

THE IMPORTANCE OF INVESTMENT IN THE DEVELOPMENT OF INDUSTRY IN THE REGIONS

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Annotatsiya:

Maqolada investitsiyalarning mamlakat iqtisodiy rivojlanishidagi o'рни va ahamiyati, xorijiy investitsiyalarni jalb qilish bo'yicha O'zbekistonda olib borilayotgan islohotlar yoritilgan. Namangan viloyatidagi ishlab chiqarish modernizatsiyasi, sanoat zonalari rivoji va xorijiy brendlar bilan hamkorlik natijalari tahlil qilinadi. Shuningdek, investitsiyalarni jalb qilish uchun zarur islohotlar to'g'risida ma'lumot berilgan.

Kalit so'zlar

investitsiya, iqtisodiy rivojlanish, xorijiy kapital, Namangan viloyati, sanoat zonalari, iqtisodiy islohotlar

Аннотация

В статье рассматривается роль инвестиций в экономическом развитии страны и значимость привлечения иностранных инвестиций в Узбекистане. Освещены реформы, проводимые для создания благоприятной инвестиционной среды, результаты модернизации производства и развития промышленных зон в Наманганской области, а также сотрудничество с иностранными брендами. Приводятся рекомендации по необходимым реформам для привлечения инвестиций.

Ключевые слова

инвестиции, экономическое развитие, иностранный капитал, Наманганская область, промышленные зоны, экономические реформы.

Abstract

The article discusses the role of investments in the economic development of a country and the importance of attracting foreign investments to Uzbekistan. It highlights reforms aimed at creating a favorable investment climate, analyzes the results of production modernization, the development of industrial zones in Namangan region, and cooperation with foreign brands. Recommendations on necessary reforms to attract investments are also provided.

Keywords

investment, economic development, foreign capital, Namangan region, industrial zones, economic reforms.

Today, almost all economic entities understand that the future development of a country's economy largely depends on investments. Accordingly, it is not difficult to comprehend that the attraction of investments, particularly foreign investments, to our republic's economy has become a crucial foundation for ensuring the effective implementation of the economic reforms being carried out in our country. The significance of investments, including foreign investments, in the social, economic, and political development of a country is substantial. It is well-known that no state can develop in isolation from the world without studying global experiences and adopting the achievements made by leading countries in the fields of science, technology, and innovation.

The President of the Republic of Uzbekistan, in the decree No. PF-60 dated January 28, 2022, titled "Development Strategy of New Uzbekistan for 2022-2026," has set forth various tasks, including: "Goal 26: To further improve the investment environment in the country and enhance its attractiveness, measures to attract \$120 billion in investments over the next five years, including \$70 billion in foreign investments; to ensure effective use of investments and increase export volumes based on the 'bottom-up' principle; to establish a new system for attracting foreign and local investments by 2026." 1.

Additionally, Uzbekistan possesses all the conditions necessary to join the group of countries attracting significant foreign investments and has several advantages for attracting investments. Uzbekistan plays an important role in the global community due to its level of socio-economic development, geographical location on the world map, composition and reserves of natural resources, and the economic policies pursued by the government, among other factors.

The concept of investments is one of the key economic concepts in a market economy, and its widespread and rapid integration into our daily lives illustrates its essence, significance, and necessity. The increasing number of new enterprises

with foreign investments being established reflects the government's substantial attention to this sector and the favorable conditions it provides for them. Therefore, incentivizing businesses that attract foreign investment and creating the necessary conditions is one of the most important issues.

Creating a favorable investment environment has been a key factor in consistently implementing structural changes in our country. The investment environment refers to the set of economic, political, regulatory-legal, social, and other conditions that influence investment processes in the country. The investment environment is primarily determined by the following economic factors: natural conditions, including reserves of natural resources, the qualification of the workforce and average wage levels, the state of economic conjuncture, internal market capacity, opportunities for selling goods in external markets, the state of the credit system, tax burden levels, the development of production and social infrastructure, government policy towards foreign capital, and the existence of preferential conditions for it.

In addition, a number of reforms have been implemented in Namangan region to modernize production. For instance, over the past 7 years in Namangan region, industrial output has increased by 3.1 times; among them, textile production has grown by 4 times and construction materials by 3.6 times. In 2023, the volume of investments in fixed capital reached 20.7 trillion soums (a growth of 30.8% compared to 2022), which is a 3.1-fold increase compared to 2017 (3.6 trillion soums).

Namangan region is one of the rapidly developing areas of our Republic's textile industry. Currently, there are 2,428 textile and sewing-knitting enterprises operating in the region. There are 131 large textile and sewing-knitting industry enterprises in the region, with an annual production capacity of 102,900 tons of yarn, 163 million square meters of dyed fabric, 40,000 tons of dyed cotton towels, 15,000 tons of knitted fabric, and 130 million units of finished sewing-knitting products. In 2023, the volume of textile product manufacturing increased fourfold compared to 2016 (7.8 trillion soums), and exports rose eighteenfold (421 million dollars).

The "Iftihor Kiyim Sanoat" company has established export operations with brands such as "BALDESSARINI" (Germany), "Pierre Cardin" (France), and the "Fazman Textile" company has partnered with "Carl Gross" (Germany), while the "CHUST TEXTILE" company collaborates with brands like "Koton" and "Sela" (Turkey).

In 2024-2025, it is planned to launch 12 projects in the region with an investment of \$681 million.

In the region, there are a total of 74 industrial zones spread over 1455 hectares, including 2 special economic zones covering 632.6 hectares, 54 small industrial zones occupying 695.3 hectares, and 18 youth industrial and entrepreneurship zones covering 127.1 hectares.

In 2023, products worth 6240.0 billion soums were produced (with an industry share of 28.5%), and products worth \$109.3 million were exported (with a share of 15.4%).

Currently, within these industrial zones, a total of 937 projects worth 5.2 trillion soums have been implemented, creating 54,000 jobs; however, allocated areas totaling 378.8 hectares or 26% remain vacant (204.3 hectares or 32.3% in special zones and 174.5 hectares or 25.1% in small industrial zones).

Investments are of great importance for a country's economy, as they are a key factor in ensuring economic growth, creating new jobs, expanding production capacities, and implementing technological innovations. Investments support the development of infrastructure, promote local enterprises, and attract foreign capital, thereby increasing the competitiveness of the economy. They also play a crucial role in increasing national income, enhancing export potential, and strengthening the financial stability of the country. Furthermore, investments contribute to the development of innovations through knowledge and experience exchange and solidify the country's position in the global economic system.

To attract investments to the country, the government must implement a series of important reforms. These include:

- Creating a favorable and clear legal environment for investors, establishing guarantees for investment protection, as well as reducing corruption and bureaucracy.

- Reducing tax burdens, simplifying customs procedures, and providing favorable conditions for investors.

- Improving infrastructure such as roads, transportation systems, energy supply, and telecommunications since this enhances operational capabilities for investors.

- Training a skilled workforce and implementing programs aimed at reforming the education system and promoting innovative thinking.

- Developing economic cooperation with foreign countries and international organizations and signing free trade agreements.

- Establishing special economic zones with tax incentives and favorable conditions to provide additional motivation for investors.

When these reforms are implemented, the country becomes more attractive to investors; investment flows will increase, accelerating economic development.

REFERENCES:

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