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DEVELOPMENT OF MECHANISMS FOR ATTRACTING INVESTMENT IN THE PROMOTION OF EXPORTS AND THE DEVELOPMENT OF FOREIGN ECONOMIC RELATIONS

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Abstract. The article displays the development of various mechanisms for creating a favorable investment climate and attracting investments, which contribute to the promotion of exports and the development of foreign trade activities in the country. Recommendations were also given on the development of investment activities, the creation of a favorable investment climate, the correct organization of investments and the use of marketing strategies in them.

Key words: Investment, investment climate, liberalization, reform, investment marketing, external economy.

Аннотация. В статье показана разработка различных механизмов создания благоприятного инвестиционного климата и привлечения инвестиций, способствующих продвижению экспорта и развитию внешнеэкономической деятельности в стране. Также были даны рекомендации по развитию инвестиционной деятельности, созданию благоприятного инвестиционного климата, правильной организации инвестиций и использованию в них маркетинговых стратегий.

Ключевые слова: инвестиции, инвестиционный климат, либерализация, реформа, инвестиционный маркетинг, внешняя экономика.

Annotatsiya. Maqolada mamlakatda eksportni rag'batlantirish va tashqi iqtisodiy faoliyatni rivojlantirishga hissa qo'shadigan qulay sarmoyaviy muhitni yaratish va investitsiyalarni jalb qilishning turli mexanizmlari ishlab chiqilgan. Shuningdek, investitsiya faoliyatini rivojlantirish, qulay sarmoyaviy muhitni yaratish, investitsiyalarni to'g'ri tashkil etish va ularda marketing strategiyalaridan foydalanish bo'yicha tavsiyalar berildi.

Kalit so'zlar: investitsiyalar, investitsiya muhiti, erkinlashtirish, islohotlar, investitsion marketing, tashqi iqtisod.

Introduction. The integration of developing countries with economies in transition into the international trading system is an important component of their global development strategies, where trade should contribute to the achievement of certain economic and social goals. They view trade development strategies with foreign direct investment as an essential component of national economic diversification and restructuring. The point is that trade development is a catalyst for both national and foreign investment, leading to capacity building and improving the competitive ability of national products in the global market.

And investments, in turn, represent tangible and intangible benefits and rights to them, including rights to intellectual property objects, as well as investments on a risk-bearing basis in objects of the social, entrepreneurial, scientific spheres and other activities in profit-making purposes, which may include:

- funds, including cash (including foreign currency), targeted bank deposits, shares, stocks, promissory notes and other securities;
- personal and immovable property (buildings, structures, equipment, machines and other material values);
- intellectual property rights, including patented (know-how) technical, technological, commercial and other knowledge, formalized in the form of technical documentation, skills and production experience necessary to organize a particular type of production, as well as other values not prohibited by the legislation of the Republic of Uzbekistan.

Literature overview. Representatives of the classical school of economic theory - A. Smith, D. Ricardo, J. Mill, J.B. Seyem, J. Lauderdale, T. Malthusov, N. Senior expanded the scope of investment and conducted a study of their role in the essence of industrial production, and then in the non-production sphere.

The founder of classical economic theory, Adam Smith - argued that to ensure economic progress needs to maximize the rate of net investment. In his work "Research on the nature and causes of the wealth of peoples" the author establishes a link between the processes of capital increase at the national level and the increase in the wealth of the nation: "When we compared ... the state of a people in two different periods and found that the finished product of its land and labor increases in the second period in comparison with the previous one, that his land is better cultivated, the manufactories are more numerous and more prosperous, and his trade is more extensive, then we can be are sure that capital has increased in the interval between these two periods ... ". Impact of investments on economic growth, according to his concept, is manifested in the fact that a change in the amount of capital towards an increase or decrease leads to a similar change in the real wealth and income of all residents of the country. A. Smith interpreted capital in two ways: first, as the property and money of an individual, bringing him income (profit); secondly, as factors of production that create wealth in social scale.

An active role in regional strategic development belongs to the investment policy in a market economy, which includes the main elements as the choice of sources and methods of financing investments; determination of the determination of terms of implementation; selection of the authorities responsible for the implementation of



investment policy; creation of the necessary regulatory framework for the functioning of the investment market; creation of a favorable investment climate.

By the term the investment climate, we mean, the environment in which investment processes take place. The investment climate is being formed under the influence of political, economic, legal, social and other factors that determine the conditions for investment activities in the region and predetermine the degree of investment risk. Investment climate assessments range from favorable to unfavorable. A favorable climate is considered to be conducive to the activity of investors, stimulating the inflow of capital. An unfavorable climate increases the risk for investors, leading to capital flight and diminishing investment activity.

Research methodology. In the study monographic, economic analysis, comparison, logical analysis, abstraction, induction, deduction, SWOT-analysis was used. So, methods for assessing competitiveness national economy can be built on the basis of statistical indicators, expert assessments, and ranks.

