



ISSUES OF OPTIMIZING THE ATTRACTION OF FOREIGN INVESTMENTS TO THE ECONOMY OF UZBEKISTAN

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Abstract: Attracting foreign direct investment plays a crucial role in the modernization and development of the economy of Uzbekistan. By bringing in capital, technology, and management expertise from overseas, foreign investment can help accelerate industrialization, boost exports, create jobs, and transfer valuable skills to the domestic workforce. However, there are still several issues that need to be addressed to optimize the attraction of foreign capital and maximize its benefits for the country. This article will examine some of the key challenges and propose policy recommendations to make Uzbekistan a more attractive destination for international investors.

Keywords: investments, investors, countries, growth, businesses, competitors

Introduction: Uzbekistan, a country located in Central Asia, has been making significant strides in recent years to attract foreign investments to its economy. The government has been implementing various policies and initiatives to create a more favorable environment for foreign investors, with the aim of boosting economic growth, creating jobs, and promoting sustainable development. However, there are still several issues that need to be addressed in order to optimize the attraction of foreign investments to the economy of Uzbekistan.

The concept of "innovation" (Eng. Innovation-introduced innovation, invention) is used in the sense of investing in innovation. The concept of innovation entered the economy at the beginning of the 20th century. Australian economist scientist Y. Schumpeter for the first time, addressed issues concerning innovation and gave a complete definition of the innovation process. In the economic literature, the concept of "innovation" has been approached differently by most authors. Most authors refer to the introduction of innovations in terms of economic implementation, that is, the organization of new resources or the use of existing ones in a new way in an unconventional way.

innovation is the creation of new goods or the improvement of the quality of goods produced by the introduction of the achievements of advanced science into the production process in order to achieve a high economic and social effect.





Innovation can be in every industry. For example, in science, in one direction of it, the achievement of major innovations, the creation of discoveries, the opening of new science and knowledge in research, in the field of Science, the creation of a new generation of techniques and technologies, the introduction of new methods in the fields of production, in the provision of services, etc. In economics, however, it may indicate the application of the latest achievements in the fields of Science, Technology, Technology.

Innovative activity is the process of ensuring the systematic continuous introduction of discoveries, published innovations, advances in technology and technology and all innovations in technological processes, product supply and other areas, no matter what area.

In the process of World Globalization, intense competition encourages innovation in every area. The most recent achievements in the fields of technology and technology in science, discoveries, innovations, rationalization are intensively introduced into the areas of development and service of proposals, and a new approach in the fields of marketing, Management, Production, Service, requires the use of new technology, techniques, and the introduction of funds based on the application of a new generation of technologies. The replacement of existing techniques and technologies based on the introduction of innovations can also mean investment. The acquisition of new techniques, technologies based on the results of the development of Science and technology is also worked in the sense of investment. As an investment determining factor is the creation of innovation, rationalization proposals are served by large organizations and related previously unannounced large developments.

In a small competitive environment, it provides for the organization of investment production in the production and service sectors on the basis of the application of new techniques and technology, new, previously unused types of services in the service sector. The concept of innovation also refers to the production of new special types of products that replace the existing one, replacing it. It also indicates the introduction of a new product, into a new market, based on the application of new techniques and technologies in a strong competitive environment. Investment means the inclusion in the application of new knowledge in the field of Science and technology on the basis of discoveries, the creation of new advanced techniques and technologies, their application in the fields of production and service, the creation of new goods and services on





their basis, and the increase in competition at their expense, as well as the acquisition of a new market.

Innovation is manifested as a necessary tool that continuously promotes economic growth and competitiveness in sectors with a high capacity of traditional and new science.

