

Factors Increasing the Investment Attractivity of The Economy

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ABSTRACT

This article analyzes the importance of investment attractiveness in the economy and the factors influencing it. In this analysis, the levels of investment, investor perceptions and the BERI index are considered in the process of assessing the investment climate

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Introduction

The attractiveness of investing in the economy is one of the types of attractiveness aimed at attracting a businessman to a particular place. Attracting regional investment depends on the availability of resources, the ability to manage areas and attract investment to them, which can benefit from other areas and ensure the development of the region. This definition of attractiveness interprets this as a cyclical process, as an attractive city can attract and retain specific target groups (tourists, investors, and new residents), where attractiveness contributes, which in turn shows the effect on the result.

Materials and methods

According to the experience of developed countries, the BERI index analyzes the investment climate in capital-importing countries and determines the level of investment risk. The ICOR (incremental capital-output ratio) indicator used to assess the effectiveness of investments in the economy helps to determine the effectiveness of investments in the real sector in the country. Foreign investors widely use the rating data to save time. The high or low rating of a country is of course of great importance. But even the entry into this rating gives investors some confidence in this country. "It is necessary to develop the concept of "Economic Development in the Regions" aimed at increasing the effectiveness of regional programs to attract foreign investment in the national economy, its constant monitoring, increasing investment attractiveness¹."

"In order to further improve the formation of a favorable investment climate in the Republic of Uzbekistan and further increase the investment attractiveness of the country's economy, extensive use of market mechanisms for financing investment projects, ie investments through the stock market, venture financing, leasing, syndicated loans²."

The BERI index is based on 15 evaluation criteria with different sizes of countries. Each criterion is rated from 0 (incorrect) to 4 (very convenient). A high score means a "stable country". The lower the

¹4947 of February 7, 2017 "On the Action Strategy for further development of the Republic of Uzbekistan"

² Decree of the President of the Republic of Uzbekistan dated April 11, 2005 No PF-3594 "On additional measures to encourage foreign direct investment"

country's score, the higher the intended return on investment, otherwise the investment will not be effective. According to Figure 1 below , it is included in the BERI index.

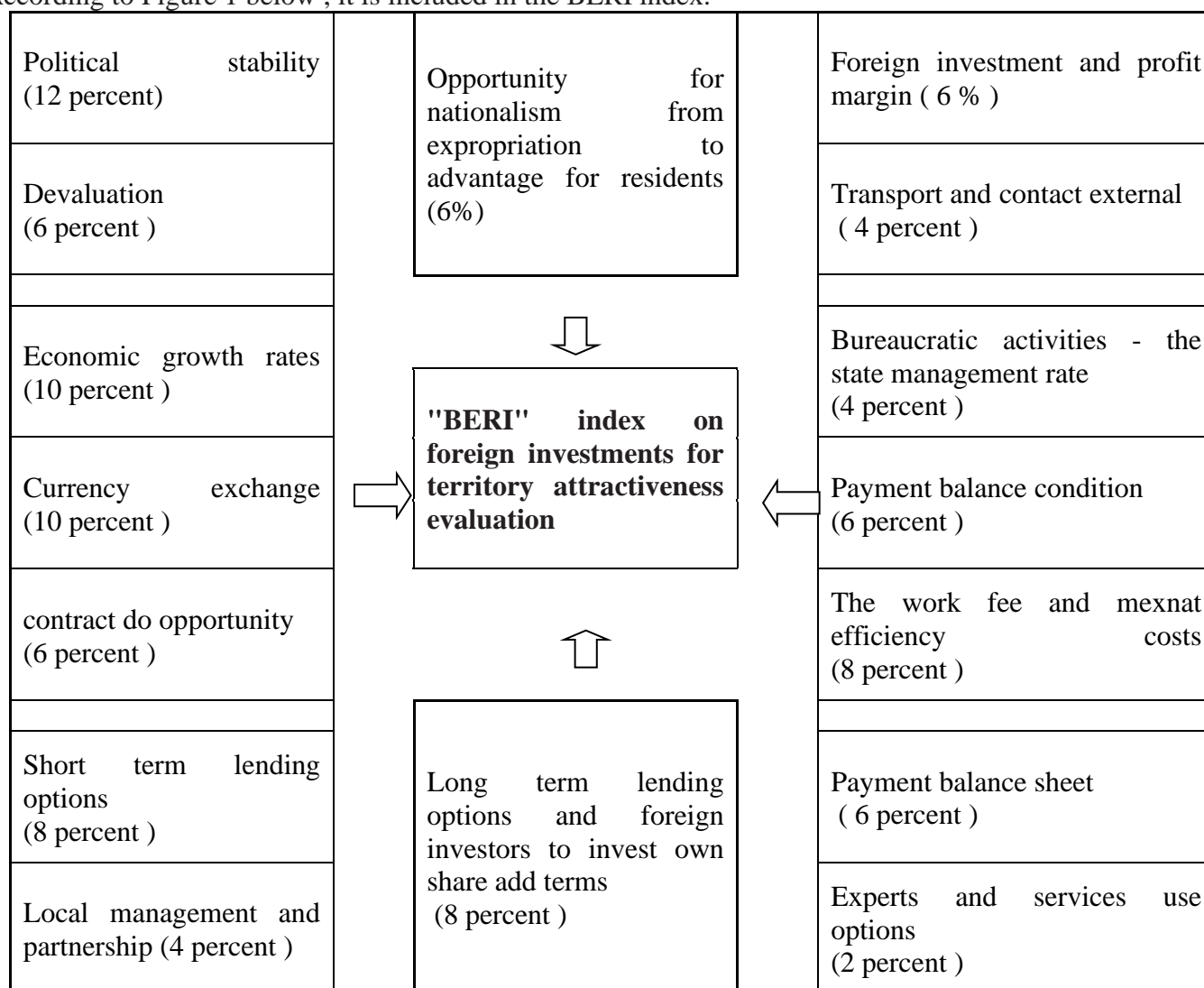


Figure 1 . “ BERI Index for ³Assessing Territorial Attractiveness for Foreign Investment ”

