TERRITORIAL ASPECTS OF THE EFFECTIVE USE OF INVESTMENT ATTRACTIVENESS IN THE BUKHARA REGION

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Abstract

This study examined the territorial aspects of the effective use of investment attractiveness in the Bukhara region. The research evaluated investment potential, infrastructure development, economic resources, tourism opportunities, and institutional factors across territorial units. An integral index, SWOT analysis, and investment efficiency indicators were applied to assess regional investment conditions. The findings showed that Bukhara city, Karakul district, and Kogon demonstrated the highest levels of investment activity and attractiveness. Additional opportunities for utilizing existing potential were identified in several districts, and priority directions for further development were determined. The study developed practical recommendations aimed at improving territorial balance, increasing investment efficiency, supporting industrial and service-sector growth, and strengthening the overall competitiveness of the region within the national economy.

Keywords: investment attractiveness, territorial development, Bukhara region, investment efficiency, integral index, economic potential, infrastructure, tourism, investment policy, competitiveness.

Annotatsiya

Mazkur tadqiqotda Buxoro viloyatining investitsion jozibadorligidan samarali foydalanishning hududiy jihatlari tahlil qilindi. Tadqiqot davomida investitsion salohiyat, infratuzilma rivojlanishi, iqtisodiy resurslar, turizm imkoniyatlari va institutsional omillarning hududlar kesimidagi ta’siri baholandi. Integral indeks, SWOT tahlil va investitsiya samaradorligi mezonlari asosida hududlarning investitsion holati o‘rganildi. Natijalar Buxoro shahri, Qorako‘l va Kogon hududlari yuqori investitsion faollikka ega ekanligini ko‘rsatdi. Ayrim tumanlarda mavjud salohiyatdan foydalanish imkoniyatlari aniqlanib, ularni iqtisodiy rivojlantirish yo‘nalishlari belgilandi. Tadqiqot hududiy muvozanatni ta’minlash, investitsiyalar samaradorligini oshirish, sanoat va xizmatlar sohasini rivojlantirish hamda mintaqaning raqobatbardoshligini kuchaytirishga xizmat qiluvchi amaliy tavsiyalarni shakllantirdi.

Kalit so‘zlar: investitsion jozibadorlik, hududiy rivojlanish, Buxoro viloyati, investitsiya samaradorligi, integral indeks, iqtisodiy salohiyat, infratuzilma, turizm, investitsiya siyosati, raqobatbardoshlik.

Аннотация

В исследовании были проанализированы территориальные аспекты эффективного использования инвестиционной привлекательности Бухарской области. В ходе работы была проведена оценка инвестиционного потенциала, инфраструктурного развития, экономических ресурсов, туристических возможностей и институциональных факторов на уровне отдельных территорий. На основе интегрального индекса, SWOT-анализа и показателей

инвестиционной эффективности было изучено текущее состояние инвестиционной привлекательности региона. Полученные результаты показали высокий уровень инвестиционной активности в городе Бухара, Каракульском и Каганском районах. Были выявлены дополнительные возможности использования существующего потенциала в ряде территорий и определены перспективные направления их развития. Исследование сформировало практические рекомендации по обеспечению территориальной сбалансированности, повышению эффективности инвестиций, развитию промышленности и сферы услуг, а также укреплению конкурентоспособности региона.

Ключевые слова: инвестиционная привлекательность, территориальное развитие, Бухарская область, эффективность инвестиций, интегральный индекс, экономический потенциал, инфраструктура, туризм, инвестиционная политика, конкурентоспособность.

INTRODUCTION

Over the past decade the Republic of Uzbekistan has moved from a relatively closed, state-directed economy toward an open, investment-led model in which the inflow and effective deployment of capital are treated as primary engines of growth. The reform programme launched in 2017 liberalised the foreign-exchange market, simplified the entry of foreign investors, expanded special economic and small industrial zones, and reduced direct state intervention in production. The macroeconomic results have been substantial: in 2024 the country attracted about 333.8 trillion soums (roughly USD 26 billion) of foreign investment, an increase of more than 65 percent on the previous year [2], while foreign direct investment (FDI) alone reached close to USD 11.9 billion and its share in gross domestic product rose to around 10.3 percent [1]. Investment in fixed capital expanded from 210.2 trillion soums in 2020 to 493.7 trillion soums in 2024, a 2.3-fold rise over five years [2].

