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Conditions And Factors Of Increasing Investment Attraction In The Republic Of Uzbekistan

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ABSTRACT

The article examines the processes associated with the conditions and factors of increasing investment attractiveness. The existing problems and shortcomings in this regard are presented on a systematic basis. Scientific proposals and practical recommendations aimed at overcoming the problems and shortcomings of this process have been formed.

KEYWORDS

Investment attractiveness, investment activity, foreign capital, investment environment, innovation capacity, investment efficiency, investment risk, investment diversification.

INTRODUCTION

Today, investments in the world economy include the rapid modernization of industrial enterprises, technical re-equipment, new and modern production in the automotive and gas-chemical, electrical and textile, food and pharmaceutical, information and

telecommunications networks and other areas. plays an important role through the organization of their forces.

The intensification of competition in world markets requires the effective use of existing

opportunities and advantages in the competitive struggle for foreign capital, primarily in the form of foreign direct investment. Uzbekistan is also taking a number of measures to actively attract foreign investment, create a favorable investment and business environment, pave the way for foreign investment, ensure the stability of legislation, and radically improve the investment climate. In turn, the relative advantages of our country in attracting foreign investment are of particular importance. In this regard, the President of the Republic of Uzbekistan Sh.M. Mirziyoev in his Address to the Oliy Majlis on December 29, 2020 said: "According to research from Harvard University, our country has all the opportunities and relative advantages in the production of more than 50 industrial products. In particular, the petrochemical, metallurgical, mechanical engineering, electrical engineering, pharmaceutical, construction materials, textile, leather and footwear, food and other industries related to the "green economy" have all the necessary conditions to become "drivers" of our economy "[1].

However, as it requires the implementation of measures aimed at deepening market economy reforms, liberalization of the economy and strengthening the protection of property rights, it is advisable to ensure the country's investment attractiveness under the influence of mobile mobility of market participants. A number of such cases require the study of the scientific and theoretical basis of measures aimed at improving the investment climate in the country, the effectiveness of reforms aimed at actively attracting foreign investment and serve to justify the relevance of research.

MAIN PART

Processes related to the conditions and factors of investment attractiveness have a special place in the research of D. Hayman. D.

Hayman's research examines the cases associated with attracting investment in the activities of strategic enterprises. Energy and resource-saving equipment and technologies play an important role in attracting investment in industrial enterprises. Therefore, it is recommended to form a modern system of management and audit of technological processes in enterprises [2].

The research of G.S. Staroverova, A.Yu. Medvedev, I.V. Sorokina assesses the impact of investments on the process of deepening the localization of production and expanding inter-sectoral industrial cooperation. An integral connection between the factors of production is recognized as an important condition for ensuring investment attractiveness [3].

B.T. Baykhanov's research studies the unprofitability of investments in the world economy, the risks and risks associated with the effective use of investments as factors that negatively affect investment attractiveness [4].

N.G. Karimov, R.H. Khojimatov in their research study the problem of increasing the economic efficiency of investments. As a solution to this problem, it is recommended to establish a system of continuous monitoring of material, labor and financial costs [5]. A.V. Vahobov, D.A. Tadjibaeva, Sh.Kh. Khajibakiev recommend increasing the role of foreign investment in financing the modernization of industrial sectors in the country, the development of industries with high innovation capacity, the widespread use of export potential and the production of competitive products on the world market. they reach. They also provide practical suggestions and recommendations to improve the existing mechanism of influence in this regard [6]. Through the research of B.O. Tursunov, T.O. Jamolova it is expedient to diversify investments and organize the correct distribution between sectors of the economy

in order to improve the system of attracting foreign investment, which is a leading factor in increasing the competitiveness of the country [7].

N.R. Rajabov offers an algorithmic program to identify and calculate the break-even points of the use of investments in the industry through scientific research [8]. In the research of A.R. Bakitjanov, S.U. Filin, stable economic growth rates and innovative development factors of the region for the medium term are recognized as the main conditions for ensuring investment attractiveness [9].

The above research has given priority to the study of processes related to the main conditions and factors of prioritization in attracting investment to the country.

ANALYSIS AND RESULTS

In a market economy, the priorities of socio-economic development of the country are diversification, development of high value-added industries and the development of high-tech production, which involves reducing dependence on raw materials. During the years of independence, the economic development of Uzbekistan has been focused on creating favorable conditions for economic

growth and increasing the investment attractiveness of the regions.

Structural changes in the economy have had a major impact on changes in the structure of the investment sector. Also, the emergence of new industries, the achievement of fuel and energy independence, the radical modernization of production has led to a change in the composition of investments.

The Action Strategy for the further development of the Republic of Uzbekistan pays special attention to the implementation of an active investment policy aimed at modernization of production, technical and technological renewal, implementation of production, transport and communication and social infrastructure projects. first and foremost, it serves to raise the production of high value-added finished products to a qualitatively new level based on the deep processing of local raw material resources. The fact that the main source of enterprises is profits and depreciation, investments are made at the expense of funds, in this regard, a special priority in the effective attraction of foreign investment has contributed to the positive changes in the structure of fixed capital investments in Uzbekistan in 2005-2020 (Table 1).

