

ISSUES OF INCREASING INVESTMENT ATTRACTIVENESS IN THE INVESTMENT ENVIRONMENT AND REGIONS

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Abstract

This article focuses on issues of increasing investment climate and investment attractiveness. The components of the investment environment, the factors affecting investment attractiveness and the reforms carried out in Uzbekistan to improve the investment environment are considered. The goal is to develop proposals for improving public policy to attract investment and promote economic growth.

Keywords: Investment environment, investment attractiveness, investment, economic growth, reforms, tax, law, bureaucracy, infrastructure, labor resources.

Introduction

Investments play an important role in the world economy. Investments stimulate economic growth, create new jobs, develop technologies and improve infrastructure. Therefore, each state seeks to improve the investment environment and increase investment attractiveness. Investment climate refers to a set of political, economic, legal and social conditions favorable to investors.

The investment environment includes the following elements:

- Political stability: political stability is important for investors. Political instability increases the risk of investments and scares investors.
- Economic stability: economic stability, including low inflation, stable exchange rate and healthy public finance, creates a favorable environment for investment.
- Legal environment: the legal environment in which investors' rights are protected and the execution of contracts is ensured encourages investment.
- Bureaucratic barriers: bureaucratic barriers make investments difficult and annoy investors.

In the national economy, it is advisable to further deepen scientific research on the development of a digital economy based on increasing the productivity and economy of economic resources, forming a favorable investment and business environment, wide involvement of foreign direct investment, modernization of the economy through technical and technological renewal, orientation of investment processes to the economy of competitive high-tech knowledge. It is important to create the necessary conditions for attracting foreign investment to the economy of the Republic, which, when economic, political, social and legal conditions exist in which country (positive), can be put in the economy of that state.

Reducing bureaucratic barriers and simplifying public services can help improve the investment climate.

- Infrastructure: well-developed infrastructure, including transport, energy and telecommunications, is important for investment.
- Labor resources: skilled and affordable labor resources play an important role in attracting investments.

The fact that investments in fixed capital in Uzbekistan have a growing trend indicates the convenience of the investment environment. Such an investment situation has been giving the opportunity to quickly change the technological level of economic growth. Judging by the opinions of many experts, it is assumed to further increase the growth rates. Such growth rates of investments are determined by the fact that a favorable environment is created for investors, the total economic, legal, organizational, political and social conditions that affect the dynamics and composition of investments.

In particular, the increasing import of investments also testifies to this. It is important to consider that the globalization of the economy, having solved the task of creating a positive investment environment, will increase the competition between investment recipients through this, expanding the use of existing investment resources in the world. Correspondingly, if we want to increase the size of the inserts from the outside, we must have better conditions for them than for competitors. Not only foreign, but also national investment resources are envisaged in this, the fact that their "flow" abroad indicates that the environment created for them in their country is not very favorable.

Investment attractiveness refers to the degree to which a state is interesting to investors. The following factors influence investment attractiveness:

- Availability of resources: the availability of natural resources, labor resources and other resources increases investment attractiveness.
- Market size: large market size is interesting for investors. The large market size provides more opportunities to sell products and services.
- Competitiveness: the level of competitiveness affects investment attractiveness. In countries with high competitiveness, investments are more efficient.
- Innovative potential: countries with innovative potential attract high-tech investments.

Foreign investors are legal entities and individuals, the decision-makers and the entities of investment activity that carry out the inclusion of their own funds, borrowed funds or attracted funds in investment projects in the form of investments and ensure their targeted use. Foreign direct investment is the financial and non-financial investments of a foreign investor with a share of no less than 10% in authorized capital. In the Republic of Uzbekistan, foreign investments and loans in fixed capital in the cross section of the territories are classified under 3 criteria. These are:

- Direct foreign investment;
- Foreign loans under the guarantee of the Republic of Uzbekistan;
- Other investments and loans that are not guaranteed.

Today, the bulk of foreign investment (about 50%) is aimed at the manufacturing industry, one of the main reasons for which is aimed at further strengthening the existing opportunities in the regions and reducing unemployment in the regions in the case of developing different sectors of the economy, improving the living well-being of the population. In second place are foreign investments aimed at providing electricity, gas, which today is one of the most pressing issues of the economy. It should also be remembered that even in our country today, the main goals are to increase the share of renewable energy sources in the total energy balance, as well as to increase foreign investment flows in strengthening low-carbon energy networks. The lowest proportion of foreign investment and loans focused on the sectors available in the economy sectors is the structure and the health sector.

Uzbekistan is implementing large-scale reforms to improve the investment climate and increase investment attractiveness. Including:

- Tax reform: reducing the tax burden and simplifying the tax system creates a favorable environment for investors.
- Legal reforms: protecting the rights of investors and ensuring the implementation of contracts are the main directions of legal reforms.
- Bureaucratic reform: streamlining public services and reducing bureaucratic barriers will help improve the investment environment.
- Infrastructure development: the development of transport, energy and telecommunications infrastructure is important for investments.
- Development of the educational sphere: to prepare qualified labor resources, it is necessary to develop the educational sphere.

The results of the analysis of the investment attractiveness of regions showed that in the Republic of Uzbekistan there are significant differences in indicators of investment activity between regions. In particular, the capital city of Tashkent and The Tashkent region have the highest investment potential, and such factors as the development of transport and logistics infrastructure, the availability of qualified personnel and a large market capacity play an important role in these regions.

At the same time, Navoi and Andijan regions also have high investment attractiveness indicators, in these regions there is an increase in the effective activity of Free Economic Zones and industrial clusters, the development of export-oriented production. Currently, investment activity in the Republic of Karakalpakstan, Kashkadarya and Jizzakh regions is relatively low, indicating the need to take additional measures to develop investment infrastructure, increase personnel capacity and improve the business environment in these regions. According to the results of the expert assessment, the transport and logistics infrastructure (0.92 points), the availability of skilled labor (0.88 points) and the local raw material base (0.85 points) stand out as the factors that most strongly influence the investment attractiveness of the territories. This indicates the need to prioritize these very areas in the development of measures to improve the investment climate in the regions. Modernization of transport infrastructure, the establishment of logistics centers that meet international standards, the improvement of the personnel training system and the introduction of mechanisms for the effective use of local resources are urgent tasks.

In conclusion, improving the investment environment and increasing investment attractiveness are an important part of the state's economic development strategy. Ensuring political stability, maintaining economic stability, improving the legal environment, reducing bureaucratic barriers, developing infrastructure and improving the education sector will help attract investment and stimulate economic growth. Based on the results of the study, the following strategic directions are proposed to further increase the investment attractiveness of the regions:

firstly, the modernization of transport and logistics infrastructure at the level of international standards, the establishment of modern logistics centers and the widespread introduction of digital technologies;

secondly, the improvement of the personnel training system on the basis of modern requirements, the; thirdly, the development of mechanisms for the effective use of the local raw material base, the development of the processing industry and the introduction of a system of rational use of resources; fourth, the creation of a favorable environment for investors by reducing administrative barriers, simplifying bureaucratic processes and fully digitizing public services; fifth, the introduction of modern information systems and artificial intelligence technologies.

To conclude from the above, systematic work has been organized in our country aimed at attracting foreign investments, increasing the investment attractiveness of territories, and improving the efficiency of foreign direct investment involved. In addition, local territorial bodies have been established to monitor the effectiveness of investment projects. These measures implemented serve to make investments more massive in the territories and the country's economy.

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