

ISSN : 2349-4212

INTERNATIONAL JOURNAL OF

TRENDS IN BUSINESS ADMINISTRATION



Indexed by:



Universal
Impact Factor



IMPACT FACTOR
SEARCH

International journal of trends in business administration [ISSN: 2349-4212](#)

2023 year Volume 13 issue 1

[Universal impact factor 7.828](#)

Founder and Publisher **academic journals PVT LTD**

Published science may 2011 year. Issued Quarterly.

Internet address: <http://academicjournalonline.org/index.php/ijtba>

10/25 Thamotharan Street, Arisipalayam, Salem, India

Principal Contact

Academic Journal Online

info@academicjournalonline.org

Editorial board

1. Mallesh Thumalla
2. Edwin Prem Kumar
3. Farha Deebea Hassan
4. Sangeetha T.R.
5. Abdul Wahid Naureena
6. Urokov Uchkun Yunusovich Ph.D. Tashkent Institute of Finance
7. Baymirzaev Dilmurod Nematovich Namangan State University
8. Faisal Amjad
9. Muhammad Tariq
10. Nurmanov Ulugbek Anorbayevich Associate Professor Ph.D. Tashkent Institute of Finance
11. Nadeem Abbas
12. Mr. Iftikhar Ahmad
13. Usmanova Muxlisa Sagdullayevna Associate Professor Ph.D. Tashkent Institute of Finance
14. Pulatova Mokhira Bakhtiyorovna Ph.D. Tashkent Institute of Finance
15. Sangeetha Natarajan
16. Ibragimov Mansur Mardonovich Samarkand Institute of Economics and Service
17. Lola Sharafavna Sultanovna Associate Professor, Ph.D. Tashkent Financial Institute
18. Saidjabbor Shoirra Saidg'affor qizi Tashkent Financial Institute
19. Azizkulov Bakhtiyor Khushvaktovich Urgut Branch Samarkand State University,
20. Ismailov Khusanboy National research institute of professional development and teaching new methodologies to teachers named after A.Avloni
21. Abduldaev Abdurauf Prof. Dr. of Economics, Andijan Machine Building Institute
22. Khasanov Bakhodir Akramovich. professor. Doctor of Economic Sciences. Tashkent State University of Economics.

PROBLEMS OF FORMING AN EFFECTIVE REGIONAL INVESTMENT POLICY IN UZBEKISTAN

Khamrakulova O.D

Candidate of Economics, Assoc. Department of “Economic Theory” Samarkand Institute of Economics and Service.

Abstract: The activation of investment activity is one of the most effective tools for the development and improvement of the economy of each state. The state plays a significant role in creating a favorable investment environment in the subjects of the Republic of Uzbekistan.

The paper considers the theoretical foundations for enhancing investment attractiveness, in particular regional investment policy, which is one of the most effective tools for the development and improvement of the economy of each state, the principles for the formation of an effective regional policy, taking into account the specifics of the regional attractiveness of Uzbekistan, a detailed analysis of methodological aspects on this issue is given, as well as the opinion and recommendations of the authors.

Keywords: state, investments, investment attractiveness, investment climate, regional investment attractiveness, state regional policy, principles of effective regional policy.

INTRODUCTION

The activation of investment activity is one of the most effective tools for the development and improvement of the economy of each state. “Investments should be targeted and cost-effective. Funds must be directed depending on the potential of the districts, on what enterprises the region needs. Regional investment leaders should travel abroad and attract investments for specific projects” [1].

The state plays a significant role in creating a favorable investment environment in the subjects of the Republic of Uzbekistan. Many regions of Uzbekistan have the appropriate investment potential, which can be successfully implemented with the support of the state. In a market economy, each state must make efforts to attract, first of all, both domestic and foreign investors to the sphere of material production. To this end, a certain investment policy is being developed and implemented, and an appropriate investment climate is being formed.

