

**THEORETICAL VIEWS ON THE DEVELOPMENT OF EXPORT ACTIVITIES OF
FREE ECONOMIC ZONES**

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Abstract: In this article, the role and importance of free economic zones, the organizational and economic mechanisms and opportunities of free economic zones in terms of improving the economy of our country, and suggestions and recommendations are developed.

Key words: Economy, free economic zones, development prospects, organizational and economic mechanisms.

Currently, industrialized countries are creating free economic zones for various purposes. There are different definitions of free economic zones. More than 20 definitions are given in the work of the UN devoted to this problem. For the first time free economic zones or "franco zones" were given in the 1973 Kyoto Convention.

Free economic zones can be defined as a part of the state territory where preferential conditions of economic activity, a special regime of management and other organizational and administrative measures are introduced for national and foreign entrepreneurs in order to achieve certain results.

Now there are more than 4 thousand free economic zones in the world. They perform different tasks and generalize different goals. For example:

attraction of foreign capital and advanced technologies due to special privileges, stable legal base and simplification of organizational procedures;

taking advantage of the division of labor to expand the export of finished goods;

increase the foreign currency income for the budget of the country and the region;

creation of new jobs;

improving the skills of the workforce due to the study and implementation of world experience in the field of organization, management and financing.

Establishment of free economic zones (SEZ) in Uzbekistan, modern enterprises that ensure the production of competitive products with high added value based on the deep processing of local mineral resources, comprehensive and effective use of the production and resource potential of the republic's territories, and at the same time, new work special attention is being paid to development as an important factor of attracting foreign, first of all, direct foreign investments in order to create jobs and increase the income of the population.

Today, the concept of free economic zones is given many definitions in foreign and local scientific studies (Tab. 1).

Table 1

Definitions of the concept of SEZ

Authors	Definitions	Aspects implied in the definitions
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A. Kuznetsov	SEZ in the traditional sense are understood as the sovereign territory of the state, where foreign goods can be stored, sold or bought without any customs fees.	Emphasis is placed on free trade zones
S.A.Ribakov N.A.Orlova	SEZ is such a part of the territory of a certain country that the goods imported into it are considered as goods outside the customs territory and are exempted from customs inspection and taxes.	
A.V.Vahabov	SEZ is a specially designated part of the country's territory with preferential customs, currency, tax, visa and labor regimes	Privileges are emphasized
N.V.Igoshin	SEZ are such a part of the national economic system that special privileges and incentives are used there, which are not applicable in other regions of the country, and their essence is visible in preferential customs and tax systems.	
T.P. Danko and Z.M.Okrut	The SEZ is a separate organism of the economy, artificially organized by the state and part of the national economy, and at the same time, it is fundamentally different from the economic point of view.	Emphasis is placed on the legal aspect

According to the research of South Korean scientist Kim, "Free economic zones are specially organized areas for foreign countries, enterprises and firms, where their enterprises and employees, in turn, comply with the existing laws due to the privileges given by the government. are zones that can earn income while being subordinated. The state aims to create free economic zones with the goal of having a more transparent economic environment in such zones than in other areas, thereby creating investment flow and competitive industrial and trade characteristics.

According to V.Papov's researches, "Free economic zones are those regions that are separated from other regions and given special privileges and facilities by the state, these advantages are not observed in any other place or economic network of the state."

If we pay attention to the above points, the free economic zone is considered a separate region of the country, and special privileges and procedures are established for this region in the economic legislation (Fig. 1).