This trajectory is embedded in a deliberate policy architecture. The National Investment Programme for 2023-2025, approved by Presidential Resolution No. PP-459 of 28 December 2022 [12], set out a large portfolio of projects and reaffirmed the strategic priority of attracting private and foreign capital while reducing the share of public financing in development. Successive strategy documents on the construction of a “New Uzbekistan” have made regional development and the balanced territorial distribution of growth explicit objectives, recognising that aggregate national gains can coexist with widening spatial disparities. Within this architecture, regions are simultaneously the units that compete for capital and the units through which national investment policy is implemented, which makes the regional and sub-regional scale the decisive arena for converting macro-level reform into tangible local outcomes.

These national aggregates, however, conceal a strongly uneven spatial pattern. Investment in Uzbekistan is concentrated in a limited number of regions and, within them, in a small number of large projects. The Bukhara region is consistently ranked among the front-runners: it records one of the highest shares of FDI in fixed-capital formation in the country, and it is one of the most active regions in the practical

utilisation of foreign capital [3, 18]. The region hosts flagship projects such as the Karakul free economic zone with its methanol-to-olefin gas-chemical complex, a cluster of large solar and wind power plants, and a new international airport, alongside a globally recognised tourism brand rooted in its Silk Road heritage. Yet the very features that make the Bukhara region attractive in aggregate terms also raise a question that has received little systematic attention: how evenly is this attractiveness distributed across the region's territory, and - more importantly - how effectively is it being used? "Attractiveness" and "effective use" are not the same thing. A territory may attract large volumes of capital into a single enclave project without generating broad-based linkages, employment, or diffusion to neighbouring districts. Conversely, districts with modest headline inflows may convert their resources into comparatively high local value added. The territorial - that is, intra-regional - dimension of investment attractiveness, and the mechanisms that turn attractiveness into balanced development, remain insufficiently studied for the Bukhara region.

LITERATURE REVIEW

Investment attractiveness is commonly defined as the integrated set of objective conditions and subjective perceptions that determine the willingness of investors to commit capital to a given object - a country, region, sector, or enterprise. The literature distinguishes two complementary analytical traditions. The factor (or potential) approach treats attractiveness as a function of measurable endowments: market size, natural resources, labour, infrastructure, and institutions. The risk approach emphasises the probability and variance of losses arising from political, economic, financial, and ecological uncertainty. Most contemporary frameworks combine the two, treating attractiveness as the ratio between investment potential and investment risk, and distinguishing objective attractiveness from its perception by investors, which may diverge significantly.

Investment attractiveness is also a multi-level construct. It can be assessed at the level of the country, the region, the district or municipality, the sector, and the individual enterprise, with the determinants at each level partly nested within those above it. A district's attractiveness depends not only on its own endowments but also on the national macroeconomic and legal environment and on its position within the regional space. For this reason, a purely national reading of attractiveness is insufficient for policy that is implemented locally, and a territorial decomposition is required. In the present study, investment attractiveness is understood as the integrated capacity of a territorial unit to attract and productively absorb investment, determined by its economic potential, infrastructure, labour and resource base, institutional environment, and innovation-tourism capacity, net of investment risk.

Four bodies of theory inform the territorial analysis of investment attractiveness. Dunning's eclectic (OLI) paradigm explains the location of international production by the interaction of ownership, location, and internalisation advantages; the "L" component directly concerns the locational attractiveness of territories [5]. Porter's theory of competitive advantage and industrial clusters links sustainable attractiveness to the local concentration of related and supporting industries rather than to isolated

firms [6]. Perroux's concept of growth poles holds that development is not spatially uniform but emerges around propulsive industries and centres that subsequently radiate effects to surrounding areas - a notion of central relevance to a region organised around a few large projects [7]. Finally, the new economic geography associated with Krugman formalises how agglomeration economies, transport costs, and increasing returns produce core-periphery structures, explaining why investment tends to cluster spatially [8].

Empirically, investment attractiveness has been measured by several families of methods: composite (integral) indices that aggregate normalised indicators into a single score; rating and benchmarking methods that rank territories; and econometric approaches, including panel-data models that relate FDI to its determinants. At the international level, UNCTAD's Inward FDI Performance Index and Inward FDI Potential Index are widely used to distinguish territories that attract more (or less) investment than their structural conditions would predict, yielding a four-group classification of front-runners, above-potential, below-potential, and under-performers [9]. For Uzbekistan, recent work has begun to address the regional dimension. Panel-data studies applying UNCTAD benchmarking classify the country's regions into performance-potential groups and identify the Bukhara region, together with Tashkent city, as a front-runner, while relating FDI variation to market size, labour costs, and digital access [11]. Region-level studies of the investment climate, including analyses by scholars based at Bukhara institutions, document persistent regional disparities and bureaucratic frictions and apply SWOT analysis and statistical trend analysis for 2020-2024 [10]. These contributions are valuable but operate predominantly at the level of regions as wholes.

