



THE DIGITAL ECONOMY AS A KEY FACTOR IN THE FORMATION OF A FAVOURABLE INVESTMENT CLIMATE

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Abstract

Investment is one of the main factors that have a positive impact on the development of the country's economy. Accelerated development of the country's economy can be achieved through the active involvement of investment in the country's economy. It is known that the volume of investments depends on the investment climate in the country. This article analyses how to create a favourable investment climate based on the development of the digital economy. The article also provides recommendations for the development of the digital economy in Uzbekistan.

Keywords: investment, information technology, digital infrastructure, foreign investment, gross domestic product.

Introduction

In world practice, it is important to develop targeted strategies to increase the investment attractiveness of the regions, to pursue an active investment policy to ensure sustainable economic development, to research to ensure the implementation of investment attractiveness [1-7].

Acceleration of investment activities as a prerequisite for the formation of an innovative economy, sustainable and high growth rates in Uzbekistan, providing benefits and guarantees to domestic and foreign investors, government regulation to ensure the effectiveness of these processes, including the development of annual national and regional investment programs Consistent implementation measures have been implemented. To ensure the free flow of foreign investment into the economy of Uzbekistan and the formation of infrastructure following international requirements, institutional changes, ie legal and regulatory documents, standards and requirements, have been developed, governance structures have been improved. In particular, on March 31, 2017, the State Committee for Investment of the Republic of Uzbekistan was established. The Action Strategy for the Development of the Republic of

Uzbekistan for 2017-2021 identifies as one of the important directions the improvement of the investment climate, the active attraction of foreign, first of all, foreign direct investment in the sectors and regions of the economy. Effective implementation of these tasks requires research aimed at increasing the attractiveness of the investment climate in Uzbekistan.

In recent years, the volume of investments in the economy of the Republic of Uzbekistan has been growing. In 2019 alone, "Foreign direct investment amounted to \$ 4.2 billion, an increase of \$ 3.1 billion or 3.7 times compared to 2018. The share of investment in GDP reached 37% "[8-13].

The Main Part

The share of foreign investment and loans disbursed in GDP in 2019 was 16.9%, an increase of 9.5 percentage points compared to 2018. The total value of foreign investments and loans disbursed in dollars is 9803.5 million. USD, of which 4205.4 mln. The US dollar accounts for 42.9% of total foreign direct investment, or foreign investment and loans. The volume of disbursed foreign direct investment in 2019 will amount to 37,171.3 billion soums, or 3.6 times more than in 2018.

Based on the above data, it can be seen that the volume of investments in the economy of the Republic of Uzbekistan is growing. This means that a favourable investment climate is being formed in the country. The biggest positive factor in the investment climate is the level of development of the digital economy in the country. With the development of the digital economy in the country, ie the increase in the level of digitalization of the economy, a favourable investment climate will be formed in this country [14-19]. The development of the digital economy in the Republic of Uzbekistan is one of the most pressing issues today. The President of the Republic of Uzbekistan Shavkat Miromonovich Mirziyoyev commented on the formation of the digital economy in the country: "We know very well that the formation of a digital economy requires the necessary infrastructure, a lot of money and manpower. Therefore, the active transition to the digital economy will be one of our top priorities for the next 5 years. Digital technologies not only improve the quality of products and services but also reduce unnecessary costs" [20-26].

Despite many reforms aimed at developing the digital economy in the country, some problems and shortcomings remain. These problems and shortcomings include:



- Low level of digitization of industries and sectors of the economy, ie lack of high level of digital technologies;
- Insufficient number of highly qualified, knowledgeable and experienced specialists in the field of digitization of the economy;
- Problems in creating favourable conditions for attracting foreign investment in the digital economy, the market of information technology in the country, including through the organization of technology parks and coworking centres on the basis of public-private partnership;
- Lack of close cooperation between government agencies and businesses in the introduction of innovative ideas, technologies and developments for the further development of the digital economy;
- Lack of student integration among universities;
- Lack of computer technology in schools for the use and study of computer technology. the level of use of digital technologies in all areas is not high.

It is advisable to implement the following recommendations to address the above problems and shortcomings:

- Increasing the number of computer technologies for the use and study of computer technology in schools throughout the country. In the future, it is possible to train leading specialists in the field of digitalization of the economy based on acquainting young people with information technology from childhood;
- Providing computer technology (laptops) with the latest educational programs in the world;
- Organization of student integration between universities (mainly universities based on the training of programmers with universities in the field of economics;
- Ensuring close cooperation between government agencies and businesses in the implementation of innovative ideas, technologies and developments for the further development of the digital economy;
- Creating favourable conditions for attracting foreign investment in the digital economy, the market of information technology in the country, including through the organization of technology parks and coworking centres based on public-private partnerships.

Conclusion

In conclusion, the development of the digital economy will have a positive impact on the development of all sectors and industries in the country. In particular, the



development of the digital economy in the country is a positive factor in the formation of a favourable investment climate. The development of the digital economy is a topical issue in Uzbekistan today. The country is currently undergoing several reforms aimed at developing the digital economy. As a result, the digitalization rate of the economy is increasing. It goes without saying that as the economy becomes more digital, the country will have a more favourable investment climate. A favourable investment climate means an increase in investment in the country's economy in the future. As the volume of investments increases, the country's economy will also develop rapidly. Education is the basis for the development of the digital economy. If the country has a well-developed science and a sufficient number of specialists in digital technologies, the digital economy will develop on its own.

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