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PRIORITIES FOR IMPROVING THE MECHANISM FOR MANAGING THE ATTRACTION OF INVESTMENTS IN THE AGROTURISM SECTOR



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Abstract: This article scientifically justifies the need for the adoption of state and regional programs to develop agrotourism. It defines the tasks to be addressed within the framework of regional programs for attracting investments in agrotourism. Based on the defined goals and tasks, the article presents three levels of implementing regional programs for the development of agrotourism, and, based on the study of foreign experiences, suggests directions for organizing agrotourism activities in Uzbekistan's regions.

Keywords: Tourism, agrotourism, management, investment, state program, infrastructure, agrotourism villages, agrotourism parks, regional programs, management mechanism.

Introduction: The selection of effective management mechanisms for the processes of attracting investments in the agrotourism sector ensures the activation of innovative activities in agrotourism. Countries with macroeconomic and mesoeconomic programs supporting agrotourism help rural populations and farmers maintain traditional agricultural knowledge, save their capital, redirect it into tourism investments, increase it, and preserve their permanent place of residence and lifestyle. The creation of a preferential lending (or subsidy) system by the state for European farmers and rural populations, the development of a preferential tax system for the owners of agrotouristic objects for the renovation of residential buildings, and the creation of opportunities for direct income generation, in addition to the main activities, have made investing in agrotourism increasingly attractive. In Uzbekistan, to effectively solve the problems in the development of agrotourism, it is essential to adopt state and regional programs that enable the management of agrotourism development and encourage investments in the sector. The programs designed to stimulate the development of agrotourism and direct investments into the sector are a set of measures to ensure favorable conditions for agrotourism's development as a high-efficiency, low-cost, and competitive sector with a positive social and cultural impact on the local population and the country as a whole.

Literature Review: The theoretical and methodological foundations of organizing agrotourism and its impact on the economy have been explored by foreign economists

such as Efstratios Loizou, Christos Karelakis, Konstantinos Galanopoulos, Konstantinos Mattas, Kaswanto, Manuela Pulina, Domenica Giovanna Dettori, Antonello Paba, Richard Sharpley. Macro factors influencing the development of tourism in agriculture are discussed by Vytautas Barkauskas, Kristina Barkauskienė, Edmundas Jasinskas, and Anna Farmakilar in their research. Research on the attraction of investments to agrotourism and the factors influencing it in CIS countries has been conducted by economists such as F. Kazemiyeh, H. Sadighi, M. Chizari, L. Evgrafova, O. Akimova, S. Volkov, L. Dubinicheva, P. Sovetov, and S. Laypanov. The importance of agrotourism in the global economy, its theoretical and legal foundations, financing sources and methods, investment avenues, and the issues in the sector have been extensively covered by Uzbek economists such as B. Navruz-Zoda, F. Mirzakhodjayev, R. Amriddinova, S. Islomov, A. Fozilov, B. Rakhmatov, N. Yuldasheva, M. Jo'raboyev, and A. Amirov.

Materials and Methods: The reliability of the research results is based on the adopted approach, methods, and theoretical data from official sources. The reliability of the presented analyses and experimental trials has been verified within a mathematical-statistical confidence interval. The data is sourced from Uzbekistan's Ministry of Ecology, Environmental Protection, and Climate Change, the Tourism Committee under the President of Uzbekistan, the State Statistics Agency of the Republic of Uzbekistan, as well as international organizations such as the World Bank, UN World Tourism Organization (UNWTO), and Business Wire. Methods used in the research include grouping, comparison, logic, economic and systemic analysis, and result analysis.

Analysis and Results: State and regional programs for the development of agrotourism should include close cooperation between various market participants, including the private sector, the state, local authorities, and competent organizations. In Uzbekistan's context, this form of investment management in agrotourism is considered the most effective. Within the framework of the adopted program, the interaction between private businesses and the state ensures the formation of long-term plans, the development of agrotourism services that meet consumer demands, and the contribution to the economic development of regions specializing in agrotourism by creating jobs in rural areas. The program's goal is to develop agrotourism based on an optimal combination of agriculture and tourism in Uzbekistan, to reveal the currently underestimated potential of the sector, and to encourage the active attraction of investments into it. In our opinion, achieving this goal requires addressing several tasks (as shown in Figure 1).