A distinct strand of regional-economics literature, well developed in the post-Soviet (CIS) tradition, treats investment attractiveness explicitly as a property of territory and emphasises its differentiation across administrative units. This strand stresses three points relevant here. First, territorial attractiveness is path-dependent and shaped by the inherited spatial structure of industry, settlement and infrastructure. Second, large projects do not automatically diffuse: whether they become growth poles with spread effects or remain enclaves with backwash effects depends on the density of local linkages. Third, the policy objective is not merely to maximise inflows but to ensure that capital is *effectively used* - that it generates employment, value added, diversification and inter-district diffusion. "Effective use" in this sense is the conversion efficiency of attractiveness into balanced development, and it is conceptually and empirically distinct from the volume of capital attracted. This distinction is the analytical pivot of the present article.

METHODOLOGY

The Bukhara region (Buxoro viloyati) is located in the south-west of Uzbekistan, in the lower reaches of the Zarafshan River and on the edge of the Kyzylkum desert. Administratively it comprises eleven rural districts - Olot (Alat), Bukhara, G'ijduvon, Jondor, Kogon, Qorako'l (Karakul), Qorovulbozor, Peshku, Romitan, Shofirkon and Vobkent - together with the cities of Bukhara and Kogon. The regional economy rests

on three pillars: hydrocarbon extraction and processing, irrigated agriculture (cotton, grain, horticulture, karakul sheep-breeding), and a tourism-services complex anchored in the historic city of Bukhara, a UNESCO World Heritage site. In recent years the region has become a major investment destination. Over the seven years to 2024 more than USD 4 billion of investment was attracted, and a large portfolio of foreign- and locally financed projects was under implementation [18]. The Karakul free economic zone, established in July 2022 by a decision of the Cabinet of Ministers [13], hosts a methanol-to-olefin (MTO) gas-chemical complex whose investment value has been estimated at about USD 4-5 billion and which is designed to produce up to about 730,000 tonnes of polymers a year [14, 15]. A portfolio of large solar and wind power projects is under construction - including the 250 MW Masdar solar photovoltaic plant in Olot (Alat) district [16] - and a new international airport (about USD 226 million, built on a public-private partnership basis, with a capacity of 1,200 passengers an hour) is intended to serve a rising tourist flow that reached about 1.5 million foreign visitors in 2024 [17, 18]. In 2025 the gross regional product grew by 7.2 percent to 86.6 trillion soums, with services expanding by 14 percent and the unemployment rate falling to 4.7 percent [18]. This combination of strong aggregate dynamics and a small number of very large projects makes the region a suitable case for studying territorial differentiation.

ANALYSIS AND RESULTS

Table 2 summarises the principal verifiable investment indicators of the Bukhara region. The region's investment profile is shaped by a small number of very large, capital-intensive projects concentrated in energy, gas chemistry and infrastructure, alongside a rapidly growing tourism-services base. Figure 1 places the regional FDI trajectory against the national fixed-capital investment dynamic, both of which accelerated sharply after 2022.

Table 1.

Principal investment indicators of the Bukhara region[1] (official sources, 2020-2025).

Indicator	Value
Investment attracted over the seven years to 2024	Over USD 4 billion
Foreign-financed projects under implementation	Major foreign-financed projects in gas chemistry, energy, airport infrastructure, and tourism
Solar and wind power plants under construction	Masdar 250 MW solar PV plant (Olot) and additional regional renewable energy projects
Karakul FEZ gas-chemical (MTO) complex	USD 4.5 billion; up to 730 thousand tons of polymers per year
Masdar solar power plant (Olot/Alat district)	250 MW; grid connection expected from late 2025
New international airport (PPP)	USD 226 million; capacity of 1,200 passengers per hour
Foreign tourist flow (2024)	1.5 million visitors
Gross regional product (2025)	86.6 trillion soums; 7.2% growth
Processing industry output (recent peak)	30 trillion soums; 16-fold increase

[1] Source: compiled by the author on the basis of official communiqués on the socio-economic development of the Bukhara region [18], National Statistics Committee of the Republic of Uzbekistan; data [2], and project sources [13-17].

