

IMPORTANCE OF ENTERPRISES WITH FOREIGN INVESTMENT IN THE DEVELOPMENT OF THE REGIONAL ECONOMY

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Annotation

In this article, it is explained that it is important to improve the economy by attracting foreign investments to the economy of the region, the formation of the investment environment in the region and the factors affecting it, and the importance of increasing investment attractiveness. In addition, the possibilities of attracting foreign investments to Kashkadarya region are presented through analysis.

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Introduction

Today, one of the main conditions for the development of the economy of every country is the attraction of foreign investments to the economy.

The study of investment problems has always attracted the attention of experts, analysts and researchers in the field of economics. The world capital market faces fierce competition in attracting investments, and ensuring their attraction in sufficient volume and quality is one of the priority tasks of any country.

Research methods.

Creating a favorable investment environment is one of the most important conditions for attracting investments and ensuring stable growth of the country's economy. Akerman E.N., Mikhalchuk A.A and Trifonov A.Yu stated that "... the attractiveness of the investment environment, the economic development of each region depends on the potential of capital and labor resources and the level of their use. According to the generally accepted point of view, the economic potential of the region and its opportunities are determined by the effective use of all the collective resources available there to produce vital benefits.

Also, the case of applying different qualitative descriptions to the "investment environment" is observed. In particular, B.A. Okhunov defined the concept of an acceptable investment environment as follows: "An acceptable investment environment is a political, socio-economic and organizational-legal condition formed by the state taking into account the risks and interests of the country and investors for the implementation of investment activities. It is a system of conditions "Our economic strategy is aimed at attracting large-scale investments to the economy. We will create necessary conditions for

investment growth to be at least 25 percent of GDP in 10 years. We will pay attention to the issues of improving the investment environment, increasing the effectiveness of investment policy in sectors and clarifying large investment projects to be implemented in 2022-2026 at the expense of foreign investments and loans, and expanding public-private partnership in the economy.

Analysis and results.

Creating an investment environment for attracting foreign investments to the economy, increasing the investment attractiveness will allow the country to increase its FIC(Foreign investment company).

FIC Its role in the national economy is determined by:

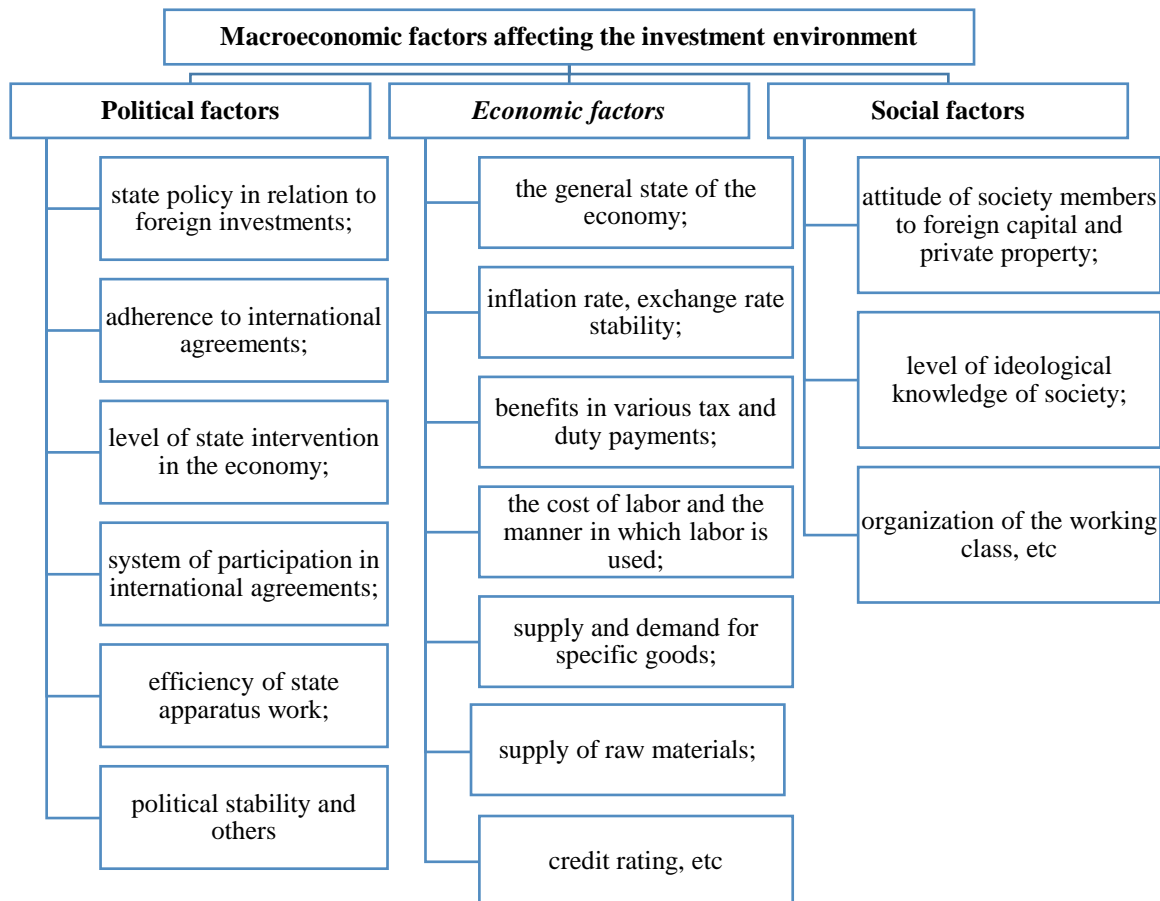
- growth of the domestic product created in our country;
- attracting foreign investments to the national economy;
- providing the population with employment and new jobs;
- formation of population incomes:
- in the technical and technological updating of the means of production;
- introduction of modern management methods and culture;
- increase in the number of legal and individual tax payers;
- in supplementing the income of the state budget;
- in the production of export-oriented goods replacing imports;
- in providing services;
- in saving free currency;
- in increasing the income of free currency to the national economy;
- increasing the stability of the national currency, the soum.