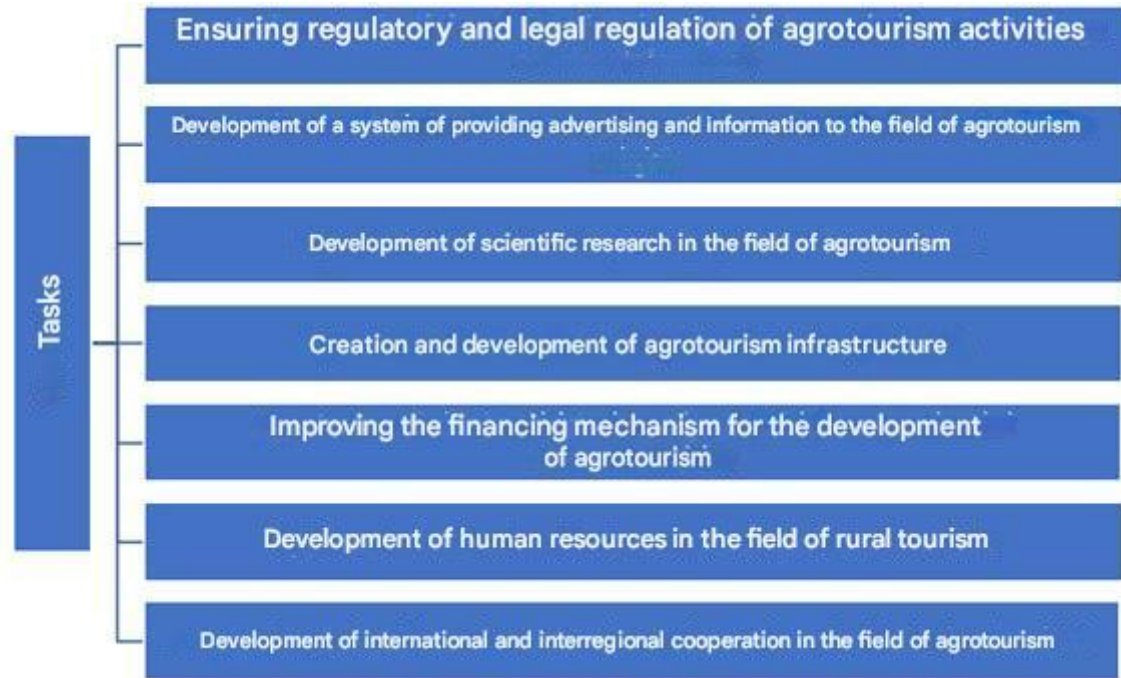


Figure 1. Tasks to be addressed within the framework of regional programs for attracting investments in agrotourism

1. Ensuring the legal and regulatory framework for organizing agrotourism activities

Measures to be implemented:

Tasks to be addressed within the framework of regional programs for attracting investments in agrotourism

1. Ensuring the legal and regulatory framework for organizing agrotourism activities

Measures to be implemented:

- Analyze existing normative and legal documents aimed at supporting agrotourism.
- Prepare and adopt normative and legal documents aimed at improving the socio-economic conditions for the development of agrotourism and attracting potential investors.

2. Developing a system for advertising and providing information on agrotourism

Measures to be implemented:

- Analyze existing agrotourism resources.
- Analyze various forms of organizing agrotourism based on the characteristics of the region (e.g., renting accommodation to tourists in villages, hosting tourists in village homes, participation in agricultural activities, ecological education, fishing, etc.).
- Create a unified database of agrotourism resources available in the region.

