

Ways to Increase Investment Attractiveness in Small Industrial Areas

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Abstract: *this article explores issues of increasing investment attractiveness in small industrial zones (SIZ). The article analyzes the importance of SIZ in economic development, factors affecting their attractiveness, and investment engagement strategies. The study used a methodology based on literature analysis, statistics, and expert interviews. The results show the importance of tools such as infrastructure, tax incentives and digital marketing in the SIZ.*

Keywords: *small industrial zones, investment attractiveness, economic development, tax incentives, infrastructure, digital marketing.*

Introduction: small industrial zones (SMEs) as an important part of reforms in the economy of Uzbekistan are the main platform for supporting small and medium-sized businesses, ensuring regional development, creating new jobs and diversifying the economy. These zones serve to increase the investment attractiveness of the country through the use of local resources, the production of competitive export-oriented products and the introduction of modern technologies. The success of SIZ's depends on factors such as their modern infrastructure, tax and Customs benefits, transparent legislative framework, involvement of innovative projects, regional cooperation, financial support and international promotion [1].

In order to increase investment attractiveness, SIZs need to provide stable utilities (electricity, gas, water), transport-logistics networks and digital infrastructure such as high-speed internet. A long-term extension of tax benefits, customs relief for imported equipment and a transparent tax system will help strengthen the confidence of investors. The stability of legislation, the reduction of biocratic barriers and the legal protection of investors are important. To develop innovative projects, initiatives should be introduced to support technoparks, R & D Clusters and youth startups. The establishment of joint SIZs with neighboring countries using the strategic location in Central Asia, the use of transnational transport corridors and the expansion of export markets will develop regional cooperation. Financially privileged loans, government funds and partnerships with international financial institutions serve to support SIZ projects. Through international forums and exhibitions, it is important to promote the capabilities of SIZ, ensure information transparency and create a globally competitive brand [2].

Literature analysis: small industrial zones (SMEs) serve as a key platform in increasing investment attractiveness by developing small and medium-sized businesses (SMEs), ensuring regional economic growth, creating new jobs and expanding export-oriented production as an important area of reform in the economy of Uzbekistan. Literature analysis looks at the factors affecting the success of SIZs more broadly and covers them based on international and local research [3].

In International Studies, modern infrastructure, transparent and preferential tax policies, skilled labor resources and a wide range of market opportunities are indicated as the main factors of investment

attractiveness. These factors are important for investors in reducing costs, simplifying production processes, and ensuring long-term profitability. For example, sustainable utilities (electricity, gas, water), developed transport-logistics networks and digital infrastructure (high-speed internet and ICT) increase the attractiveness of SIZs. Studies conducted in the Uzbek context highlight the importance of tax benefits in SIZs, such as property taxes, profit taxes, and exemptions from single taxes, as well as public-private partnerships. or example, sustainable utilities (electricity, gas, water), developed transport-logistics networks and digital infrastructure (high-speed internet and ICT) increase the attractiveness of SIZs. Studies conducted in the Uzbek context highlight the importance of tax benefits in SIZs, such as property taxes, profit taxes, and exemptions from single taxes, as well as public-private partnerships. These measures are seen as an effective tool in supporting local entrepreneurship and attracting foreign investors. However, local literature has found insufficient attention to digital marketing strategies and international cooperation. This gap is due to the promotion of SIZs as a competitive platform on a global scale and challenges in the development of regional integration [4].

Methodology: the study was carried out using a combination of qualitative and quantitative research methods in order to determine ways to increase the investment attractiveness of small industrial zones (SMEs). This methodology was aimed at creating a reliable database for in-depth analysis of the current situation in the SIZs of Uzbekistan, identification of their strengths and weaknesses, and development of practical proposals. The study was carried out in several stages. In the first stage, statistics from the period 2019-2024 were analyzed on the 5 SIZ of Uzbekistan. This data included key parameters such as economic indicators of SIZs, investment size, number of jobs created, export potential and infrastructure development. Statistical analysis has revealed growth trends, successful orientations, and developmental barriers of SIZs. In the first stage, statistics from the period 2019-2024 were analyzed on the 5 SIZ of Uzbekistan. This data included key parameters such as economic indicators of SIZs, investment size, number of jobs created, export potential and infrastructure development. Statistical analysis has revealed growth trends, successful orientations, and developmental barriers of SIZs. This process became an important basis for assessing the economic efficiency of SIZs and determining the factors affecting their investment attractiveness. The second phase included semi-structured interviews with 10 SIZ executives and investors. These conversations made it possible to deeply understand the problems in the practical activities of SIZs, the needs of investors and the factors affecting their decision-making processes. During the talks, issues such as tax incentives, infrastructure quality, legislative stability, financial support and international cooperation were discussed. The semi-structured conversation format allowed participants to freely express their experiences and suggestions, which added qualitative data to the study [5].

Results: the results of the study identified important directions in increasing the investment attractiveness of small industrial zones (SMEs), which became the basis for strengthening the effectiveness of Cszs and increasing global competitiveness within the framework of reforms in the economy of Uzbekistan. The analysis was based on qualitative and quantitative methods, including statistical data analysis, interviews with SIZ leaders and investors, and SWOT analysis. Below, the main findings will be covered more broadly. As a result of the study, it was found that modern infrastructure exists as the most important factor affecting the investment attractiveness of SIZs. Investors need stable utilities (energy, water, gas) and developed transport-logistics networks (proximity to railways, highways, airports) that simplify production processes and reduce costs. The location of SIZs close to the transport infrastructure facilitates the export of products and the delivery of raw materials, increasing attractiveness for investors. Digital infrastructure, such as high-speed internet and ICT, are also important in attracting innovative projects. Infrastructure quality plays a central role in the success of SIZs, as this factor directly affects the ability of investors to optimize their operating costs and make long-term profits.