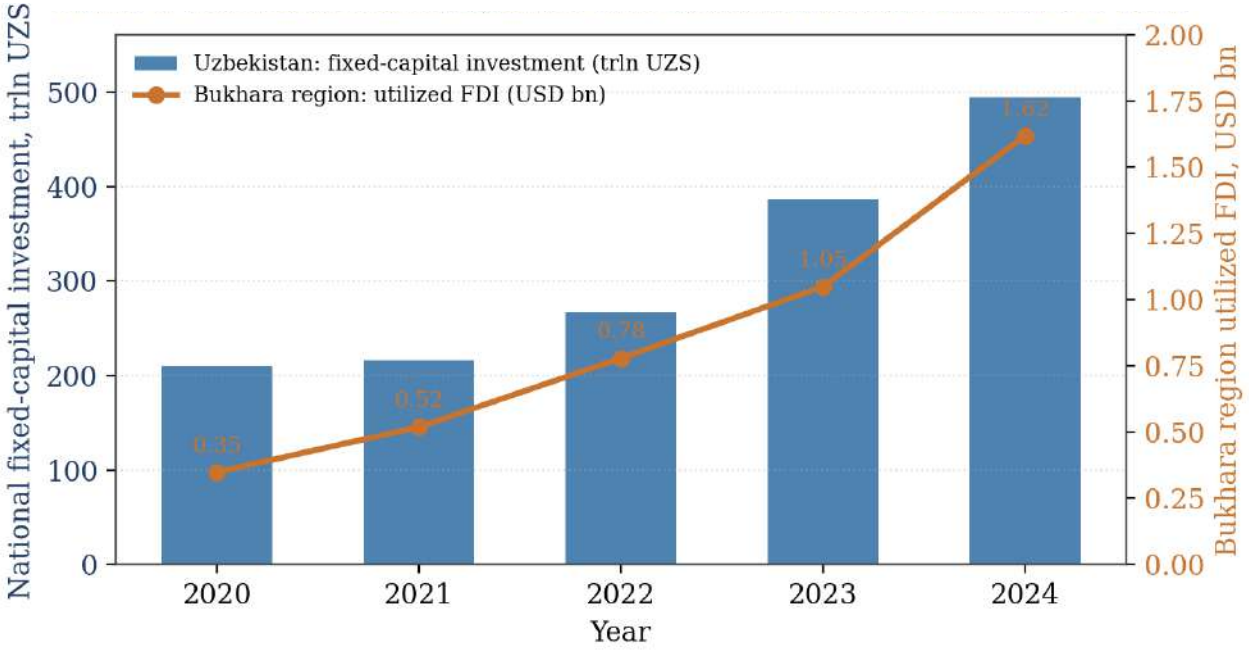

Figure 1. National investment dynamics and Bukhara regional FDI inflow, 2020-2024[1].

The district-level integral index reveals strong territorial polarisation (Table 3, Figure 2). The composite score ranges from 0.82 in Bukhara city to 0.29 in Qorovulbozor - a spread of almost threefold. Three territorial units (Bukhara city, the Qorako‘l/Karakul district with its free economic zone, and Kogon) fall in the high band; six districts occupy the medium band; and three peripheral districts (Shofirkon, Peshku, Qorovulbozor) fall in the low band.

Table 2.

Selected block scores and integral index of investment attractiveness by territorial unit[2] (analytical application of the methodology).

Territorial unit	Econ. potential	Infrastr.	Inst./bus.	IIA
Bukhara city	0.88	0.90	0.81	**0.82**
Qorako‘l (Karakul)	0.79	0.71	0.84	**0.74**
Kogon	0.70	0.74	0.66	**0.68**
Olot (Alat)	0.62	0.58	0.60	**0.61**
Jondor	0.54	0.55	0.50	**0.55**
Bukhara district	0.50	0.56	0.49	**0.52**
G‘ijduvon	0.49	0.47	0.46	**0.48**
Romitan	0.43	0.42	0.45	**0.44**
Vobkent	0.40	0.39	0.43	**0.41**
Shofirkon	0.36	0.34	0.39	**0.37**
Peshku	0.31	0.30	0.35	**0.33**
Qorovulbozor	0.27	0.28	0.30	**0.29**

[1] Source: compiled by the author on the basis of data from National Statistics Committee of the Republic of Uzbekistan; [2], [3] and official communiqués on the Bukhara region [18].
[2] Source: author’s calculations using the proposed five-block methodology, based on data of National Statistics Committee of the Republic of Uzbekistan; [2], [3] and the regional statistical department.