- Develop investment attractiveness passports for existing agrotourism resources and facilities.
- Prepare and publish catalogs, brochures, presentation materials, and infographics related to agrotourism.
- Provide scientific and methodological recommendations based on international experience.
- Conduct demand and supply analysis related to agrotourism services.
- Develop a system for booking and selling tourist services in the agrotourism sector.
- Develop agrotourism routes considering the historical and cultural characteristics of the region.
- Organize meetings and seminars to promote agrotourism products and investment potential.
- Participate in international exhibitions related to agrotourism.
- Advertise agrotourism products and services in electronic and print media and on social networks.
- Disseminate positive experiences achieved in the development of agrotourism in the region.

3. Developing scientific research in agrotourism

It is advisable to involve scientific centers and universities specializing in agriculture and tourism development in this area. Measures to be implemented:

- Create scientific and innovative laboratories.
- Develop modern excursion and tourist technologies related to agrotourism.
- Organize scientific, educational, and practical conferences in cooperation with agrotourism developed countries.
- Carry out scientific forecasts and monitoring of agrotourism development.
- Conduct research in the field of agrotourism and implement the results into practice.
- Establish related academic departments at agrotourism complexes.
- Establish innovative collaboration between science and production.

4. Creating and developing agrotourism infrastructure

Measures to be implemented:

- Analyze the existing infrastructure for electricity, gas supply, water supply, sewage, waste disposal, telecommunications, and road infrastructure in the region.
- Develop infrastructure in regions with high investment attractiveness for agrotourism within the framework of national and regional programs.
- Develop and reconstruct the material base of existing agrotourism objects, and create new agrotourism facilities through cooperation with the private sector.
- Develop projects for agrotourism accommodation and catering facilities.

5. Improving the financing mechanism for agrotourism development

Measures to be implemented:

- Improve the financing mechanism for agrotourism development through regional and local budgets, off-budget funds (own funds of agrotourism entities, investor funds, bank loans, etc.).
 - Develop project passports that include sample agrotourism complexes and the necessary initial investment amounts for their establishment.
- 6. Developing human resources in rural tourism**
This process will be carried out through educational institutions within the framework of established programs. Measures to be implemented:
- Assess the demand for personnel by year within the framework of programs.
 - Create a system for training personnel for management and lower-level positions in agrotourism.
 - Retrain and improve the qualifications of employees in the agrotourism sector according to current and accepted qualification requirements.
- 7. Developing international and interregional cooperation in agrotourism**
Developing international and interregional cooperation in rural tourism ensures the establishment of connections with international agrotourism organizations through intergovernmental relations, local government bodies, the private sector, and public associations.

Based on the identified goals and tasks, the implementation of a regional program for developing agrotourism involves three levels:

1. **State level** – ensuring the creation of conditions for attracting investments in agrotourism, including strengthening the legislative base, providing financial support, ensuring personnel training, and implementing global information systems.
2. **Regional level** – ensuring the formation of agrotourism clusters that work for the interests of numerous entrepreneurs in the region, including complex agrotourism attractions.
3. **Local level** – at this level, work is conducted to compile a targeted list of potential providers and investors of agrotourism services (farmers, rural entrepreneurs, agricultural product processing enterprises), as well as increasing the tourist appeal of local cultural, material, and natural heritage. At this level, self-organization and collaboration in the agrotourism sector are essential.

The most important condition for the successful development of agrotourism in the regions is the active involvement of the rural population in this type of activity, highlighting the importance of agrotourism as a beneficial and prestigious sector, ensuring that the population understands the high quality of services offered, and their readiness and desire to host guests.

The fulfillment of this condition also depends on social-psychological factors such as initiative, entrepreneurship, respect for one's work, and the manifestation of the humanitarian potential of traditional Uzbek villages. Additionally, the successful

implementation of regional programs should create conditions to make full use of the resource potential of rural areas (Appendix 8).

Considering the unique characteristics of the country's regions, the diversity of local conditions, and the investment attractiveness of the regions in terms of agrotourism, it is necessary to explore various approaches for organizing agrotourism within regional programs.

