

INVESTMENT PROSPECTS IN FREE ECONOMIC ZONES (FOR EXAMPLE, URGUT AND SAMARKAND)

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Abstract: This scientific article briefly describes the prospects of investment in free economic zones and the types of activities of free economic zones.

Keywords: investment, economic zone, industry, preferential system.

The effectiveness of free economic zones cannot be measured by price indicators. Because positive changes happen not only in this tsudud, but also in other tsududs. Free economic zones bring socio-economic effects not only to the area, but also to the cities around the zone by increasing the flow of capital funds and foreign currencies.

For the country forming the free economic zones, this agreement will have a positive effect. That is, highly qualified labor resources will come to the national economy, modern technologies, know-how, production organization and management experience will be brought, and highly skilled personnel will be trained. Free economic zones have a marketing effect, that is, the enterprises (firms) that have managed to organize good work in the zone become an example in organizing work for the rest of the country's enterprises. In the free economic zones, the reduction of taxes burned by the government will have a positive effect on the efficiency of production. This will help speed up the process of economic liberalization in the country.

Another aspect of the superiority of free economic zones is the transfer (diffusion) of technological technologies. It provides direct, indirect and competitive effects:

- the direct result is the production of modern, competitive, high-quality, cheap goods by enterprises in free economic zones due to new technology;
- indirect effect - this is an enterprise working with new technology in free economic zones, using its ready-made products, raw materials for it, it is a positive effect of orders that meet the requirements of the time to the enterprises that supply semi-finished products;
- the effect of competition - enterprises that have gained new technology increase competition within the zone and among companies outside the zone.

Free economic zones bring socio-economic effects to the country's economy by increasing the level of employment.

The effectiveness of free economic zones depends, first of all, on the careful development of the policy for its establishment, that is, on the zonal policy, and on the ability to implement this policy in a sequence. We are confident that free economic zones are effective, and that their activities are provided with quality from the legal point of view. Therefore, if we want to increase the efficiency of free economic zones, it is necessary to create a normative-legal base that meets its requirements.

The viability and efficiency of free economic zones depends on the critical size of the enterprises located in them, as well as the unity of these enterprises. To the extent of being able to cooperate with one another. Because without them, the unique economic mechanism of free economic zones will not be able to work. A small number of enterprises, which are not very close to each other, usually cannot give sufficient effect to the free economic zones. If enterprises located outside the zone are involved, then 2 types of economic management will be formed - zonal and local types. This complicates the management of the zone.

It is important to take into account the factors affecting the effectiveness of free economic zones:

- rational approach to choosing a location for free economic zones (existence of objective conditions for conducting investment cooperation in the selected area);
- taking into account the interests of foreign investors in the creation of the system of privileges and benefits;
- the existence of a guarantee of maintaining a favorable investment climate in the host country;
- the existence of necessary and working infrastructure of free economic zones or the possibility of financing for its creation;
- the effectiveness and flexibility of the administrative management system of the zone.

In general, the experience of the world shows that the operation of free economic zones can have different consequences. Their effectiveness depends on choosing a location for free economic zones, choosing a direction, taking political, economic, geographical and other factors into account, attracting investment and technology from abroad, and accelerating foreign economic activity. The effectiveness of the establishment of free economic zones also depends on whether the organization of the free economic zones has a specific purpose, how the system of privileges is selected, and how. The multiplicity and vagueness of the burning goals are unjustified favors will spread to all forms of activity, and in the end, the work of the zone will not have any effect.

An analysis of the economic activity of 357 of the "entrepreneurial zones" managed by the US Department of Housing and Human Development, a form of free economic zones, shows: 34% of workers are in the manufacturing industry, 27% in retail trade, 19% in the service sector, and the rest are engaged in financial services, construction, transport, communication and wholesale trade. Most jobs were created in the processing industry. In 33 percent of zones, employment is higher than the national level¹.

The measures that gave the best results in the zones consisted of the following:

- promotion of economic development - zones that have a clear system of incentives and privileges have performed more successfully than zones that focus on social well-being;
- reduction of state and national taxes, giving loans for investment;
- reduction of sales, property, working capital taxes;
- job loan program;
- the relationship and interest of the highest authority.

Researchers consider the following important for the effective functioning of free economic zones:

- restoration of abandoned lands and production to maximum fertility and productivity;
- creation of a large number of jobs for foreigners;
- development of cooperation between social and private sectors.

We should also note a number of mistakes and shortcomings in the planning stage:

- selection of an unsuccessful place for the zone, for example, placement in a place where land and air transport is not well developed;
- insufficient attention is paid to the creation of the main infrastructure facilities, for example, lack of communication means and energy supply;
- insufficient development of the organizational relations of the zone administration with various government bodies, for example, relations with the Ministry of Finance, the Customs Administration, the Tax Committee, because it is necessary to establish good relations with them and support them in order to achieve good results;
- if bureaucratic methods are widely used in managing the zone, the work efficiency will decrease.

In order to reduce errors, it is advisable to transfer the project to a reputable and reliable international expert. This allows you to minimize and correct many errors at the initial stage. Challenges in registration of foreign investors, promotion and promotion of zone advantages affects the efficiency of the work, but also the efficiency of the entire region, other regions, and even the economy of the entire country. In addition, the activity of free economic zones does not immediately give socio-economic effect (primarily, social effect), it requires some time lag (delay). If the wages of workers in free economic zones begin to increase, foreign investment begins to flow in, the number of unemployed begins to decrease, and goods and services begin to increase in the market, then the free economic zone is functioning well. When creating free economic zones, if all the rules and requirements are followed, as well as preparation and organizational work are carried out carefully from the beginning, there is a guarantee of its effective operation.

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