Analysis of literature on the topic:

In the domestic and foreign economic literature there is no unambiguous approach to the definition of "regional investment policy", which is due to the study of its various aspects, depending on the objectives of the study. In addition, the authors focus on the traditional approach to the formation of regional investment policy, while a more modern cluster approach remains outside the scope of the study. This explains the impossibility of formulating a universal definition that will be valid for each specific case. Thus, V. V. Khodus gives the following interpretation: regional investment policy is an integral part of regional policy, carried out mainly by

federal, sub-federal, regional and municipal authorities and administrations, as well as other entities (investors), aimed at mobilizing and effectively using investment potential of the territory, to activate and stimulate investment processes in the region from the position of achieving tactical and strategic goals of development (self-development) of the region. [2] The most complete definition, in our opinion, is given by E. N. Novokshonova. She interprets regional investment policy as an integral part of regional economic policy, including purposeful and evidence-based activities of regional authorities to mobilize and effectively develop the investment potential of the territory, activate and stimulate investment processes in the region, ensuring the achievement of strategic goals and objectives of the economic growth of the region. [3] Investment policy in the region should be based, firstly, on the strategic goals and objectives of the region's development, secondly, take into account the current structure of the region's economy, and thirdly, should be aimed at increasing investment attractiveness. [4]

Research methodology: the work uses the method of logical thinking, analysis and synthesis, statistical methods.

Analysis and results:

The state plays a significant role in creating a favorable investment environment in the subjects of the Republic of Uzbekistan. Many regions of Uzbekistan have the appropriate investment potential, which can be successfully implemented with the support of the state.

In a market economy, each state must make efforts to attract, first of all, both domestic and foreign investors to the sphere of material production. To this end, a certain investment policy is being developed and implemented, and an appropriate investment climate is being formed.

Foreign investors are very interested in improving the legislative framework in the investment field, as it helps to speed up the investment process and increase efficiency.

The effectiveness of the investment policy in the state largely depends on how macroeconomic and regional aspects are taken into account in its formation, the interests of the center and regions are coordinated and strategically focused on achieving overall economic results.

The investment policy of the state is the most important component of the overall economic policy. It is a set of goals, objectives, directions and activities carried out to enhance investment, optimize their structure, increase their efficiency [5].

Based on the strategic goals of strengthening the role of regions in the process of making managerial decisions, taking into account their specifics, local authorities of the Republic of Uzbekistan should solve the problem of determining and choosing their own model for organizing investment activities in the regions.

The purpose of the investment policy is to create conditions for effective investments in the region's economy. Effective investments are usually understood as such investments that, in addition to paying for the risk of investments, make it possible to obtain economic benefits acceptable for the investor and for the region

hosting the investments in the form of, for example, profit from investments or acceleration of socio-economic development. In this regard, the main criterion for the investor will be the expected return on invested capital in comparison with the degree of risk, and for the region, the acceleration of socio-economic development, the improvement of economic indicators, including the increase in the budgetary efficiency of the region.

Increasing the budgetary efficiency of the region is a positive change in the regional budget balance, that is, either investments should lead to an increase in income or to a decrease in regional budget expenditures [6].

At present, the state investment policy of the country has become an important factor contributing to the deepening of the investment process.

The nature of investment policy is determined by the degree of state intervention in economic processes, the degree of linkage of this policy with other state institutions, which include tax, financial and credit, licensing and pricing policy, employment policy, attracting foreign investment, the legal field and the general administrative structure.

In Uzbekistan, comprehensive measures are being taken to further intensify investment policy, aimed at using such levers that help accelerate scientific and technological progress, modernize production, taking into account the characteristics of the national economy.

The development of a reasonable investment policy for the region for the future is carried out from the global target for the development of this region. Most regions of the country set as their strategic goal the creation of a structurally and technologically developed economy with a sustainable type of reproduction. In accordance with this, the principles of the investment policy of the region are determined, which are associated with the efficiency of social production.

In January-December 2022, a total of 45214.9 billion rubles were disbursed in the Republic of Uzbekistan. sum of foreign investments in fixed assets. In their composition, foreign direct investment amounted to 37006.3 billion soums, or 81.8% of the total. The remaining 8208.6 billion soums, or 18.2%, was disbursed through other foreign investments [7].

Uzbekistan plans to implement investment projects worth about \$52.15 billion in 2022-2024. Uzbekistan plans to implement projects worth \$17.34 billion in 2023. The volume of foreign direct investment will be \$7.06 billion. In 2024, it is planned to implement projects worth \$18.2 billion. At the same time, it is expected that foreign direct investment in the amount of \$7.73 billion will be mastered [8].

The economy of Uzbekistan in the first half of the year maintained high growth dynamics and remained resistant to changes in the unstable external environment [9].

In the regional economy, investment flows have certain structural limitations. Each structural ratio needs to establish some limiting levels of development or current state. Limit values should be set in a balanced way, depending on the tactical conditions for the implementation of a particular stage of the program and the possibility of state intervention in solving these problems, since such ratios can be deliberately manipulated.

