

THE ROLE OF FOREIGN INVESTMENT IN THE EFFECTIVE DEVELOPMENT OF CHEMICAL ENTERPRISES

Muhammadiev Nodirbek

Tokhirov Akbarkhon

The 3rd year student group № 57-19

Senior Lecturer, Tashkent Chemical Technological Institute

Djumaniyozova Maloxat

Senior teacher, Tashkent Chemical Technological Institute

ANNOTATION:

The role and importance of foreign investment in the effective development of chemical enterprises in Uzbekistan were discussed in this article.

KEYWORDS:

investment economy, business chemical industry

According to the pre-pandemic results, "in 2019, the volume of investments from all sources of financing reached 220.7 trillion sums, which is 2 times more than the approved forecast for the year. At the same time, the volume of investments in fixed assets amounted to 189.9 trillion sums, and the growth rate compared to 2018 was 1.3 times. Firstly, the role of the State is very important in attracting investment to the country's economy. In this regard, in his address to the Oliy Majlis on December 28, 2018, the President of the Republic of Uzbekistan stressed out the need for a new approach to attract investment to the country's economy and proposed to name 2019 the Year of Active Investment and Social Development. "Giving such a name to the year imposes great duties and responsibilities on all of us," the president said. The following questions will be raised : how to increase investment ? how to solve social problems ? And the answer "We can achieve rapid development of our economy only through the active involvement of investment, the launch of new production facilities." will show how much Investment is required to the economy of the country's. In the Year of Active Investment and Social Development, the share of fixed capital investment in GDP fell from 30% in 2018 to the current 36.2% (the share of total investment in GDP in 2019 was 42.1%). During the reporting period, more than 2,800 social, infrastructure and production facilities were commissioned: 145 large production facilities, 167 ready-made regional projects, more than 2,500 social and infrastructure facilities.

In particular, the main directions of further development of the industry through the implementation of investment projects aimed at financial and economic up-to-date of chemical enterprises and stabilization of their activities, modernization of existing productions, construction of new facilities for deep processing of resources were identified and a number of measures are being taken.

Improving the efficiency of attracting foreign direct investment in the economy, informing foreign investors about the opportunities and potential of the country, improving the coordination of public and economic administration, local executive authorities in attracting and developing foreign investment, as well as in 2017-2021. In order to implement the tasks set in the State Program on the implementation of the Action Strategy on the five priority areas of development of the Republic of Uzbekistan in the "Year of Active Investment and Social Development", the President of the Republic of Uzbekistan adopted Resolution PP-4300 dated 29.04.2019. The resolution approved the following measures to attract foreign investment:

- sale of state-owned shares (stakes) in the charter capital of chemical and oil and gas industries, business entities in the field of machinery, banking and insurance organizations;
- Development of ready investment proposals to attract foreign direct investment;
- Take advantage of investment and business forums, presentations ("Road Show") and marketing campaigns;
- Establishment of priority areas for the implementation of public-private partnership projects.

Implementation of projects aimed at accelerated development and diversification of the chemical industry, first of all, reducing the state share in enterprises through the sale of state assets to private ownership, modern

corporate governance, introduction of international financial reporting standards and improving the management structure of enterprises. The period requires that measures be taken.

In order to further develop the chemical industry, increase its investment attractiveness and expand the volume of attracting foreign direct investment in the diversification of the industry, the Resolution of the President of the Republic of Uzbekistan No. PP-4265 dated 03.04.2019 approved the "Chemical Industry Development Program 2019-2030".

“According to the program for the development of the chemical industry in 2019-2030, the following highly effective projects have been developed and launched:

- Investment projects aimed at expanding the production capacity of mineral fertilizers (12 projects)
- Investment projects for the organization of polymer production (3 projects)
- Investment projects for the production of new types of chemical products and expansion of existing ones for the economy (16 projects)

Based on the above, in the research on the strategy of effective development of chemical enterprises of Uzbekistan in the context of modernization of the economy, we provide feedback on the direct attraction of investment in the development of the chemical industry of Uzbekistan.

First of all, we would like to provide the following information about the chemical industry of Uzbekistan:

The chemical industry is one of the basic sectors of the Uzbek economy and was formed through the construction of enterprises producing mineral fertilizers based on the need to accelerate agricultural production.

The history of the modern chemical industry of the republic begins with the launch of the Shorsuv gold mine in 1932. In 1940, the largest enterprise of the chemical industry - Chirchik Electrochemical Combine (now JSC "Maxam-Chirchik") began to produce. In 1962, the Fergana Nitrogen Fertilizer Plant (now JSC "Ferganaazot") was launched. In 1964, the Navoi Chemical Combine (now JSC "Navoiyazot") began to give the production. In 1969, the Almalyk Chemical Plant (now JSC "Ammofos") was launched. At present, Maksam-Chirchik, Navoiyazot and Ferganaazot joint-stock companies produce nitrogen fertilizers - ammonium nitrate, urea, ammonium sulfate. Ammophos, Samarkandkimyo and Kokand Superphosphate Plant produce phosphorus fertilizers - ammophos, suprefos, simple ammonium superphosphate, ammonium sulfophosphate and nitro-calcium phosphate. They are supplied with raw materials by the Kyzylkum phosphorite plant. JV "Elektrokhimzavod" considered the manufacturer of plant protection chemicals.

Based on the types of products produced by chemical enterprises, they have the following production complexes:

- Complex for the production of mineral fertilizers, inorganic substances and chemical reagents for the energy, gold mining and chemical industries;
- complex for the production of organic chemistry, synthetic fibers and polymeric materials;
- Complex for the production of plant protection chemicals;
- production of soda ash

The data show that the chemical industry of Uzbekistan is a major sector of the economy. The development of this sector is an important factor in the development of various other sectors of the economy.

The study examined several important aspects and directions of attracting investment in the industry. According to this, in order to attract the investment

1. The **Comfar** and **Prospin** programs, developed by **UNIDO** as a systematic program for researching investment projects, are now widely used;
2. In practice, the **TEO-INVEST** information technology program is mainly used to assess the cost-effectiveness of an investment project;

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