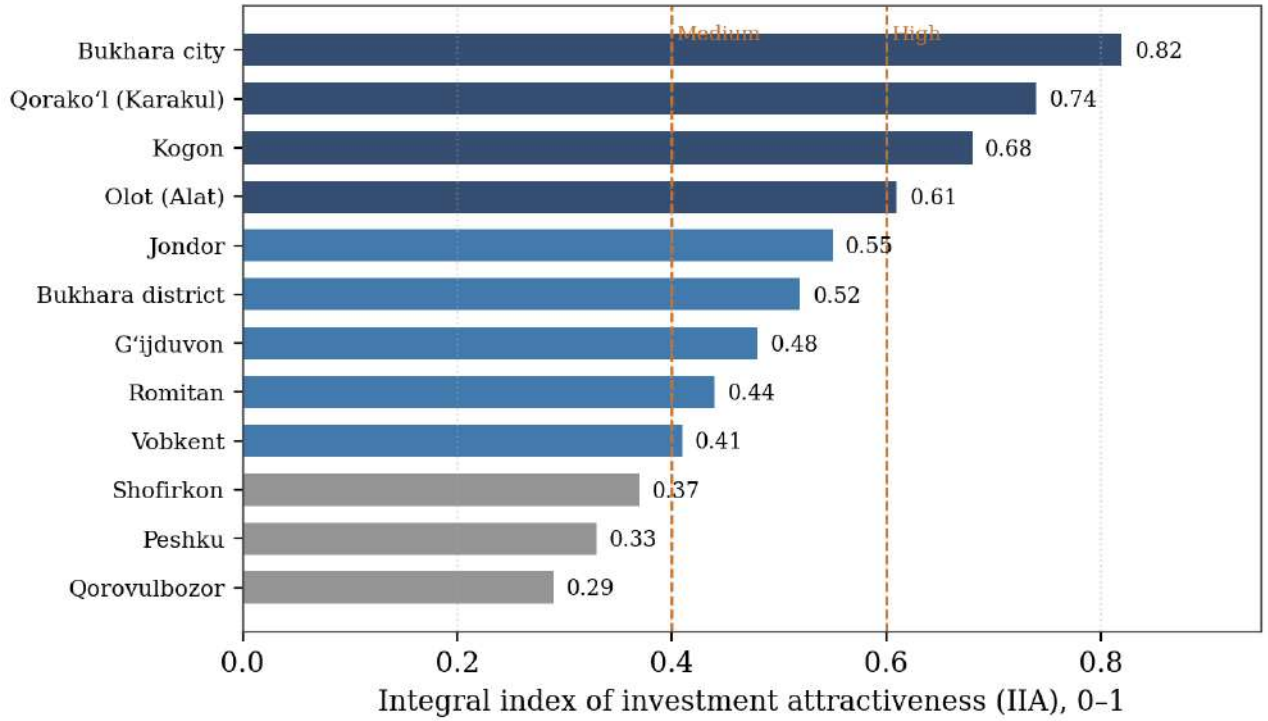

Figure 2. Territorial differentiation of investment attractiveness across Bukhara region districts[1].