FIC have been established in all regions of our country, and they have been providing close support in the formation of the socio-economic infrastructure of regions, districts and cities in accordance with the requirements of the time. There is a disparity in the distribution of FICs across regions. In some regions, the per capita population is higher than expected, while in some regions, it is very low. Ушбу номутаносибликларни аниқлашда таҳлилнинг анализ методидан фойдаландик. FIC is located unevenly by region in our Republic. For example, in 2010, 82.4% of FIC operating in the republic in Tashkent city and Tashkent region corresponded to 70.1% by 2021. 17.6% and 29.9% correspond to the remaining twelve regions, respectively. In our opinion, there are a number of objective factors that have influenced the emergence of this situation in the Republic, the main of which are the following. Including:

- the large number of consumers who demand the goods, works and services provided by joint ventures in the capital, and the fact that the population's ability to pay is high compared to other regions;
- relatively well-organized financial and social infrastructure in the capital;
- since the railway, airport and most of the ministries and committees are located in the capital, the facilities created in the registration of joint ventures and the import of raw materials and materials or the export of finished products;
- relative sufficiency of financing sources for the enterprise to carry out investment activities for the purpose of reproduction, etc.

The presence of a stable political and economic environment in our republic, that is, the creation of a favorable investment environment and the effectiveness of the system of receiving foreign capital is a necessary condition for attracting foreign investments. The investment environment is a general criterion for the placement of investment resources and, first of all, ensures the profitability of capital funds.

In the process of assessing the investment environment, the investor determines the level of investment risk. The worse the investment environment is, the higher the investor's business risk. Factors characterizing the investment environment can be described at the macroeconomic level in the form of the following diagram (Figure 1).



1-picture. Macroeconomic factors determining the investment environment ¹.

At the same time, we present a description of the following constituent elements of the investment environment, which represent the conditions for the implementation of investment activities. As its main constituents, it is possible to show the concepts of investment activity, investment potential and investment attractiveness, which takes the level of investment risk.

FIC operating in the studied Kashkadarya region is the lowest indicator in terms of quantity in this Republic. According to this indicator, the region ranks 12th ahead of Syrdarya and Khorezm regions, which are the lowest in the Republic. Of course, there are inactive ones among the foreign-invested enterprises, but the increasing number of actively working enterprises is a positive indicator, which indicates that the interest of foreign investors in the country's economy is increasing and the general business environment is improving."

¹ Ergasheva Sh., Uzokov.A. Organization and financing of investments. - T.: Economy-Finance, 2008. p. 37.

When analyzing and assessing the level of socio-economic development of Kashkadarya region and its place in the regions of the Republic, as well as the state of attracting foreign investments to the region and its effective use, the indicators of the investment environment of the region and its regional aspects require study and analysis. In this regard, by carrying out a SWOT analysis of the region, the approach can identify and assess the impact of the region's investment climate indicators on the process of attracting foreign investment to the region and its effective use.

