financially strong competitors. For example, in connection with the introduction of a large amount of import duties on imported goods, a convenient opportunity is created for the enterprises of our republic to sell their outdated products in the domestic markets at later increased prices.

In the development of sources and methods of financing investment projects, the use of the following recommendations is important for ensuring the quality of financing and their successful implementation: instead of a one-time payment, the amount of compensation calculated when selecting irrigated land for newly established enterprises in the regions as a share of the local government in the charter of the enterprise development of legal criteria for proportional formation. In this case, the development of a mechanism for the formation of the 51% state share specified in the law on public-private partnership in proportion to the amount of investment to be made through negotiations with the business entity being established. Due to the high cost and non-competitiveness of transport-logistics services in importing technologies purchased from abroad, in air transport of cargo and passengers - in the current conditions of decreasing value of fuel and energy resources in the world market, it is desirable to put an end to the monopoly of transport-logistics service companies and create competition between them.

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