Results

As a result of the research, we show the following groups according to the characteristics of the regions:

- economic growth potential, highly skilled labor force, external shocks and economic downturns;
- reliable links between urban and long-distance (national and international) transport, as well as transport systems that support economic expansion;
- prioritizing urban investment and pursuing a number of consistent policies to support investment;
- focusing on delivery that responds to the investment planning system is divided into a group of regions with investment experience.

Uzbekistan is also developing consistent measures to create a favorable investment climate for the development and financing of investment projects.

The main indicators of the use of innovative opportunities based on investment can be seen in the example of the object of scientific research. In particular, the region itself consists of administrative regions and districts. For example, the object of our article - Surkhandarya region, which, in turn, is divided into

³ Ergasheva Sh., Uzoqov.A. Investment organization and financing. - T.: Economics and Finance, 2008. 37-p.

administrative districts. In this regard, taking into account the different characteristics of the districts, we offer separate indicators that characterize the investment attractiveness for district statistical offices.

Indicators of investment attractiveness of regions:

- number of employees in enterprises and organizations of the district;
- salary fund of employees of district organizations;
- fixed assets and residual value of district networks;
- number of enterprises and organizations of the district;
- investments in the fixed capital of the district;
- balanced financial results of the enterprises and organizations of the district ;
- economically active population of the district;
- district salary fund;
- the ratio of the amount of fixed assets (fixed and residual amounts) to the number of enterprises

and organizations;

- the ratio of the number of employees to the number of enterprises and organizations;
- the ratio of fixed capital investment to population;
- the ratio of production volume and wage fund changes;
- the ratio of investment in fixed assets to the amount of fixed assets;
- the ratio of investment in fixed assets to the number of organizations and enterprises;
- level of economic activity of the population of the district;
- level of profitability (ratio of profit to the number of employees);
- the level of employment in the district;
- fund return of the district economy;
- return on fixed assets;
- the degree of suitability of the fixed asset
- production capacity per organization;
- the amount of profit (loss) to an organization;
- the share of profit (loss) in the volume of production;
- real fund return of the district economy (ratio of profit to residual value);
- real profitability of district funds;

Outcome indicators of district development:

- population and composition;
- used houses and apartments;
- number of employees in enterprises and organizations;
- the number of children in preschool institutions;
- retail trade turnover;
- volume of paid services;
- the amount of local budget revenues and expenditures;
- economically active population ratio;
- volume of turnover per capita;
- volume of paid services per capita;
- per capita local budget revenues and expenditures.

Analysis

The main purpose of investment activity in the economy is to create optimal conditions for the development and acceleration of the use of innovative opportunities based on investment. The nature and forms of organizational and economic mechanisms should be taken into account when investing in various sectors of the economy. The efficiency of investment activities is ensured in the system of investment complex, which includes leasing, insurance, research institutes, banks and other organizations.

When supporting the development and stimulation of investment activities by the state, it is necessary to pay attention to the following:

– Activation of leasing activities, which in turn will alleviate the lack of financial resources, allow to make lease payments on a regular schedule and under simplified contracts and schemes, bring together the mutual interests of the state and leasing companies, and ultimately in the network creates optimal economic and legal conditions to reduce risk and increase economic efficiency;

– budget loans , investment tax loans provided loans _ _ on percent rates subsidizing ;

– privileged tax fees current to reach ;

– formation of state programs for the development of various sectors of the economy. In Uzbekistan, too, the system of receiving capital for production is improving year by year. Currently, in relation to foreign investment, based on modern rules of international economic relations, the law and, in particular, the state guarantees that the income of foreign investors through legal activities in foreign currency, in unlimited quantities.

The above world experience shows that in our country there are many measures taken for investment projects. They are based on two main factors:

–economic stability;

–macroeconomic policy aimed at regulating inflation and increasing the solvency of the national currency-soum.

In assessing the investment climate, attention should be paid to the level of investment risk. The worse the level of the investment environment, the higher the investor's risk to his business.

Conclusion

– Fully agreeing with the need to use the system of socio-economic indicators in the investment attractiveness of the region, the system of statistical indicators should be able to fully characterize the socio-economic development of the studied and analyzed region and reveal its internal features. We believe that the assessment of external relations should, most importantly, reflect the growth of living standards and quality of life of the population on the basis of innovative and strategic development;

– Based on a logical and legal analysis of the investment attractiveness of the region, we consider the development of innovation as part of the innovation process, and the innovation process - the emergence of new technologies and methods of production based on science; to offer globally competitive products and services in practice and, ultimately, to improve the living standards of the population.

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