SWOT analysis of Kashkadarya region as a socio-economic system

<p>Strengths aspects</p> <ul style="list-style-type: none"> - the presence of rich natural industrial deposits - industrial development - the presence of reserves of mineral resources; - availability of natural land resources and vegetation, - high temperature; - there is high business and investment activity; - abundance of labor resources - convenient geographical and geopolitical location; - high cultural and tourist potential; - relatively developed road network; - has the potential to develop domestic and foreign tourism. 	<p>Weak aspects</p> <ul style="list-style-type: none"> - the industry specializes in the production of one-sided raw materials; - presence of sharp differences in development at the district level; - the melorative state of agricultural lands is not up to the required level; - closed underground drainage systems are out of order; - lack of development of the service sector; - the market infrastructure is located unevenly across the districts. - that the population does not have full information about stock markets; - old of water, gas and electricity supply system
<p>Opportunities</p> <ul style="list-style-type: none"> - the possibility of improving the structural structure of the economy and developing digital economy sectors at a priority level; - achieving 100% processing of agricultural products; - improvement of land melorative condition; - development of tourist business - development of cooperative relations between large industrial enterprises and small businesses; - fully integrated processing of mined mineral raw materials and agricultural products in the region itself; - directing the income of the population and remittances from outside the republic to the region for investment. 	<p>Threats</p> <ul style="list-style-type: none"> - Failure to consider the interests of the region when making decisions; - Risks associated with the impact of the "Kovid 19" pandemic: <ul style="list-style-type: none"> - lack of diversification of industrial products - slow process of technical and technological modernization of industry: - a sharp drop in competitiveness as a result of the disparity between the price of agricultural products and the price of energy and fuel resources; - that the bank has not developed the mortgage and microcredit system; <ul style="list-style-type: none"> - availability of food safety; - unemployment rate; - centralization of the main part of financial resources in the city of Karshi.

The data collected in the course of this analysis research is based on the data of the statistical bulletin of the Republic of Uzbekistan and Kashkadarya region. The analysis shows that the region's strengths and opportunities are greater than its weaknesses and risks, which indicates its high potential. Such a realistic analysis of the situation will help to determine the ways to prevent possible risks by eliminating the weak points of the region with the help of its strengths and opportunities. According to the forecast indicators of attracting foreign direct investments in 2020-2022 of the government of Kashkadarya region, it was planned to implement 7174 projects worth 432 billion dollars in 2020-2022 in the region.

In 2020, it was planned to implement 2289 projects worth 145 billion dollars, and 2442 projects worth 150 billion dollars in 2022. According to information, at the moment practical efforts have been started to attract 430 million dollars of foreign investment in 30 projects. 21 joint and foreign enterprises were registered, and projects with a total value of 90 million US dollars were formed.²

Based on the results of the conducted research, we offer the following in order to improve the investment environment in Kashkadarya region, increase the number of foreign investors and eliminate the problems that hinder the activity of foreign investors:

- problems related to the production infrastructure, including problems in allocating buildings and land for investors to carry out investment activities, as well as interruptions in the supply of enterprises with electricity, natural gas, water and fuel products;
- presence of interference by the local government in the activities of foreign investors, poor functioning of the legal system, non-compliance with contracts, frequent updating of the legal system and regulations and norms;
- in order to eliminate problems related to production infrastructure, it is appropriate to place foreign investment projects in free economic zones and small industrial zones;
- it is advisable to introduce a system of full or partial subsidization by the state for costs related to the creation of infrastructure in promising foreign investment projects (agriculture, service provision) that cannot be located in special zones;
- due to the lack of experience of regional businessmen in keeping documents according to international norms and standards, they do not have enough skills to work with foreign and domestic investors;
- outdated technology and equipment, non-compliance of manufactured products with international standards and non-competitiveness;
- insufficient development of the market infrastructure in the region - lack of international experience of banks, investment funds, venture funds, insurance and leasing companies in providing services to foreign investors and their participation in the implementation of investment projects has not been effectively established;
- in activating the processes of attracting direct and portfolio investments to the region's securities market, entrepreneurs consider the problems of ensuring innovative development and increasing the investment attractiveness of shares and bonds issued by them as secondary work, and in addition, the high desire to divide their property is hindered.

Conclusions and suggestions

In conclusion, in the context of the transition to the digital economy in Uzbekistan and its Kashkadarya region, bio and nanotechnologies, chemistry, pharmaceuticals, mechanical engineering and metal processing, microelectronics, fine chemical technologies, information-communication and laser-optical technologies, use of renewable energy achievements, new It is appropriate to establish FIC in areas that lead to the development of industries such as materials production. Kashkadarya region has great opportunities and potential for the establishment of industrial cluster enterprises specializing in the production of mineral resources, processing of agricultural products, construction materials, textile products. The use of existing idle production areas, labor and natural resources has the potential to provide high-value, high-quality production capacity for exporting goods and services to foreign markets in modernized, technically and technologically re-equipped enterprises of the region or newly established enterprises with participation of foreign investments.

² Statistical newsletter of Kashkadarya region. 2022.

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