Table 1

In the Republic of Uzbekistan in 2005-2020
capital investments (in current prices, in billions of soums) [10]

	2005	2010	2015	2020
Republic of Uzbekistan	3165,2	16463,7	44810,4	202000,1
The Republic of Karakalpakstan	149,3	496,4	6021,2	8167,4
regions:				
Andijon	130,4	726,2	1956,5	8755,1
Buxoro	260,7	2147,2	4075,9	11248,7
Jizzax	77,2	440,8	1304,9	12974,2
Kashkadarya	456,5	1792,8	5894,7	19921,7
Navoi	229,1	1741,8	1809,1	16042,6

Namangan	107,9	660,6	2227,5	11982,5
Samarkand	203,5	1083,1	3237,2	13426,0
Surxondaryo	170,8	655,3	1843,6	9923,0
Sirdaryo	54,5	406,2	1083,3	7174,5
Tashkent	337,4	1606,1	4428,1	18994,4
Fergana	162,3	930,9	2542,3	11320,0
Khorezm	63,3	416,9	1531,5	6663,2
Tashkent city	741,8	3309,0	6854,6	44778,8

According to the analysis, in 2005 investments in fixed assets in the Republic of Uzbekistan amounted to 3165.2 billion soums, and by 2020 this figure will reach 202000.1 billion soums. During this period, investments in fixed assets increased by almost 63 times. The absolute advantage in the share of fixed capital investments between the regions is maintained in Tashkent. In 2005, the share of Tashkent in the structure of investments in fixed assets was 23.4%, while in 2020 the share of Tashkent fell to 22.2%. The main reason for this can be explained by the sequence of investment programs implemented in the regions and the measures identified in their implementation. However, the main goal of investment policy at the macro level is to improve the processing process, strengthen the material and technical base of the country, increase its economic potential, achieve overall economic development (GDP, GDP growth, increase the number of new jobs). This indicator cannot be positively assessed if it is aimed at creating an effective system of government regulation and support of investment processes aimed at improving the efficiency of investments.

In the context of integration of the Uzbek economy into the world economy, the implementation of export-oriented economic development policy in the country and the use of free economic zones in the production and export of export-oriented products, as well as the introduction of import-substituting high-tech production. Effective use of foreign trade policy experience of developed countries,

especially the fastest growing countries in the world economy, including China, Germany, France, Japan, South Korea, Singapore, is positive for the development of our national economy. effective. Accordingly, the issue of increasing the country's foreign trade process and export potential through the liberalization of foreign economic activity in the formation of the national economy, taking into account the specifics of the transition to a market economy, in particular, the establishment of free economic zones in our country. and the need to further improve the methods of their regulation. One of the most important issues today is the effective use of the experience and methods of foreign countries in the establishment and effective conduct of free economic zones.

CONCLUSIONS AND RECOMMENDATIONS

The development of prudent investment policy plays a leading role in economic growth. For the effective implementation of investment policy, it is necessary to establish a number of institutions that will serve to create a favorable investment climate. At the initial stage of reforms, investment policy in Uzbekistan was aimed at deep structural changes in the economy. To this end, investment programs have been developed and are being implemented. An alternative factor in increasing the volume of investment in the national economy is domestic investment, which is only foreign investment and credit. Therefore, today it is necessary to study and review all available resources and reserves related to attracting foreign

investment to the national economy, to work on improving the mechanism for attracting foreign capital to national enterprises.

In conclusion, the positive solution of the above issues will serve to increase domestic and foreign investment in the national economy, ensure sustainable economic growth, ultimately increase the development of our country, increase the welfare of our people.

In our opinion, it is expedient to take the following measures to increase investment attractiveness in the Republic of Uzbekistan:

- Development of long-term concepts of economic development;
- Mobilization of funds accumulated in the hands of the population in the development of the economy in the form of investments, strengthening the sense of entrepreneurship in people;
- Opening of the "Investment Portal" on the Internet, which will provide local and foreign investors with the necessary statistical information, information on the conditions created for doing business;
- Development of a methodology for assessing the state of the investment climate, taking into account the factors and effectiveness, through the effective use of the potential of the region, determined by factors such as natural and economic, financial, labor, corporate governance and effective functioning of local governments;
- Methodological recommendations for forecasting the prospects for effective management of the investment climate through a systematic study of factors and individual assessment of economic growth, modernization and diversification, the business environment, the state policy of free and special economic zones and the openness of the economy with complex coefficients ;

- Development of a system of complex measures aimed at ensuring the attractiveness of the investment climate by the state and the implementation of medium-term and long-term objectives of effective management on the basis of a new conceptual scheme of studying the interrelationship of various factors, etc.

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