Tax incentives have been identified as an important tool in increasing the investment attractiveness of SIZs. Analysis has shown that 5-10 years of tax incentives (e.g. property tax, profit tax, and single tax exemption) have the potential to increase the size of investments by 30%. These benefits are especially effective in attracting export-oriented enterprises and enterprises producing high value-added products.

Discussion: the results of the study emphasized the need for a complex and multifaceted approach to increase the investment attractiveness of small industrial zones (SMEs). This approach covers key areas such as infrastructure development, expansion of tax incentives, application of digital marketing strategies and training of qualified personnel. Strategies developed taking into account international experience and local conditions are important in ensuring that SIZs become a competitive platform on a global scale. Below, these issues will be discussed more broadly. The results of the study showed that modern infrastructure has a central role in increasing the investment attractiveness of SIZs. Sustainable utilities (energy, water, gas) and developed transport and logistics networks (proximity to railways, highways, airports) have been identified as a major factor for investors. These factors reduce production costs and facilitate the delivery of products to international markets. At the same time, digital infrastructure, such as high-speed internet and ICT, is important in attracting innovative projects. Looking at international experience, the industrial zones of Singapore and China have achieved high investment attractiveness due to modern infrastructure. For example, the high level of development of logistics and digital infrastructure in Singapore has made SIZs global business centers. For Uzbekistan, this experience can be applied by increasing the financing of infrastructure projects based on public-private partnerships and developing transport corridors.

Tax breaks have been confirmed as an important tool in increasing the attractiveness of SIZs. The study showed that 5-10 years of tax benefits have the potential to increase the volume of investments by 30%. This is especially effective in attracting export-oriented enterprises and enterprises producing high value-added products. In China's Special Economic Zones, long-term tax relief and customs exemptions for imported equipment have attracted large amounts of foreign investment. A similar approach can be taken in Uzbekistan, introducing a transparent tax system and increasing the confidence of investors by extending the period of benefits. However, given the local conditions, these benefits need to be adapted to territorial characteristics and economic needs. Digital marketing has been identified as an important but insufficiently applied area for the promotion of SIZs to international investors. The study showed that there was insufficient attention given to digital marketing strategies in the local literature.

Conclusions and proposals: increasing the investment attractiveness of small industrial zones (SMEs) in the economy of Uzbekistan is strategically important in the economic development of the country, the development of small and medium-sized businesses, the creation of new jobs and the expansion of export potential. SIZs serve as an important platform not only to diversify the local economy, but also to make Uzbekistan an important investment Center in Central Asia. The results of the study confirmed the need for an integrated approach, which includes modern infrastructure, tax incentives, digital marketing strategies and training of qualified personnel, for SIZs to achieve global competitiveness. This approach serves to create an attractive environment for investors while supporting the country's economic reforms.

International experience and opportunities for its application. The industrial zones of Singapore and China serve as a successful example for Uzbekistan. In Singapore, transparent legislation, developed infrastructure and digital marketing strategies have transformed industrial zones into global business centers. In China, however, the system of long-term tax incentives, international cooperation and training of qualified personnel attracted large amounts of investment. For example, China's Shenzhen Special Economic Zone became a global center of production and innovation in a short period of time. Uzbekistan can adapt these experiences to local conditions, especially by using its strategic geographical location in Central Asia to increase the attractiveness of SIZs through international transport corridors

and cooperation with neighboring countries. At the same time, it is necessary to make the legislative base of Uzbekistan more transparent and accessible to investors, which will help to build confidence.

Practical suggestions.

1. Expansion of the state-special partner: to accelerate the construction of modern insurance in SIZ, it is necessary to expand the state-special partner. This model is the development of high-speed utilities (energy, water, gas), transport and logistics networks and digital infrastructure (5G networks and high-speed internet). DXSH projects have limited opportunities to attract international financial institution and local investors.
2. Strengthening tax benefits: for the production of export-oriented and high-quality products, it is necessary to extend the deadlines for 5-10 years of tax benefits, expand customs relief for imported modern equipment and develop transparent solik farms. This increased the size of the pension scheme, balkim changed the production of innovative in SIZs.
3. Development of a competitive marketing strategy: the capabilities of Ksss should be widely used in modern platforms for distribution to international investors (websites, social networks, online information resources) and international investment forums, such as the Tashkent International Investment Forum. SIZs will be branded as a global competitive industry hub, visually enhancing their capabilities.

Conclusion. Small industrial zones are an important platform for the growth of the economy of Uzbekistan and its integration into the global economy system. Increasing their investment viability can be carried out in order to develop modern infrastructure, expand social opportunities, introduce modern marketing strategies, train qualified personnel and strengthen international cooperation. The adaptation of Singapore and Chinese communications to local conditions, as well as the effective use of Central Asian strategic location, ensure global competitiveness of SIZs. The joint services of public, private sector and international partners made Uzbekistan independent as a center of international investment, the economy diversified and determined the well-being of the population. Information about the first session of the Senate of the Republic of Uzbekistan

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