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DIRECTIONS TO ACTIVATE INVESTMENT IN FREE ECONOMIC ZONES

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Abstract: The article highlights on the complex measures taken to further intensify investment policy aimed at modernization and organization of innovative technological productions that ensure the development of the products with high added value in the economic life of our country. Also, the issues of attracting innovative investments in market conditions, implementation of innovative programs and projects, marketing services in the management mechanism, and thus further increase the economic potential of the country were analyzed on the basis of scientific and statistical principles.

Key words: innovative program, projects, innovative activity, management mechanism, marketing, marketing service, advertising, market relations, gross domestic product, diversification, market relations.

摘要：本文重点介绍了为进一步加强旨在现代化和组织创新技术产品的投资政策而采取的复杂措施，以确保在我国经济生活中开发具有高附加值的产品。此外，在科学和统计原理的基础上，分析了在市场条件下吸引创新投资、实施创新计划和项目、管理机制中的营销服务，从而进一步增加国家经济潜力的问题。

关键词：创新计划，项目，创新活动，管理机制，营销，营销服务，广告，市场关系，国内生产总值，多元化，市场关系

Introduction

The policy of attracting investments for the development of priority sectors of the economy in the Republic of Uzbekistan is aimed at active attraction and rational use of investments through the proper use of available funds, time and opportunities, boosting the country's economy, encouraging its integration into the world economic system. The Action Strategy for the five priority areas of development of the Republic of Uzbekistan sets the task of "improving the investment climate, active attraction of foreign investment, primarily

foreign direct investment, in the sectors and regions of the economy" [2].

One of the priorities is the expansion of geographical space through the creation of new free economic zones and ensuring the efficiency of existing ones, stimulating and promoting exports. .. Our economic strategy is to attract large amounts of investment into the economy. We will create the necessary conditions for investment growth to reach at least 25% of GDP in 10 years." [1]

Investment in the country's economy determines the development of production, the provision of

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new equipment and technologies, increasing employment and, most importantly, the impact on sustainable economic growth. The experience of developed countries shows that more investments are made in the fuel and energy sector. Most of the investments in Uzbekistan are made in this area. In this regard, attention should be paid to the development of investment attraction, management and other sectors through the establishment of free economic zones (FEZ) or concessions. The role of free economic zones established in our country remains important in attracting large-scale investments. For the organization of modern high-tech innovative industries, it is important to create the most favorable conditions for foreign investment, first of all, to attract foreign direct investment, increase the efficiency of investment, free economic zones, their attractiveness and the form and means of its management. is important.

Literature Review

The analysis of the Decree of the President of the Republic of Uzbekistan PD-5544 "On approval of the strategy of innovative development of the Republic of Uzbekistan in 2019-2020" on September 21, 2018 [2] in which refers on modernization, diversification, increase of production and competitive products in domestic and foreign markets. It has been pointed out that the work on the expansion of the species is not in demand. In terms of this decree, it was planned to increase the efficiency of public authorities through the introduction of modern methods and tools of governance. A number of economists in our country and abroad have conducted research at various levels and for the purpose of attracting investment to free economic zones and managing their activities.

The research work of CIS scientists such as E.I. Krylov, M.V. Zhurovkova, V.M. Vlasova, as well as economists of our country D.G. Gozibekov and other scientists who have studied the issues of increasing the economic efficiency of enterprises, their innovative development. Also, the problems of providing investment in free economic zones have been studied as a means of achieving a particular direction or goal of the work done. One of the non-traditional ways to develop the economy of the regions and attract investment is the functioning of free economic zones in the economy.

There are economically different views and definitions of free economic zones. In particular, Russian economists such as A. Kuznetsov [4], A. Rybakov and A. Orlova [5] consider that a free economic zone is an area where foreign goods can be stored, sold or purchased without any customs duties. Uzbek scientists such as A.Vakhabov, Sh.Hajibakiev. N. Muminov who summarized that a "free economic zone" is a limited area with a special preferential economy for local and foreign entrepreneurs. "[6]

The state aims to create free economic zones in such zones in order to have a more economically transparent environment than in other lands, and thus the formation of investment flows and competitive industrial and trade characteristics. Achieving investment efficiency in free economic zones is a complex macroeconomic process, in which organizational, economic forms and tools play a special role.

Research methodology. One of the most important factors in the process of conducting research is the management of investment attraction in free economic zones. As the innovative and investment form of management plays a special role in attracting and conducting

each investment. In general, the control mechanism should be considered as the most active element of the control system.

Methods such as abstract thinking, induction and deduction, analysis and synthesis, monographic, systematic approach, scientific abstraction, logical approach were widely used in the research process.

