



# TRENDS IN THE DEVELOPMENT OF NORMATIVE AND LEGAL ACTS IN THE FIELD OF INVESTMENT IN OUR COUNTRY

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## ANNOTATION

*The article covers some features of state regulation of investment activities in Uzbekistan, the advantages of investment activities by local and foreign investors, as well as the powers of government agencies in the field of investment.*

## Аннотации

В статье рассмотрены некоторые особенности государственного регулирования инвестиционной деятельности в Узбекистане, преимущества инвестиционной деятельности местных и иностранных инвесторов, а также полномочия государственных органов в сфере инвестирования.

## DISCUSSION

Today, investments play an important role in the development, sustainability and strengthening of our national economy. Active attraction of foreign investments in the economy of Uzbekistan and further improvement of investment legislation, as well as negotiations with foreign investors, gradual improvement of the investment climate in the regions. close study, and most importantly, the development of measures to create and expand the environment of investment attractiveness in the country.

2017 of the President of the Republic of Uzbekistan Shavkat Mirziyoyev Decree No. PF-4947 of 7 February "On the Strategy of Actions for the Further Development of the Republic of Uzbekistan" [1] launched a new phase in defining the priorities of economic development and liberalization. The main purpose of this Decree is to further increase the effectiveness of reforms in our country, to create conditions for the full development of the state and society. In particular, the third direction of this historic document for the next five years is to ensure reliable protection of the rights and guarantees of private property, remove all barriers and restrictions, give full freedom to further develop the business and investment climate, and the fourth direction to build affordable housing. Particular attention is paid to the implementation of targeted

programs for the development and modernization of road transport, engineering and communications and social infrastructure. Undoubtedly, this will lead to the introduction of modern principles and mechanisms for regulating investment activities, modernization and active diversification of leading industries, reform of the financial and banking sector.

Although there are a number of separate norms or special laws in the legislation on investment activities, there are some problems. These problems and some gaps in the legislation require the study of further improving the legal framework for attracting investment in construction and conducting in-depth and comprehensive research on this topic.

The emergence of a wide range of investors in the country, the fact that they offer investment agreements in the interests of these entities in attracting investment in the construction sector, the growing competitive environment between them has a positive impact on the development of the investment climate.

There is no clear definition of investment, but investment means all types of national and intellectual wealth, which must be directed to the objects of entrepreneurial activity to generate income or achieve some positive results. Legislation on investment in the Republic of Uzbekistan Adopted in 1991, they have improved considerably over time. According to the Law of the Republic of Uzbekistan



“On Investments and Investment Activities” adopted on December 25, 2019 [2], and intangible assets and rights to them, including rights to intellectual property. This definition fully confirms that the investment is in line with the conditions of a market economy.

In particular, it provides, first of all, a broad description of the investment itself and the objects of investment activity.

Second, it was noted that investment is inevitably linked to direct economic and social benefits. Thus, the definition of investment based on market relations itself clearly shows the scope of the investment process, the main stages, ie funds (resources), investments (expenditures), efficiency (income, profit). A similar approach lays the groundwork for the transition of investment activity to market relations, which ensures the uniform use of vertical and horizontal methods of redistribution of financial material and intellectual wealth.

The term investment is derived from the Latin word - invest, which means to mobilize funds, to invest capital. Broadly speaking, investing means mobilizing capital to increase and recoup capital. In many cases, the concept of investment is defined as material and intangible benefits and rights to economic and other objects of activity. All types of investment are national and intellectual riches must be understood, and they must be directed to the objects of entrepreneurial activity to bring in income or to achieve some positive effect. The main purpose of investing is to earn income and achieve a positive social effect.

In making investments, first of all: ensuring the independence and initiative of the subjects of investment activity;

- Granting the status of investment in imported material goods (items purchased by citizens to meet their needs can not be an investment);

- It is necessary to create opportunities for investment activities established by law.

It is also appropriate to define the concept of investment as the cost of building new capital. Investments are the costs of building new enterprises, purchasing machinery and equipment, that is, building new capital.

