Journal of Economic Cooperation and Development, **46**, 4 (2025)

Foreign Capital Attraction Strategies in OIC Transition Economies: A comparative Study of Kyrgyzstan and Uzbekistan

Dzhapar Alybaev[1], Saltanat Omurova[2], Ermek Omurov[3], Ulanbek Moldakmatov[4] and Erkin Oteniyazov[5]

ABSTRACT

The aim of this study was to analyse possible measures for enhancing the attraction of foreign capital to the economies of the Kyrgyz Republic and the Republic of Uzbekistan. For both countries, foreign capital is not merely a necessity but also plays a supporting role for the inevitable structural reorganization of their economies. The development of the proposed strategy was based on the analysis of statistical data reflecting the performance of the Kyrgyz and Uzbek economies. Through this examination, it was determined that the most promising sectors for further development are agriculture in Kyrgyzstan, due to its significant share of employment, and the service sector in Uzbekistan, which holds the largest proportion in the national economy. To improve the functioning of these sectors, it is important to attract foreign capital to stimulate research and development. The determining factor in attractiveness in this case is a highly skilled labour force.

Keywords: investment inflow, foreign investment, national economy, agriculture, services sector.

[1] Department of Economics, Jusup Balasagyn Kyrgyz National University, Bishkek, Kyrgyz Republic. E-mail: alybaevdzhapar@gmail.com
[2] OJSC State Development Bank, Bishkek, Kyrgyz Republic.
[3] Simple Key Solutions, Bishkek, Kyrgyz Republic.
[4] Department of Finance, Analysis and Accounting, Kyrgyz State Technical University named after I. Razzakov, Bishkek, Kyrgyz Republic.
[5] Karakalpak Research Institute of Natural Sciences of the Academy of Sciences of the Republic of Uzbekistan, Nukus, Uzbekistan.