Analysis and results. In the context of globalization of the economy, the fierce competition for investment in the world continues. As they play an important role in ensuring economic growth. Therefore, special attention is paid to this issue. Extensive work has

been done to radically improve and simplify the mechanisms for implementing investment projects in 2019, which has been declared the "Year of Active Investment and Social Development", to expand investment and to attract and absorb foreign direct investment. These measures allowed to absorb about 184 trillion soums of capital investment in 2019, which is 1.3 times more than in 2018. The share of investment in GDP exceeded 34%. Innovative-investment development will be achieved by accelerating the process of modernization and structural changes in the economy, attracting foreign and domestic investment in its key sectors:

**Investment activity in the Republic of Uzbekistan
(2012-2020)**

Indicators	2012	2015	2017	2019	2020	2020 compared to 2012 (+, -)
Total investments in fixed assets, billion soums	24455,3	44810,4	72155,2	195927,3	202000,1	177,545
Growth rates, %	110,6	109,4	119,4	138,1	142,4	31,8
Foreign investments and loans, billion soums	4653,3	8309,5	17146,6	85437,2	86647,0	81993,7
Foreign direct investment, billion soums	3668,6	6133,1	12768,6	38154,8	64179,9	60511,3

In addition, 1.6 trillion soums were allocated to provide free economic zones and small industrial zones with the necessary infrastructure in 2021.

The establishment and operation of free economic zones in Uzbekistan are regulated by the Law of the Republic of Uzbekistan "On Free

Economic Zones". This Law reflects the mechanism of granting additional benefits and preferences to the participants of free economic zones. [3]

Currently, there are 21 free economic zones (FEZ) in the Republic of Uzbekistan, of which 19 specialize in industry, 1 is in agriculture and 1 is

in tourism. Total 448 projects worth \$ 2.4 billion were implemented in the free economic zones from 2008 to 2021. Of the total amount, \$ 764.6 million is foreign direct investment. About 34,000 new jobs have been created due to the projects. The largest of these projects are the Angren Free Economic Zone (73 projects worth \$ 730.7 million), the Urgut Free Economic Zone (55 projects worth \$ 312.9 million), the Navoi Free Economic Zone (53 projects worth \$ 282.8 million) and the Bukhara-Agro Free Economic Zone (112 projects worth \$ 325.1 million). [8]

In order to consistently implement the tasks set out in the Action Strategy for the five priority areas of development of the Republic of Uzbekistan in 2017-2021, as well as to increase the efficiency of raw materials, expand production of high-tech competitive products, deepen localization and ensure socio-economic development, development of the Investment Program for the ministries and organizations for 2020-2022, aggregate forecast parameters of capital investments for 2020-2022, including 850.2 trillion soums of investments, including 35.5 billion US dollars of foreign investments, as well as the forecast parameters of the development and attraction of investments and loans in 2020-2022 were approved.

128 projects worth \$ 487.4 million have been implemented in the FEZ by the end of 2020, including 162.1 million \$ is foreign direct investment. The projects include the construction of modern greenhouses (62 projects worth \$ 204.7 million), the production of building materials (18 projects worth \$ 140 million), the chemical and petrochemical industries (13 projects worth \$ 50.6 million), the food industry (10 projects worth \$ 15.9 million), textile industry (8 projects worth \$ 20.1 million), machinery (2 projects worth \$ 6 million), leather

and footwear industry (5 projects worth \$ 14.9 million), electrical engineering (3 projects worth \$ 13.7 million), pharmaceutical industry (6 projects worth \$ 56.3 million), furniture and paper production (1 project worth \$ 1.1 million). Resolution of the President of the Republic of Uzbekistan PR-4563 "On measures to implement the Investment Program of the Republic of Uzbekistan for 2020-2022" on January 10, 2020, in which aimed at the development of targeted programs of investment projects with foreign loans under the state guarantee of the Republic of Uzbekistan, formation of the list of investment projects requiring development and approval of pre-project and project documents and work on promising investment projects in 2020 was intended. The program includes measures to launch large production facilities and capacities in 2020, which will create 206 new production facilities and more than 31,000 new jobs.

Furthermore, the state is fulfilling its main reforming task in conducting investment policy by making certain changes in the mechanisms and forms of investment management. The investment management mechanism of the FEZ should be considered as a set of investment resources, methods, tools, supports used by public authorities at the regional level to influence the investment process in the region to achieve the goals of investment development. In particular, as an organizational form of governance: relies on such tools as the legal framework, administrative-territorial administration, the judiciary, the labor market and education. The use and application of innovative marketing opportunities as an organizational form and tool of management is also an important factor in achieving the expected effectiveness.