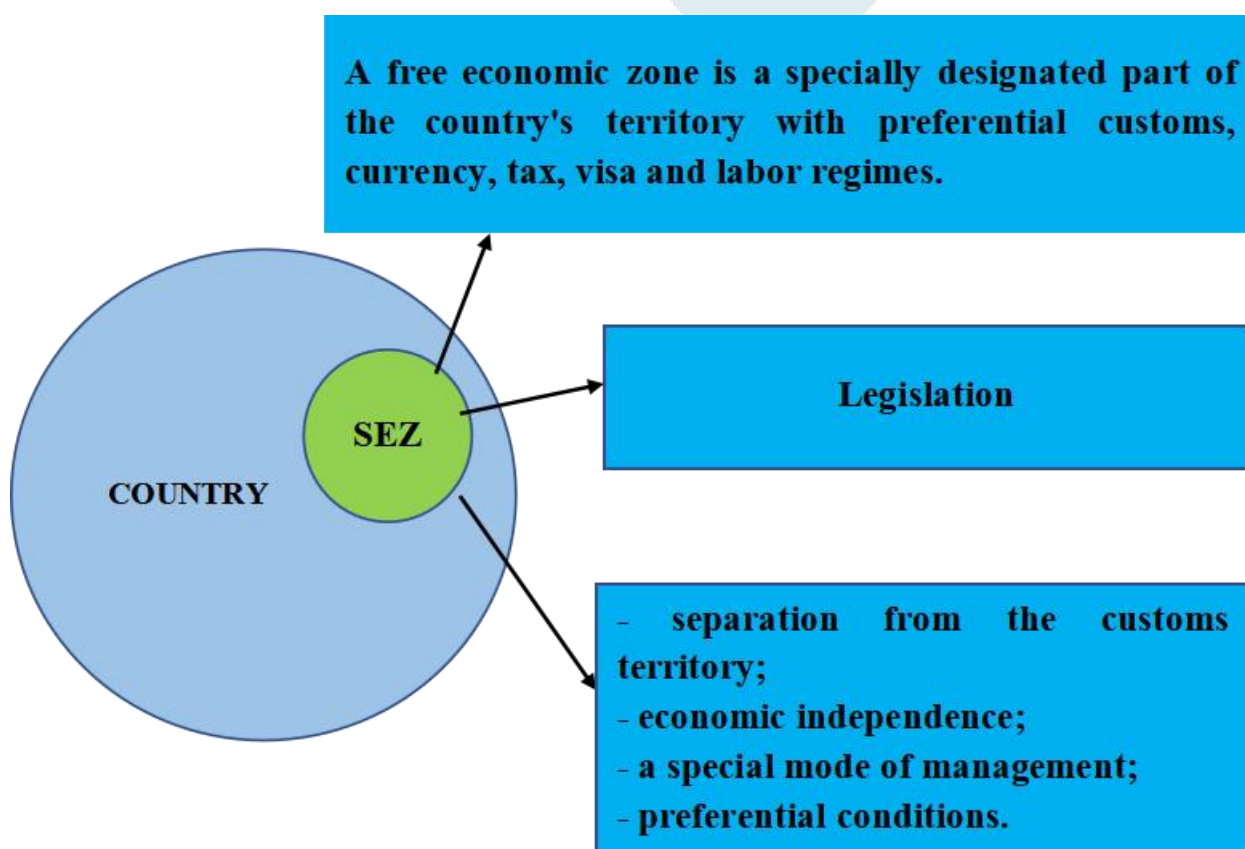


Figure 1. The appearance of the organization of the EIH in the country

Many foreign and local economists have conducted studies on the issues of establishing free economic zones, their role and importance in the economy, and their development. In this regard, one of the foreign scientists, R. J. McCalla, states that the establishment of free economic zones is a distinct territory of a country in terms of the provision of logistics services and geographical location. Another foreign specialist, M. Guangwen, researched the organization of free economic zones, requirements for it, theory and practice of economic activity in free economic zones. The role of free economic zones in the national economy of the country, the organizational and economic mechanisms of free economic zones were studied in the scientific works of Ya.S. Druzik. The activity of free economic zones in the international economy, the role of free economic zones in the world economy is reflected in the scientific works of N.V. Chernenko.

From the middle of the 20th century, the issues of organizing the activity of SEZ, increasing investment attractiveness, developing foreign trade, increasing the export potential of SEZ, which have become the main points of the economy, have been studied by foreign and local experts. Among the studies, T. Farole and F. Dobrogonov emphasized the practical aspect of these regions and said, "These structures create an opportunity for developing countries to capture additional consumer markets and increase the export potential of the countries. At the same time, he claims that these economic structures serve as a means of strengthening the processes of regional economic integration.

There are also studies on the geographical location of the SEZ, in which regions to establish the SEZ. According to V.G. Ignatov and V.I. Butov, SEZ are limited territories, consisting of

seaports and air borders. They create a favorable business environment for national and foreign businessmen in foreign trade, general economic and other fields.