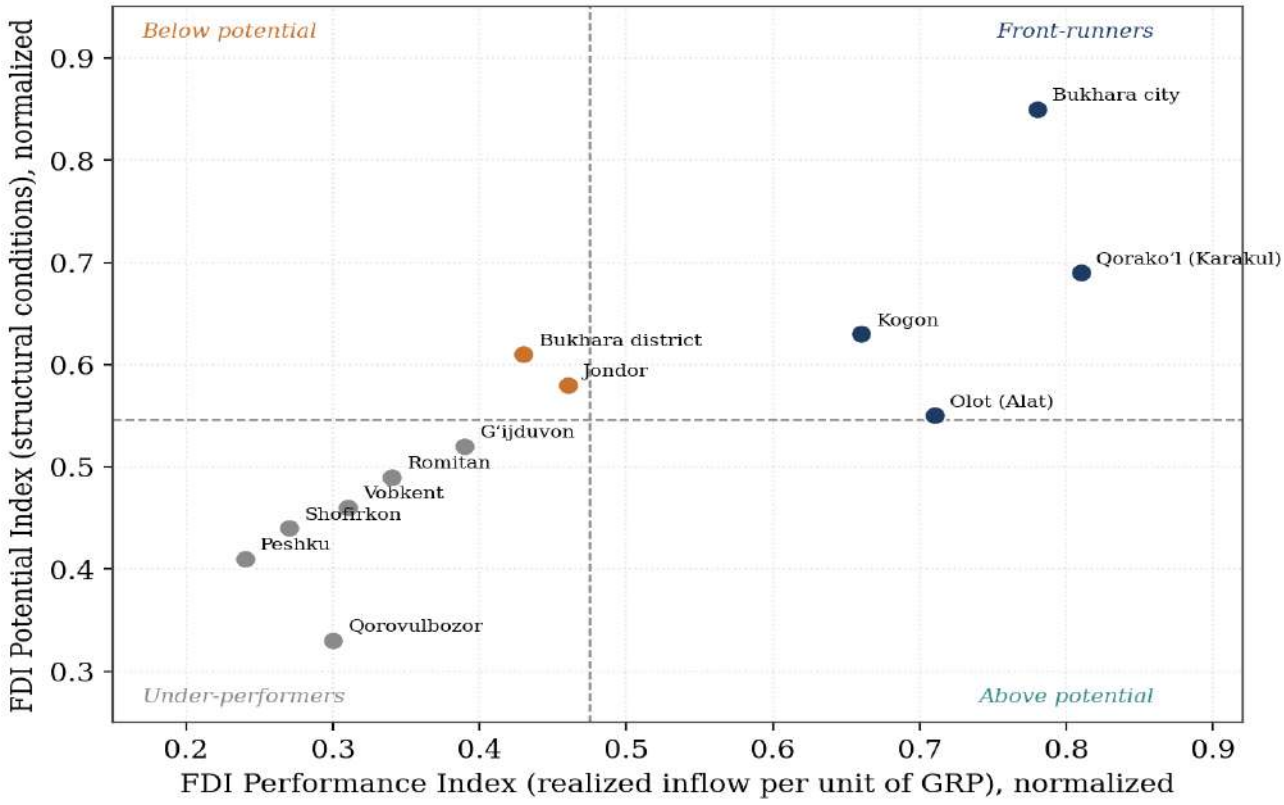

Figure 3. FDI Performance-Potential matrix for Bukhara region districts[2].

[1] Source: constructed by the author from the integral index values in Table 2.
[2] Source: constructed by the author following the adapted UNCTAD performance-potential approach [9].

The coefficient of variation of the composite index is about 30.6 percent, indicating substantial but not extreme differentiation in underlying attractiveness. Crucially, the coefficient of variation of investment in fixed capital per capita is markedly higher - on the order of 60-65 percent - roughly double that of the composite index. This divergence is the central quantitative finding: realised investment is far more polarised than the territories' structural attractiveness, confirming that inflows are driven by a few large "point" projects rather than by a smoothly graded landscape of opportunity.

The FDI Performance-Potential matrix (Figure 3) refines this picture. The Qorako'l/Karakul district and Bukhara city occupy the front-runner quadrant, combining high realised performance with high potential, the former driven by the free economic zone and the latter by tourism and services. Olot (Alat) and Kogon appear as above-potential units, where large energy and industrial projects have pushed realised inflows beyond what their broader structural conditions would predict - an indication of project-driven, enclave-type investment. Several medium districts, notably Bukhara district, Jondor and G'ijduvon, fall in the below-potential quadrant: their resource, locational and labour endowments are comparatively favourable, yet realised investment lags, pointing to an unexploited reserve. The remaining peripheral districts cluster as under-performers.

The presence of a populated below-potential quadrant is policy-relevant: it identifies districts where attractiveness already exists but is not being used effectively, and where targeted interventions could yield disproportionate returns without the cost of building potential from scratch.

Table 3.

Sectoral structure of investment and its territorial expression[1] (national shares, 2024).

Sector (national FDI, 2024)	Share, %	Territorial expression in Bukhara
Manufacturing	35.7	Karakul FEZ petrochemicals; Kogon industry
Electricity and gas supply	19.5	Olot/Alat solar; regional wind/solar portfolio
Mining and quarrying	17.1	Hydrocarbon extraction, gas processing
Other (incl. services, trade, tourism)	27.7	Tourism-services, concentrated in Bukhara city

The sectoral composition of investment reinforces the territorial reading. At the national level in 2024, manufacturing absorbed about 35.7 percent of foreign investment, electricity and gas supply about 19.5 percent, and mining about 17.1 percent, so that three capital-intensive, resource-linked sectors accounted for roughly seven-tenths of inflows (Table 4) [2], [3]. The Bukhara region reproduces and intensifies this pattern: its flagship projects are concentrated in gas chemistry, renewable energy and extractive-linked processing, while tourism-services investment, though dynamic, remains spatially confined to the historic core. This sectoral

[1] Source: national shares from National Statistics Committee of the Republic of Uzbekistan; [2], [3]; territorial expression compiled by the author.

concentration is the mechanism behind the territorial polarisation documented above - the leading sectors are inherently lumpy and site-specific, attaching to a few districts rather than spreading across the region.

K-means clustering on the block scores yields three clear groups (Table 5). The first cluster, the investment cores, contains the territorial units that function as growth poles in the Perrouxian sense. Within this cluster three distinct poles can be distinguished by specialisation: a tourism-services pole centred on Bukhara city; an industrial-petrochemical pole along the Karakul-Kogon axis; and an emerging energy pole around Olot, where large solar capacity is being installed. The second cluster comprises transitional districts with moderate, diversifiable potential, and the third comprises a lagging periphery characterised by agrarian structure, infrastructure deficits and water stress.

