



Course «Investment project management»

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The fifth lesson. Regulation of investment by government

- 5.1. The objective of economic investments and attraction of foreign investments to the economy.
- 5.2. Forms of attracting foreign investments into the national economy and international experience of its regulation.
- 5.3. Financing investment projects through credit lines of foreign banks.
- 5.4. Foreign investment protection ways.

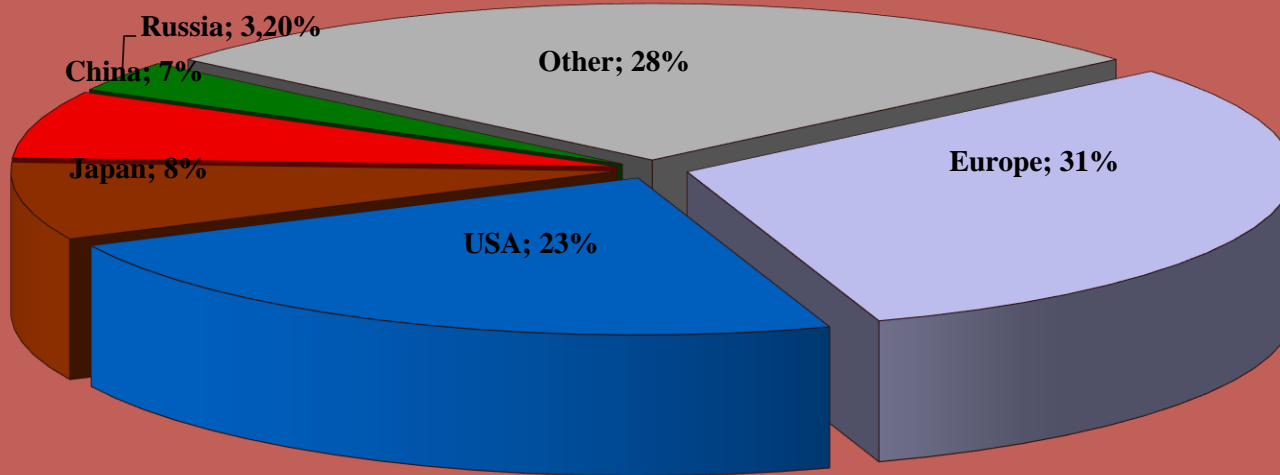


5.1. The objective of economic investments and attraction of foreign investments to the economy.

Key Facts About Attracting Foreign Investments:

- ◇ The policy of "open doors"
 - ◇ Favorable investment climate
 - ◇ System of privileges and preferences
- ▶ During the years of independence 30 billion soums have been invested in the country. More than US \$ foreign investments were attracted.

The financial crisis has affected the share of some countries that have had a significant negative impact on the global GDP (total GDP in 2010 - \$ 62 trillion)



5.2. Forms of attracting foreign investments into the national economy and international experience of its regulation

Total amount of foreign investments attracted to the economy in 2011	3371,5
Under the Public Investment Program	2941,7
Within the framework of regional investment programs	429,8
including direct investments	2925,6

Impact of the crisis on foreign investment

The Impact of the Global Financial Crisis on the Republic of Uzbekistan

Worsening of the situation in the world commodity markets, sharp decline in prices due to the weakening of demand

In 2009, a significant reduction in revenues from enterprises' export revenues can be expected