Russian economist V. D. Adrianov: "Free economic zones is a part of the national territory and creates wide opportunities for finding solutions to economic problems.

Also, one of the synonymous concepts of these regions in world practice, special economic zones (SEZ), is defined by R.I. Zimenkov as follows: SEZ is a part of the national economic space. There is a special preferential economic regime for national and foreign entrepreneurs. Their task is manifested in solving socio-economic, scientific and technical problems.

I.R. Tazutdinov, who continued this direction, said, "MIZ is a separate part of the state, in its territory there is an institutional infrastructure, and in its territory there will be a special legal and administrative regime regulating economic relations with the outside world. ", he emphasizes. Some researchers, taking into account modern integration processes, do not give a separate definition to SEZs. In particular, we see it in the research works of V.I. Baronov and G.M. Kostyunina. In their work, the legal status of SEZs in the specific region or country where SEZs are located, and their economic situation are analyzed.

Advanced economists of our country approach differently, paying more attention to the preferential procedure and administrative management in SEZs. Therefore, in the opinion of A.V. Vakhobov, Sh.Kh. Khajibakiyev, N.G. Muminov, Free Economic Zones are such geographical areas in which a preferential tax payment procedure is introduced compared to the procedure of economic activity adopted in the country. In other words, state intervention in economic processes will be reduced in this region, and it will be a part of the national economic space, and a system of certain privileges will be introduced that are not used in other regions of the country.

If we look at the results of the research carried out in our country in recent years, we can see that special attention is paid to the features of SEZs that help to eliminate economic and social problems and the liberalization of the country's economic system. In particular, Sh.I. Mustafaqulov said that the free economic zone is also the image of the country. Free economic zones serve to liberalize a country, even if they function poorly. A free economic zone is a social project in any country, in any part of it. The creation of the region not only brings additional income for the region, but also provides useful returns for the whole country in various forms.

Also, in A.A. Ostonakulov's opinion, the free economic zone is a territory established for use as a territorial method of economic diversification and introduction of modern technologies into the economic structure.

S.S. Bozarov stated that "Free economic zone is a regime that is established in an economically and geographically favorable region of the country, develops the country's economy in a comprehensive way and ensures its integration into the world economy, and includes a set of special privileges. "is a specially designated area where various legal relations complicated by the foreign element are carried out".

Summarizing the results of the above research, we can see that the following goals are intended for the establishment of free economic zones. The author summarized the objectives of the establishment of free economic zones established in Uzbekistan and foreign countries and developed a classification of the objectives of the establishment of free economic zones in Table 2.

Table 2

Goals of organizing free economic zones in Uzbekistan and abroad

№	Target types	Description
1	Economic goals	• acceleration and expansion of foreign economic activity; • increase the export potential of the region and develop the export of local products; • active attraction of foreign and domestic investments to the economy; • increase the competitiveness of national production and its economic efficiency; • increasing export and production of import-substituting goods in each region; • increase of foreign exchange earnings in the national economy; • devirtification of industrial production and organization of deep processing of local raw material resources; • increasing the region's share in the gross domestic product; • to ensure the access of popular brands to local markets; • increase the quality and volume of logistics services.
2	Social goals	• creation of new jobs, increasing employment of the population; • ensuring an increase in income and purchasing power of the population; • education and training of qualified employees, engineers, economic operators and management personnel to meet world standards; • to saturate the national market with high-quality products and services intended for industry and consumption; • increase the standard of living and well-being of the population; • to accelerate the development of backward regions due to the centralization of national resources that are scarce within the borders of the region.
3	Scientific and technical purposes	• intensive use of the latest foreign and local technologies; • Accelerate the implementation of NIOKR results; • carrying out rebranding works; • attract scientific and technical personnel, including foreign personnel, to relevant areas; • attracting the experiences and scientific research achievements of scientific and technical centers and venture companies; • increasing the efficiency of the used production capacity.

A free economic zone is a geographical area in which a preferential tax payment and customs procedure is introduced compared to the procedure of economic activity adopted in the country. In other words, the state's intervention in economic processes will be reduced in this area, and it will be a part of the national economic space, and a system of certain privileges will be introduced that are not used in other regions of the country. Accordingly, the EIH is a specially allocated part of the country's territory with preferential customs, currency, tax, visa and labor regimes. The most general description of EIH is that it is such a region that incentives, benefits (tax, customs, administrative), licensing, visa issuance, banking activities, and easements related to ownership relations are not valid in other regions of this country.