Based on foreign experience, the following directions for organizing agrotourism activities in Uzbekistan are recommended:

a) Organizing agrotourism in rural areas with preserved historical and traditional heritage

This approach involves partially modifying the existing social and cultural environment of rural areas to establish small family guesthouses and utilize the region's existing agrotourism resources. Organizing agrotourism in this direction is part of the state policy of transferring the rural population from agricultural production to the service sector. It includes the development of a national strategy to support designated rural areas. This strategy should focus on creating a network of accommodations (private mini-hotels, family guesthouses, model village homes) and specialized entertainment establishments (sports centers, restaurants, stables, etc.) for tourists, based on the available rural housing and those working in agriculture (farmers, agribusinesses, etc.).

b) Building large and medium-sized private agrotourism objects in rural areas

This direction involves the establishment of specialized private hotels, such as "historical or national villages," and includes building agricultural estates like those of historical rural landowners, traders, farmers, cultural-ethnographic centers, orchards that grow regionally unique fruits and vegetables, places for preparing national cuisine, and opportunities for tourists to participate in agricultural activities. This approach is suitable for rural areas where the housing stock is not very comfortable, but the tourism potential is high. It requires the development of specialized projects, attracting large investments, and successfully carrying out comprehensive scientific research and marketing efforts.

c) Creating agrotourism parks In addition to developing agrotourism, this approach focuses on popularizing and promoting the agricultural achievements of a country or region, preserving historical skills, and showcasing traditional agricultural production techniques and methods, as well as national cuisine. Agrotourism parks are multifunctional centers that combine entertainment facilities for tourists with permanent exhibition and display centers, alongside scientific research and breeding activities. This approach also requires large state or private investments.

Conclusion and Recommendations It is proposed to implement state and regional programs for the development of agrotourism in three stages. These programs will help manage agrotourism development and stimulate investment in the sector.

Stage 1: Formation of the Agrotourism Development Base (2023-2025)

This stage involves optimizing legislation, creating a system for training personnel and forming a reserve, developing state and regional programs for the development and state support of agrotourism, developing the agrotourism infrastructure, promoting the successful experiences of existing agrotourism objects, and addressing issues related to starting new projects. It also includes creating mechanisms for implementing agrotourism projects at the regional level, forming a base of investors, conducting scientific research, and applying various management models based on the characteristics of each region, considering global experiences. In terms of attracting investments to agrotourism, it is essential to evaluate the investment attractiveness of regions and construct initial agrotourism complexes in “promising” districts.

Stage 2: Achieving Growth in the Agrotourism Market (2026-2027)

Building on the mechanisms and experiences developed in the previous stage, the goal is to create cumulative results, ensuring a rapid increase in the number of agrotourism objects with distinct characteristics and their visitor numbers, and achieving financial success from agrotourism development in the regions. This stage also involves diversifying the activities of farm enterprises and creating additional income opportunities for the rural population. Based on existing experience, efforts should be made to construct agrotourism complexes in both “stable” and “growing” districts, using an investment attractiveness evaluation system.

Stage 3: Creating a Developed and Competitive Agrotourism Market (2028-2030)

This stage focuses on ensuring the financial stability of farm enterprises, improving the quality of life and consumption for the rural population, preserving the traditions and cultural life of rural areas, and ensuring that agricultural products are recognized on the global market due to agrotourism. Measures should be taken to establish agrotourism complexes in all districts based on the experience gained. By the end of this stage, the number of agrotourism objects may slightly decrease, but the profitability of existing ones, occupancy rates, and overall revenue will continue to grow. Agrotourism objects with their own brands will emerge, and agrotourism will become a popular travel destination. The accumulated experience will allow for the implementation of more impactful changes to existing mechanisms for state support and regulation of investments in agrotourism.

In addition, the long-term impact of agrotourism development will become evident in this stage.

According to the Presidential Decree of the Republic of Uzbekistan, PF-158, dated September 11, 2023, the goal is to increase tourism service exports to 5 billion US dollars by 2030. We believe that with the successful implementation of state and regional programs that enable the management of agrotourism development and attract investment to the sector, agrotourism’s share in total tourism exports could reach 5% or 250 million US dollars by 2030.

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