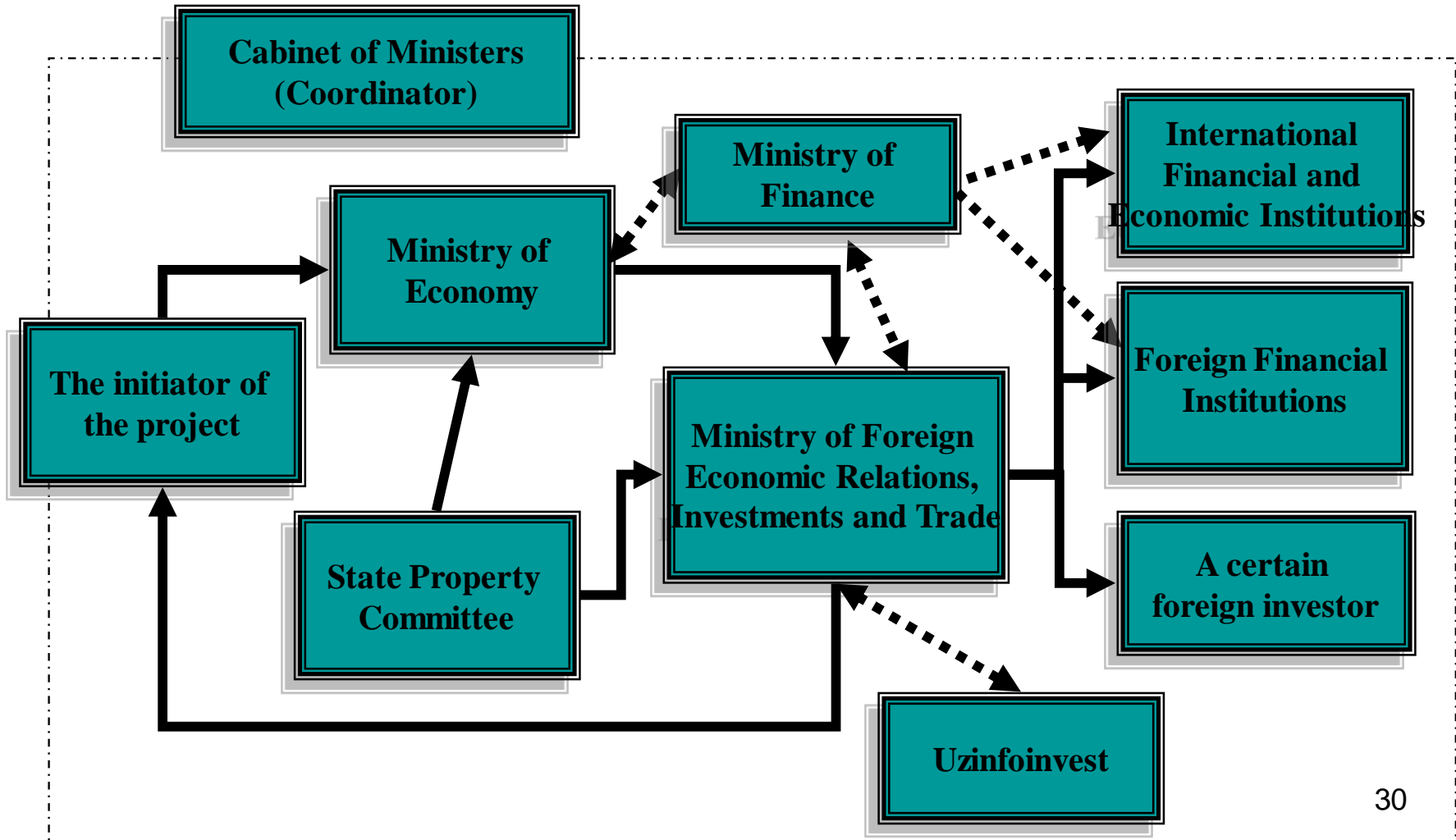
The sharp decline in purchasing capacity of our major trading partners has a negative impact on foreign trade turnover

5.3. Financing investment projects through credit lines of foreign banks


- The key to supporting real sector enterprises
- the cost of providing tax incentives to enterprises exporting goods through bank lending
- expanding production

Scheme of attracting foreign investments and loans to the country


(In response to the Presidential decree of the Republic of Uzbekistan from July 24, 2008 of N PP-927)



5.4 Foreign investment protection ways

 **Investment institutions** are professional participants of the securities market, which performs their activities with securities

Investment Institutions


 **Legal entities** and individuals can participate as investment institutions. The activities of investment institutions, which are legal entities, should be licensed. Licenses are issued for 5 years.

Investment consultants

 **Investment Adviser** - is an investment institution that engages in advisory activities.




Investment companies

 **Investment company** - is a legal entity that is engaged in issuance of securities, investing in securities, conducting securities trading on its behalf and at its own expense


The main objectives of investment companies are: :

- Organization of securities issue and granting to the issuer (founders) of their placement.
- Investing in securities.
- Transactions with securities at own expense and personal risk (dealer activity).

Investment Funds.

 **Investment Funds** - is an organization that places these funds on behalf of the Fund for securities, bank accounts and deposits with the purpose of collecting and using assets of corporate and legal persons, reducing shareholders' risks

Privatization Investment Funds.

 *The Privatization Investment Fund (XIF) is one type of investment funds. They are organized to engage a large part of the population in the privatization process.*