In order to fully disclose the content of the concept of investment, it is necessary to cite the definitions given to it. Including prof. D.E. Gozibekov described investment as follows: “The content of investment is to obtain funds from clear and reliable sources, to mobilize them reasonably, to maintain the value of capital, taking into account the level of rickshaws, and to achieve the desired effect” [3].

Prof. N.X. Khaydarov defines the essence of investment as follows: “Investment is individuals and legal entities operating on the basis of entrepreneurship, regardless of the form of

ownership, or the state to invest their wealth in any business entity within the law in order to obtain economic and social benefits” [4].

Investment is capital that has not yet been made into a product, but has been invested in the means of production. In its financial form, they are assets invested in profit-making activities, while in economic terms, they are the costs of building new enterprises, long-term machinery and equipment, and the associated change in working capital.

Investments can be made by the private sector and the state in various industries and securities (e.g., stocks, bonds) inside and outside the country.

U.Sharp describes investments as follows: “Real investments are mainly investments in tangible assets (land, equipment, plants). Financial investments are contracts written on this paper. These include ordinary shares and bonds. The bulk of investment in emerging economies is real investment. In a developed economy, the main part of investment is the large-scale development of financial investment institutions, which contributes to the growth of real investment. These two forms of investment are not competitive, but complementary” [5].

In many literatures, the term “investment” is ambiguous. First, “investments” include “consumer investments” of citizens (household appliances, cars, real estate, etc.). Such investments do not provide capital growth and profitability. Second, they equate the terms “investment” and “capital investment”. Capital investment is a form of investment activity associated with the advancement of financial assets of the enterprise to fixed capital. Third, many sources describe investment as a cash burn. In practice, however, this is not always the case. Investments can be made in other forms as well. Investments are made in various forms and are grouped based on their specific characteristics for analysis and planning.

The regulation of investment activity is primarily explained by the fact that it is focused on production and has a long-term effect, that is, the process from the idea to its materialization. A necessary basis for regulating investment activities in the country is the formation of state legislation and legal framework.

It should be noted that, unlike other areas of law, we can see that social relations governing investment law are mainly regulated by laws and by-laws issued by the President and the Cabinet of Ministers of the Republic of Uzbekistan, as well as some norms of private international law.

Based on the experience of developed countries, it is necessary to adopt a single Investment Code in the Republic of Uzbekistan, summarizing the regulations that form the legal basis for attracting investment in construction.



First, the large number of by-laws rather than laws related to investment activities makes it difficult for investors to keep up with our existing legislation.

Second, along with the benefits provided to foreign investors, the benefits provided to local investors are being overlooked. The new code should clearly define the benefits for domestic and foreign investors.

Thirdly, on the basis of a separate normative-legal document, the state is given preference only for the development of a certain sector, based on its needs.

Fourth, the large number of changes in the normative and legal documents on investment activities is causing relative distrust among investors.

Based on these principles, the new Investment Code should be adopted covering all social relations in this area, covering specific areas of investment activity. The most important of them are:

- investment activities in the field of construction;
- investment activities in the field of health;
- investment activities in the field of agriculture;
- investment activities in the field of production;
- investment activities in the banking and credit sector;
- investment activities in the oil and gas sector;
- investment activities in the field of subsoil use;
- Investment activities in the socio-cultural sphere and others.

Today, all normative and legal documents in the field of investment are being improved, and based on the experience of developed countries, great work is being done to attract investment to our country. This is equally beneficial not only for the Uzbek economy, but also for foreign investors.

At the same time, for the rapid socio-economic development of the region, the creation of specially designated areas with clear administrative boundaries and a separate legal order, ie special economic zones, created to attract domestic and

foreign capital, promising technologies and management practices, has been tested in the world.

Special economic zones, as an important link in the world economy, are showing their positive effect in attracting foreign investment in many countries. They exist in different forms in different countries, and they are united mainly by one feature, that is, the privileged conditions introduced in these regions. Such a favorable environment is one of the most effective ways to attract foreign investment. That is why many special economic zones are being established in our country. This creates a wide range of opportunities for foreign and domestic investors and encourages them by providing benefits and preferences.

## REFERENCES

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