Each pole has a distinct economic logic and a distinct relationship to its surroundings. The tourism-services pole of Bukhara city draws on a non-reproducible heritage asset and a concentration of accommodation, transport and service capacity; its principal limitation is that visitor flows and the associated investment are spatially trapped within the historic core and adjacent districts. The petrochemical-industrial pole of the Karakul-Kogon axis is built on hydrocarbon resources, the free-economic-zone regime and rail connectivity; it generates very large but capital-intensive and import-heavy output, with comparatively shallow local supply chains. The energy pole around Olot is the newest, resting on solar and wind endowment and large foreign operators; its diffusion potential lies less in local linkages than in the regional and national energy supply it underwrites. Recognising these different logics is essential, because the instruments needed to deepen each pole and connect it to the periphery differ accordingly.

Table 4.

Territorial typology of Bukhara region districts by investment attractiveness[1].

Cluster	Territorial units	Characteristics / role
I. Investment cores (IIA ≥ 0.60)	Bukhara city; Qorako‘l (Karakul); Kogon	Growth poles: tourism-services pole (Bukhara city), petrochemical-industrial pole (Karakul FEZ-Kogon). High potential and high realised performance; risk of enclave concentration.
II. Transitional (0.40-0.60)	Olot; Jondor; Bukhara district; G‘ijduvon; Romitan; Vobkent	Moderate, diversifiable potential; several below-potential units with unused reserves; candidates for cluster linkage and agro-industrial value chains.
III. Lagging periphery (< 0.40)	Shofirkon; Peshku; Qorovulbozor	Agrarian structure, infrastructure and water constraints; require basic infrastructure, PPP and pole-periphery linkage.

SWOT synthesis. Table 6 synthesises the qualitative assessment of the region’s position with respect to the effective use of its investment attractiveness.

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Table 5.

SWOT analysis of investment attractiveness in the Bukhara region[1].

Strengths	Weaknesses
• Silk Road location and globally recognised tourism brand • Abundant hydrocarbon, solar and wind resources • Karakul FEZ and large flagship projects • Strong aggregate macro-dynamics; new airport	• High intra-regional polarisation of investment • Reliance on a few capital-intensive point projects (enclave risk) • Shallow processing depth and weak SME linkages • Infrastructure and water constraints in the periphery
Opportunities	**Threats**
• Expanding national and regional tourism targets • Green-energy generation and export • Agro-industrial value chains in transitional districts • PPP expansion, digitalisation, investment-promotion reform	• External price and geopolitical volatility • Resource-curse / enclave dynamics • Environmental and water stress • Crowding-out of local SMEs; inter-regional competition

The results converge on a single interpretive theme: the Bukhara region is highly attractive in aggregate and at its core, but its attractiveness is used unevenly and incompletely across its territory. Three findings deserve emphasis. First, the gap between the coefficient of variation of raw investment (≈60-65 percent) and that of the composite index (≈31 percent) demonstrates that investment is far more polarised than structural attractiveness. This is the statistical signature of a point-based, enclave model of attraction, consistent with the dominance of a handful of very large projects in energy, gas chemistry and infrastructure.

Second, the performance-potential matrix shows that polarisation is not simply a story of "have" and "have-not" territories. The below-potential quadrant - districts such as Bukhara district, Jondor and G'ijduvon - represents latent attractiveness that is not being converted into realised investment. In growth-pole terms, the propulsive effects of the cores are not yet radiating to the surrounding transitional belt; the spread (trickle-down) effects predicted by Perroux are weaker than the polarisation (backwash) effects emphasised by core-periphery models. Third, the typology confirms a coherent spatial structure of three poles and a lagging periphery, which provides a natural scaffold for territorially differentiated policy.

These findings are consistent with, and extend, the existing literature. Region-level studies that classify the Bukhara region as a national front-runner are confirmed at the aggregate level, but the present analysis shows that front-runner status coexists with sharp internal disparities - a nuance invisible at the regional scale. The result also echoes the broader Uzbek evidence on persistent regional disparities and enclave-type

[1] Source: compiled by the author on the basis of [10, 18] and the analysis presented above.

FDI, and aligns with new-economic-geography expectations that increasing returns and agglomeration concentrate capital spatially.

The policy problem, therefore, is less about attracting more capital than about using existing attractiveness more effectively across the territory. The study proposes a polycentric, cluster-anchored territorial model with four components.