Analysis and results. Uzbekistan is taking measures and carrying out reforms to create a favorable investment climate, which can serve to increase foreign direct investment and develop foreign trade relations. At the institutional level, new departments have been created at the Ministry of Investments and Foreign Trade of Uzbekistan, in particular, the Agency for attracting foreign investments of Uzbekistan, which will provide informational and legal support to foreign investors.

It is also planned that foreign investors will be served by a "single window", and the investment map will provide potential investors with information on the structure of production in each region, required investments and specific projects. Attracting foreign investment is focused through the Action Strategy for the five priority areas of development of the Republic of Uzbekistan aimed for 2017–2021.

Each region has appointed responsible officials for attracting investments and executing investment projects. Important economic reforms to improve the investment climate include a moratorium on company scrutiny and simplification of business registration procedures, as well as the removal of the requirement to exchange certain shares of export earnings in hard currency at an artificially low official exchange rate. The government also reduced the tax burden on businesses and simplified taxation by unifying and eliminating some payments. It can currently issue residence permits for 10 years to foreigners investing at least US \$ 3 million.

Finally, the government also created a business ombudsman office and passed the Anti-Corruption Law to improve the government transparency. The Investment Program for the next two years was approved according to the Decree of the President of the Republic of Uzbekistan "On measures to implement the Investment Program of the Republic of Uzbekistan for 2020–2022", № PP-4563 dated January 9, 2020.

It should be mentioned that a new system of formation and implementation of the state program for a three-year period has been introduced in the republic since 2020. According to the it, the cost of engineering-communication networks of projects worth more than \$50 million, in which the share of foreign investors is at least 50%, will now be financed from the state budget.

At the same time, the investment project must also meet certain requirements, in particular: on economic efficiency, the presence of a conclusion of the Agency for

Urbanization on the feasibility of the project on the selected land plot. A comprehensive examination of project documents will be carried out by the Center for Comprehensive Examination of Projects and Import Contracts under the Ministry of Economy and Industry. It indicates:

- consolidated forecast parameters for the development of capital investments in 2020–2022, as well as forecast parameters for the development and attraction of investments and loans in 2020–2022, which envisage the growth of investments in the amount of UZS 850.5 trillion, including USD 35.5 billion of foreign investment;

- targeted program for the commissioning of extensive production facilities and capacities in 2020, providing for the creation of 206 new production capacities and more than 31 thousand jobs.

Also approved:

- a targeted program of investment projects to be implemented in 2020 with the involvement of foreign direct investment and loans, as well as international loans under the state guarantee of the Republic of Uzbekistan;

- a list of attractive investment projects to be developed in 2020;

- a consolidated targeted program for the development of investments and loans in 2020, as well as forecast indicators of its quarterly performance.

In addition to the changes being carried out in our country, in creating a favorable investment climate, a key role play:

first, the liberalization of the economy, aimed at further strengthening macroeconomic stability and maintaining high economic growth rates, increasing its competitiveness, modernizing and intensive development of agriculture, continuing institutional and structural reforms to reduce the presence of the state in the economy, further strengthening the protection of rights and the role of private ownership, stimulating the development of small business and private entrepreneurship, comprehensive and balanced socio-economic development of regions, districts and cities, attracting foreign investment in the economy and regions of the country by improving the investment climate actively. In particular, the liberalization of the metal industry and the reduction of monopoly in this sphere which serves to attract investment in this industry.

Second, investment marketing, which is understood as the search for investment opportunities associated with the satisfaction of new and discontent demands, the formation of new needs, as well as with the search for opportunities that arise in connection with changes in the volume and structure of demand. The subject of investment marketing is the analysis of investment activities, the disclosure of the potential of each investment area, a clear rationale for decision-making in the development and implementation of investment projects and programs. Investment marketing is able to study more deeply the process of forming portfolio investments and their use in the investment process, for example, in real estate financing, mortgages.

Conclusion. The setting of strategic and operational goals for the selected target segments determines the priority areas for the distribution of enterprise resources. The direction of investment in marketing activities is determined by corporate strategic

goals. Investment marketing strategies are an integral part of a global investment strategy that identifies the means and methods to provide an advantage over competitors, as well as the allocation of resources necessary to achieve marketing goals. Investment marketing strategies are mainly aimed at increasing the controlled market share based on the use of key marketing factors. They are the result of the processes of strategic business planning, which, act as the aggregate movement of investments of various forms and levels in combination with investment processes.

In general, as S.Mirziyoyev says: "Investments should be targeted and cost-effective. Funds must be directed depending on the potential of the districts, on what kind of enterprises the region needs". The country needs to create a favorable investment climate by simplifying the tax system, reducing monopoly and proper distribution of funds. In addition, investment marketing plays an important role in achieving the goal of an investment project.

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