



## CHARACTERISTICS OF INVESTMENT ATTRACTION AND DEVELOPMENT IN BUSINESS ACTIVITY

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**Abstract:** *In the article, the features of development that serve to attract investments, ensure employment, and improve people's well-being were seen in the article.*

**Key words:** *entrepreneurship, investment, business, environment, entrepreneurial activity, foreign investment, innovative economy, economic mechanism, innovative culture, investment system.*

The involvement of foreign investments in the development of business activity in our country will enable the use of modern technologies, help in the formation of human capital, contribute to the integration of international trade, help to create a competitive business environment, and ensure the development of the enterprise and continuity of activity. All these ultimately contribute to higher economic growth, which is the most powerful tool for poverty reduction. In addition, in addition to economic benefits, investments can also contribute to the improvement of environmental and social conditions in the host country.

Known environmental and social conditions include a lack of positive engagement with local communities, adverse environmental impacts of investment, particularly in the extractive and heavy machinery sectors, social disruption, rapid commercialization and competition in national markets. This, in turn, not only small business entities operating in the country, but also large enterprises in the current state of economic development, will not be able to use the opportunities of technologies or know-how introduced through foreign investments, and will not allow to achieve the expected efficiency.

At the end of the 80s of the last century, the emergence of a respectable category of countries with transitional economies and specific investment conditions required the development of special methodological approaches. For these countries, in the early 1990s, several expert groups (Plan Econ, Fortune and Multinational Business consulting companies, etc.) independently developed a simplified methodology for comparative assessment of investment attractiveness.

Some elements of the reform process carried out on the development of entrepreneurship in our republic prevented the creation of a suitable environment for growth, while institutional and infrastructural reforms that could create an environment for the effective integration of domestic and foreign investments were often left unchecked.

In the current reality, the economy of the Republic of Uzbekistan is in great need of modern technologies. As in other areas of the economy, the existing technological gap in the field of mechanical engineering, due to its inevitable integration into the world economic community and the general process of civilization, will certainly create a certain level of discomfort in the country. The success of the development is taking place against the



background of the country's complex political differences with the leading developed economies, its integration into the world economy, which is mainly determined by competitive industrial production. However, no country can solve the problem of modernization of its economy separately. It is an impossible task to create our own modern technological base without involving advanced technologies.

In our opinion, when studying the problems of the investment climate of the regions and their impact on the country's economy and production sectors, it is necessary to separately consider the process of investing in capital renewal projects, the duration, complexity, high risk of return, and the uniqueness of the projects. This, in turn, makes it possible to identify and systematize the risks and dangers of investing in the real sector of the economy, as well as to develop recommendations to reduce their negative effects, to ensure the protection of the rights and legal interests of investment participants.

At this point, it is worth noting that the rational and effective use of foreign investments in the real sector of the economy has a positive effect on the development of enterprises. In particular:

- 1) provides an opportunity to use advanced technologies and modern methods of management;
- 2) contributes to the improvement of technologies and increase of production level;
- 3) investments in expanding production and increasing its efficiency will eventually lead to an increase in tax revenues and the creation of additional jobs;
- 4) helps the integration of the domestic economy with the world economic system through industrial and scientific-technical cooperation.

Today, foreign investments are very important, but it is more important to create favorable conditions for investing in the country's economy, and for further development of entrepreneurship, this task should be solved first of all.

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