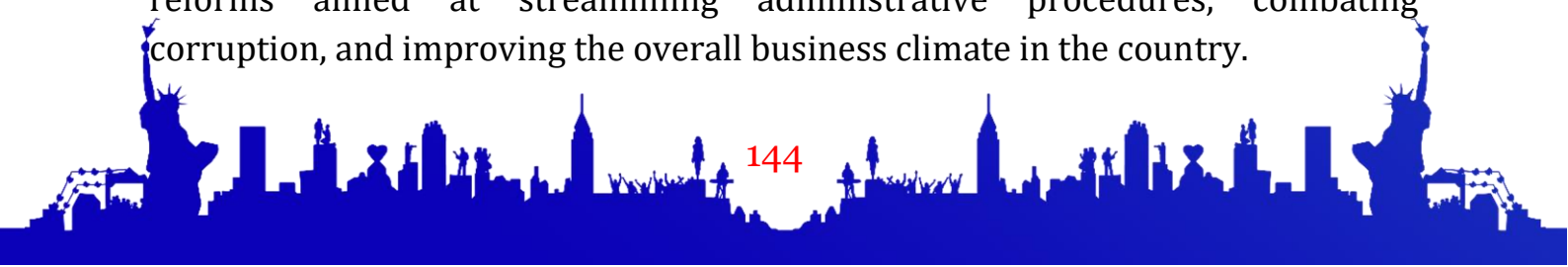
The main features of innovation:

- * Scientific and technical innovation;
- * Practical application;
- Commercial implementation, that is, the ability to meet the demand of consumers to a certain extent in the market.

One of the main issues facing Uzbekistan in its quest to attract foreign investments is the lack of transparency and predictability in the country's legal and regulatory framework. Foreign investors often face challenges in navigating the complex and sometimes ambiguous laws and regulations governing investment in Uzbekistan. This lack of transparency and predictability can create uncertainty and risk for foreign investors, deterring them from committing to long-term investments in the country. In order to address this issue, the government of Uzbekistan needs to prioritize the implementation of clear and consistent laws and regulations that provide a stable and predictable investment environment for foreign investors.

Another significant issue that hinders the attraction of foreign investments to Uzbekistan is the country's underdeveloped infrastructure. While Uzbekistan has made progress in improving its infrastructure in recent years, there is still a need for significant investment in areas such as transportation, energy, and telecommunications. The inadequate infrastructure not only hampers the efficiency and competitiveness of businesses operating in Uzbekistan but also poses a barrier to foreign investors looking to establish operations in the country. To address this issue, the government should focus on investing in infrastructure projects and creating public-private partnerships to attract foreign investment in this critical area.

Furthermore, Uzbekistan faces challenges related to the ease of doing business, including bureaucratic hurdles, corruption, and inefficiencies in the public administration. These obstacles can significantly increase the cost and complexity of operating in Uzbekistan for foreign investors. In order to optimize the attraction of foreign investments, the government needs to prioritize reforms aimed at streamlining administrative procedures, combating corruption, and improving the overall business climate in the country.





In addition to these internal challenges, Uzbekistan also faces external factors that impact its ability to attract foreign investments. These include global economic uncertainties, geopolitical risks, and competition from other emerging markets. In order to mitigate these external risks and optimize the attraction of foreign investments, Uzbekistan needs to focus on diversifying its economy, strengthening its trade relations with key partners, and promoting its unique competitive advantages to potential investors.

Despite these challenges, Uzbekistan has made significant progress in recent years in attracting foreign investments. The government's commitment to economic reforms, liberalization, and openness to foreign investment has already started to yield positive results. However, in order to fully optimize the attraction of foreign investments to the economy of Uzbekistan, it is essential to address the aforementioned issues and create a more conducive environment for foreign investors.

Conclusion

In conclusion, optimizing the attraction of foreign investments to the economy of Uzbekistan is a complex and multifaceted task that requires a comprehensive approach. By addressing issues such as transparency and predictability in the legal and regulatory framework, infrastructure development, ease of doing business, and external risks, Uzbekistan can create a more favorable investment climate that will attract foreign investors and drive sustainable economic growth. With the right policies and reforms, Uzbekistan has the potential to become a more attractive destination for foreign investments and realize its ambitions for economic development and prosperity.

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