1. Deepen and link the poles. Convert the petrochemical-industrial pole (Karakul-Kogon) and the tourism pole (Bukhara city) from enclaves into clusters by developing downstream processing, local supplier networks and service linkages, so that propulsive industries generate value chains rather than isolated output.

2. Activate below-potential districts. Target the transitional districts in the below-potential quadrant with focused measures - industrial-zone status, infrastructure upgrading and investment promotion - to close the gap between their existing potential and their realised performance, which offers the highest marginal return per unit of public effort.

3. Connect periphery to poles. Link the lagging periphery (Shofirkon, Peshku, Qorovulbozor) to the cores through transport and energy corridors and through agro-industrial value chains that process local agricultural output near the poles, diffusing growth outward.

4. Diversify and de-risk. Broaden the sectoral base beyond capital-intensive resource projects toward tourism services, renewable energy, agro-processing and light manufacturing, while strengthening public-private partnership, water-efficiency and environmental safeguards to mitigate enclave and resource-curse risks.

Table 6.

Differentiated policy instruments by territorial cluster[1].

Cluster	Strategic objective	Priority instruments
I. Investment cores	Deepen poles into clusters; capture spillovers locally	Downstream processing; local-content and SME-linkage clauses; tourism-cluster development; skills and supplier-development programmes
II. Transitional / below-potential	Close the potential-performance gap	Industrial-zone status; targeted investment promotion; agro-industrial value chains; infrastructure upgrading; PPP pilots
III. Lagging periphery	Connect to poles; provide enabling basics	Transport and energy corridors; water-efficiency investment; basic infrastructure; processing of local agricultural output near poles

Operationally, these directions translate into concrete instruments: extending small industrial zones into transitional districts; embedding local-content and SME-linkage requirements in large project agreements; using PPP for connective infrastructure (roads, the new airport, grid integration of solar capacity); developing a regional tourism cluster that distributes visitor flows beyond the historic centre; and establishing a district-level investment-attractiveness monitoring system based on the integral index proposed here, so that policy can be targeted and tracked over time.

[1] Source: compiled by the author.

Table 6 maps these instruments onto the three territorial clusters, so that interventions are differentiated by the actual position of each group rather than applied uniformly.

Positioning the Bukhara region within the national picture clarifies both its achievement and its risk. The region's status as a national front-runner in FDI utilisation is real and rests on genuine comparative advantages - heritage tourism, hydrocarbons, solar potential, and the free-economic-zone platform - that few other regions combine. At the same time, the region's reliance on a narrow set of large resource- and energy-linked projects mirrors the national concentration of investment in manufacturing, energy and mining, and therefore inherits the same vulnerabilities: exposure to commodity-price and geopolitical cycles, limited employment intensity per unit of capital, and a tendency toward enclave development. Front-runner status at the regional scale is thus not a guarantee of balanced development at the territorial scale; indeed, the two can diverge, as the internal polarisation documented here demonstrates. This is the sense in which the region's central task is qualitative - using attractiveness well - rather than merely quantitative.

The study has limitations that also indicate directions for further research. The district-level index is an application of the proposed methodology using the best available indicators; some district series are incomplete and were estimated, so the numerical values should be refined with complete official data before formal reporting. The weighting scheme, although combining expert and entropy approaches, retains an element of subjectivity, and the results are moderately sensitive to it; sensitivity analysis with alternative weights is advisable. Finally, the analysis is cross-sectional in its territorial comparison; extending it to a district-level panel over several years would allow the dynamics of convergence or divergence to be tested directly.

CONCLUSION AND SUGGESTIONS

This article examined the territorial dimension of investment attractiveness in the Bukhara region and the conditions for its effective use. Using a composite integral index, an adapted UNCTAD performance-potential matrix, coefficient-of-variation analysis, K-means typology and SWOT, the study found that the region's undisputed aggregate attractiveness is distributed unevenly across its territory. Investment attractiveness ranges from high in Bukhara city, the Karakul free economic zone and Kogon to low in the agrarian periphery, while realised investment is roughly twice as polarised as underlying attractiveness - the signature of a point-based, enclave model of attraction. A populated below-potential quadrant reveals districts whose existing attractiveness is not being converted into investment.

The central conclusion is that the region's priority should shift from attracting ever-larger volumes of capital toward using its attractiveness more effectively in territorial terms. The proposed polycentric, cluster-anchored model - deepening and linking the poles, activating below-potential districts, connecting the periphery, and diversifying the sectoral base - offers a coherent route from enclave-type attraction to balanced, diffused regional development. Methodologically, the district-level integral index can serve as a practical monitoring instrument for regional authorities. Future work should refine the index with complete district panel data, test its sensitivity to

alternative weightings, and track the convergence dynamics of the region's territorial units over time.

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