Innovative marketing is a marketing activity associated with the introduction of new technologies, thereby expanding them to specific segments and making a profit by creating new goods and services to meet the needs of consumers at a high level. We are mentioning about innovative marketing services as the operating enterprise or organization develops practical measures to respond in a timely manner to changes in the target market and innovation consumer desires. Today, it is advisable to effectively use such types of innovative marketing as CRM, logistics marketing, retromarketing, holistic marketing, viral marketing, guerrilla marketing, lateral marketing, network marketing, "green" marketing, geomarketing, relationship marketing, social marketing. As the market economy is growing day by day, new marketing

technologies are developing and the level of customer service is increasing.

Therefore, in the era of modern scientific and technological and innovative development, it is important to develop an innovative marketing strategy. In general, this approach consists of all the innovations in the field of marketing, new technologies of conversion of progressive forms and methods, scientific and technical knowledge, the secrets of production.

It is expedient to use marketing systems among the businessmen of our country, to pay attention to what conditions and features of the republic should be applied.

Enterprises with a production character in business activities master all elements of marketing activities. It is possible to specify the types of the concept of marketing services in the enterprise. Including:

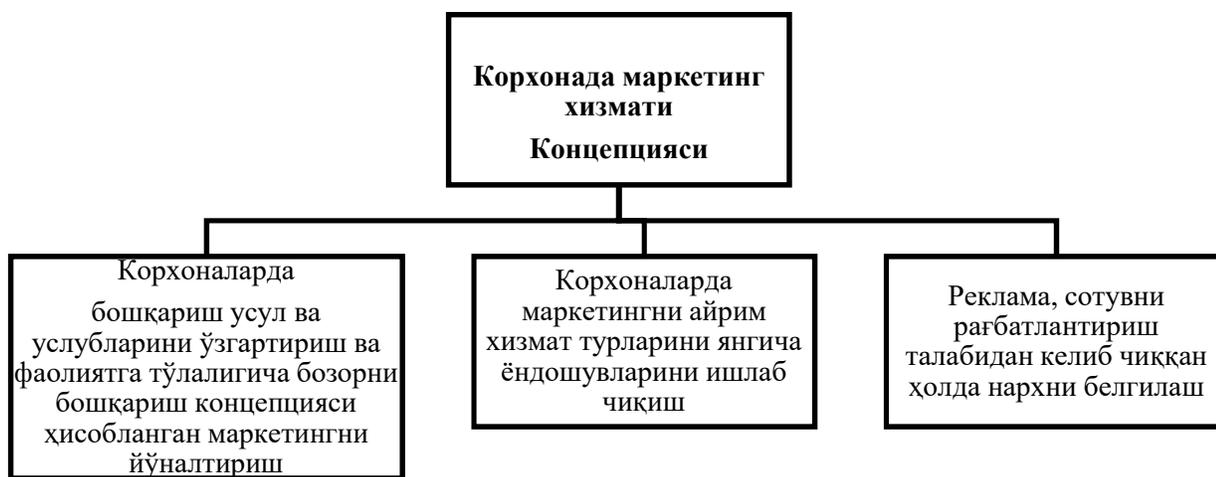


Figure 1: The concept of using marketing services in the management of investments in enterprises established in FEZ [10]

Conclusions and recommendations. The most important aspect of the application of the marketing system in enterprises as a means of managing investment attraction in free economic

zones is the need and opportunity of the enterprise to communicate directly with consumers. We develop and present the following conclusions and recommendations, taking into account the following principles:

First, it is necessary to find a rational solution to the issues of improving the investment climate and further increasing the effectiveness of

investment policy by sectors and industries, expanding public-private partnerships at the expense of foreign investment.

Second: it is necessary to create and organize the management of public investment programs, decisions on investments in free economic zones, which should be carried out in conjunction with the sources of funding and material resources in the implementation of investment projects.

Third: attraction of innovative investments in the conditions of market relations, further improvement of the regulations of FEZ on the basis of international experience in the implementation of innovative programs and projects and allowing the directorates of special zones to independently search and attract foreign investors;

Fourth: in the management of attracted investments, special attention should be paid not only to improving the investment climate on the basis of various benefits and advantages, but also to increasing the absorption capacity of the economy;

Fifth: it is expedient to reduce the capital capacity of investment projects and apply the method of managing the production and investment payback period of projects to be as low as possible, to ensure the highest level of return on investment, to ensure the highest value of the required technological chain. .

Sixth: It is necessary to adequately develop the social infrastructure to serve foreign investors in FEZ, to facilitate the supply of goods to the market to the investor, to introduce modern scientific achievements in management and to use incentives.

Seventh: to improve the conditions for the introduction of new types of goods in the future market conditions, primarily related to the

management mechanism, while providing opportunities for the development and implementation of an independent investment policy within the law;

Effective use of marketing services in activating the attraction of investment in free economic zones, the redevelopment of each product in the conditions of market relations will serve to further enhance the future, the position of the enterprise or organization. This will further develop and increase the economic potential of our country.

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