In other words, it is an enclave, that is, the territory or part of one country is surrounded on all sides by another country or other regions of the same country. State intervention in the economy is limited to a certain extent in this area. In this region, certain privileges are granted that are not valid in other regions of the country.

Establishment of free economic zones (SEZ) in our country, modern enterprises that ensure the production of competitive products with high added value based on the deep processing of local mineral resources, comprehensive and effective use of the production and resource potential of the republic's territories, in this way new jobs special attention is being paid to development as an important factor of attracting foreign, first of all, direct foreign investments in order to create tourism and increase the income of the population.

Today, a solid legislative and regulatory framework has been created to regulate the activities of free economic zones, and a wide-scale system of tax and customs benefits and preferences has been formed to help attract foreign and domestic investments for their development. In particular, the newly revised Law of the Republic of Uzbekistan "On Special Economic Zones" was adopted on February 17, 2020. According to this law, a special economic zone is an area with defined boundaries and a special legal regime, specially allocated in order to attract foreign investments and local investments, high technologies and management experience for the rapid socio-economic development of the relevant area 'reefed.

Article 9 of this law lists the types of special economic zones. According to it, special economic zones can be organized as follows:

free economic zones;

special scientific and technological zones;

tourist and recreational zones;

free trade zones;

special industrial zones.

Free economic zone - establishment of new production facilities, development of high-tech production, active involvement in the development of production of modern competitive, import-substituting, export-oriented ready-made industrial products, as well as production, engineering-communication, the territory established for the purpose of ensuring the development of road transport, social infrastructure and logistics services.

In general, there are many scientific experts' approaches to the classification of free economic zones. Approaches to the types and forms of free economic zones are presented in Figures 1 and 2.

According to the data in Figure 2, the following forms of free economic zones are mentioned:

- 1) Trade zones: free trade zone, free customs zone, warehouse zone, free port, duty-free shops, free foreign trade zone, free logistics zone, transit zone.
- 2) Trade-production regions: industrial-production region, export production region, small business region, import region, free trade-production region, agropolis.
- 3) Technical and application areas: technopark, free scientific zone, technopolis, scientific and technological zone, free innovation zone, scientific and technical commercial park.
- 4) Service areas: free banking area, offshore area, tourist area, free processing area, free insurance area, makiladoris.
- 5) Complex territories: special economic zone, regional zone and international SEZ.

Forms of free economic zones									
Trade areas		Trade and production areas		Areas of technical application		Service areas		Complex areas	
Their types respectively									
1	Free trade zone	1	Industrial area	1	Technopark	1	Free Banking Zone	1	Special economic zone
2	Free customs area	2	Export-production area	2	Free scientific area	2	Offshore area	2	Regional area
3	Warehouse areas	3	Small business area	3	Technopolis	3	Tourist area	3	International SEZ
4	Free port	4	Import area	4	Scientific and technological area	4	Free processing area	4	
5	Duty-free shops	5	Free trade and production zone	5	Free innovation zone	5	Free insurance area	5	
6	Free foreign trade zone	6	Agropolis	6	Scientific and technical commercial park	6	Maquiladoris	6	
7	Free logistics area	7		7		7		7	
8	Transit area	8		8		8		8	

Figure 2. Forms of free economic zones

To develop the regions of our country and create new jobs, to increase the contribution of free economic zones in increasing the income of the population, to establish close cooperative relations between the participants of these zones in free economic zones, using cluster approaches based on the principles of project management. foreign investments to establish high-

tech modern enterprises for the localization of production of competitive finished products and components based on local raw materials and materials, and to organize high-tech modern innovative production with the participation of leading foreign companies and corporations, first of all, creating the most favorable conditions for attracting foreign direct investments, free economic zones, the need to develop criteria for their attractiveness and its evaluation, and its theoretical foundations are of great importance.

The most important thing is the development of export activities of free economic zones. Free economic zones have a special role in the development of transport, engineering-communication and social infrastructure, ensuring comprehensive and effective use of the production and resource potential of the regions of our country. Also, the role of free economic zones in the development of export of local products is incomparable.

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