The need for targeted investment is associated with limited investment resources. Investments should be directed to the implementation of a finite number of projects that have a specific rationale and practical benefits.

Conclusions and offers :

The study of the problems of regional investment plays a rather significant role in the development of the country's economy. Investments directed to the economy of the region should be profitable under conditions limited by the goals of each specific project, the period of its implementation, and the resources attracted for it. It is advisable to invest in projects whose effectiveness has been confirmed in advance, the payback period is short, and the implementation conditions do not have additional risks.

Therefore, investments should be directed primarily to the creation of new non-capital-intensive or strategically important industries focused on specific domestic and foreign markets, or the reconstruction and modernization of the traditional industrial base. Financing and support of hopelessly unprofitable enterprises should be abandoned, as well as the creation of new industries whose products will be uncompetitive in comparison with similar imported goods or resources.

The implementation of investment policy in the regions does not imply the implementation of one or another national ideology, it accumulates the materialization of corporate, group and private interests of the parties, only indirectly representing the realization of the interests of society as a whole. This is her vulnerability.

The interests of various groups intersect and often hinder the development of the economy. Therefore, the main conditions for the implementation of investment policy should be the concentration and general orientation of the financial and other interests of the main subjects of the investment process, their responsibility in making decisions and implementing certain programs.

Investment policy has a huge impact on the development of capital investment in the country, both private and public. It is she who forms the so-called investment climate of the country, so you need to pay great attention to it.

In modern conditions in different regions, the question of where it is better to invest is becoming more and more urgent. As world experience shows, those areas of investment that allow achieving a quick return on investment are of particular priority [10].

There are a number of factors that hinder the active growth of investment and production. At the same time, it can be noted that many economic entities have a rather low level of management, which naturally causes an increase in risks in investment activity.[11]

Thus, in order to implement an effective economic policy, it is necessary to develop an effective investment policy for the region, the key principles of which should be:

- consistent decentralization of the investment process through the development of diverse forms of ownership, increasing the role of internal (own) sources of savings of enterprises to finance their investment projects;
 - priority in the placement of centralized investments should be state targeted programs;
 - deepening of investment should be mainly carried out at the expense of own sources of accumulation in the regions;
 - openness of the investment policy;
 - ensuring clarity and transparency of the investment process, accessibility for all investors of information that is necessary for the implementation of investment activities;
 - balance of state, social, political and economic interests of all participants in the investment and financial market;
 - development of a positive image of the region, which will increase capital investment from both domestic and foreign investors.

Literature:

- [1]. Development Strategy of New Uzbekistan for 2022-2026.- [www . Lex .Uz](#)
- [2]. Uzbekistan on the way to a knowledge-based economy ensuring sustainable economic growth in the 21st century . Analytical note. T., 2008; Yuldashev Sh.G, Zokirova N.K., Khodjaeva M.Ya. The Uzbek model as a factor in the development of the national economy. Monograph. T , Tashkent branch of the PRUE. G.V. Plekhanov, 2016; Yusupov Yu. Economic reforms in Uzbekistan: achievements , problems, prospects Sadriiddinov N.S. Reforms to liberalize the economy, develop a competitive environment, investment, and entrepreneurship. Institute for Forecasting and Macroeconomic Stability.- [ifmr . Uz .](#)
- [3]. [www . spot . uz .](#)
- [4]. State program for the implementation of the Development Strategy of New Uzbekistan for 2022-2026 in the “Year of care for people and quality education” - - [www. lex.uz](#)
- [5]. Khamrakulova O. D. INVESTMENTS IN THE DEVELOPMENT OF THE INNOVATIVE ECONOMY OF UZBEKISTAN//Thematics Journal of Commerce and Management. – 2023. – T. 7. – №. 1.
- [6]. Khamrakulova O. D. IMPROVEMENT OF THE MECHANISM OF INVESTMENT IN THE PRODUCTION INFRASTRUCTURE OF UZBEKISTAN //Thematics Journal of Economics. – 2021. – T. 7. – №. 2.
- [7]. Khamrakulova O. D. Problems of Foreign Investment in Regulating the Innovative Way of Development of the Economy of Uzbekistan //TJE-Tematics journal of Social Sciences ISSN. – 2021. – C. 2277-3010.
- [8]. Hamrokulova O. D., Djalilova S. S. ANALYSIS OF INDICATORS OF EFFICIENCY OF LABOUR //Theoretical & Applied Science. – 2020. – №. 2. – C. 749-752.