
Features of the Formation and Implementation of Regional Investment Projects under the Conditions Modernization of the Economy

Kuziev Ravshan Ramazanovich, Ph.D

Associate Professor, Department of Tax Policy Banking and Finance Academy of the Republic of Uzbekistan

Abstract: This article discusses the formation of an effective investment management system in the country, the key features of investment activities, research is devoted to the study of the features of the investment attractiveness of the region. The article also analyzes the works of leading Western economists and investment scientists, provides an analysis and generalization of the essential characteristics of the concepts of "investment" and "investment activity".

Key words: foreign investment, investment activity, investment policy, innovation model, investment efficiency, investment project.

The development of high-speed globalization processes in the world economy, the impact of sanctions restrictions on economic growth and the achievement of a technological breakthrough in the national economy have raised the issue of forming a new effective model of the country's economic development, taking into account modernization transformations in the economy and potential of national competitive advantages.

Currently, one of the key priorities for the sustainable socio-economic development of the country and its regions is the modernization of the economy, which ensures the renewal of the technological foundations of the economic system and the increase in its competitiveness through the introduction of scientific, technical and technological innovations. Modernization is the main mechanism for changing the vector of economic development of the country and its regions, ensuring the transition from a resource model of the economy to an innovative one.

It is important to note that the transition of the economy to an innovative development model largely depends on the effectiveness of investment activities in the country and its regions, while the region is the most important link in the investment chain.

For science, the study of investment activity is of great theoretical and practical significance, since it reveals the features and qualitative characteristics of the economic system of the country and its regions, determines the processes and creates conditions for sustainable economic growth and innovative development of the territory. At the present stage, the formation and implementation of an effective system for managing investment activities in the context of economic modernization

➤ One of the main strategic tasks facing the country's leadership, regional authorities, scientific organizations and the business community.

An important component of the successful implementation of investment activities are regional investment projects aimed at stimulating modernization transformations in the economy and creating prerequisites for sustainable economic growth.

Despite the significant contribution of domestic and foreign scientists to the development of theoretical and methodological approaches to the study of investment activity, many theoretical and practical aspects of this problem are in their infancy, and the issues of formation and

implementation of regional investment projects that take into account the modernization impulses of the economy and achievement of the goals of socio-economic development of the region, remain insufficiently studied.

As a result, the issue of forming an effective investment management system on the territory of the country, taking into account the peculiarities of regional investment projects in the context of economic modernization, is brought to the forefront in scientific research.

At this stage, it becomes important to analyze, generalize and systematize theoretical, methodological and applied research on investment activities in order to scientifically understand the specifics of its implementation, reveal the features of the formation and implementation of regional investment projects in the context of economic modernization.

The transition to an innovative development model and the achievement of a technological breakthrough in the national economy raised the issue of forming a new effective model of the country's economic development, taking into account the modernization transformations in the economy and the potential to use national competitive advantages.

In order to maintain the modernization impulse, regional government authorities pay great attention to the main priorities and tools for the implementation of investment activities. At the same time, investments are the most important systemic element of modernization and a catalyst for innovation processes in the country's economy.

Currently, one of the key areas of research in economics is investment activity, since investments affect all areas of economic activity, determine the processes of economic growth of the country and its regions.

The area of this research is investment activity as one of the key forms of human activity, which, in the understanding of the largest economist of the twentieth century, L. Mises, serves as a means of implementing changes in the economy in time and space¹.

The Austrian economist L. Mises in his treatise on economic theory "The Theory of Money and Credit" laid down the methodology of economic science, starting with the theory of value, the theory of money and ending with economic policy L. Mises transformed economic theory into a general theory of human activity².

A significant contribution to the development of theoretical approaches to the study and formation of a methodology for managing the investment process, taking into account the peculiarities of the movement of investments in the economic system of the country, was made by foreign scientists G. Alexander, J. Bailey and W. F. Sharp³, R. N. Holt and S. Barnes⁴ et al.

In the works of leading Western economists and scientists, investments are considered as a tool for increasing capital within a certain economic system, creating an effect over a certain period of time. At the same time, scientific works often draw a parallel between the economic categories "investment" and "investment" (J. Downes, J. M. Keynes, K. Mc Connell, S. Brew and S. Flynn, J. Hicks and etc.).

J. M. Keynes in his work "The General Theory of Employment, Interest and Money" described the logical model of "influence - the interaction of investment and savings", associated with an increase in the income of the population, a decrease in the share of consumption and an increase in the share of savings⁵.

Representatives of macroeconomic theory (K. McConnell, S. Brew) in the framework of the study of investment activity emphasized the importance of increasing the capital functioning in the

¹ Mises L. V. The theory of money and credit. - New Haven: Yale University Press, 1953. - 487 p.

² Mises L. V. The theory of money and credit. - New Haven: Yale University Press, 1953. - 487 p.

³ Sharpe W., Alexander G., Bailey J. Investments. - 6th ed. - Upper Saddle River, NJ: Prentice Hall, 1999. - 990 p.

⁴ Холт Р. Н., Барнес С. Б. Планирование инвестиций. - М.: Дело, 1994. - 116 с.

⁵ Keynes J. M. The general theory of employment, interest and money. - London: Macmillan, 1936. - P. 25.

economic system through the targeted use of investments.

The American economist W. F. Sharp has written many scientific papers on the theory of investment and the valuation of financial assets, in which investments are considered as an investment of money with the aim of making a profit in the future. The theory of investment proposed by W. F. Sharp, supported by G. J.

Based on the analysis of the considered theoretical approaches, four key features of the implementation of investment activities can be distinguished:

- 1) an important component of the implementation of investment activities are investments, or investment resources;
- 2) investment activity provides for the investment and effective use of investments - the result of investment (making a profit or achieving another beneficial effect);
- 3) in the economic space of the region, the processes of investment activity are carried out (space);
- 4) Investment activity provides for obtaining a beneficial effect in the current and future period (time aspect).

In the economic literature, the interpretation of the concept of "investment activity" has an ambiguous interpretation, often has a debatable character. Analysis and generalization of the essential characteristics of the concepts of "investment" and "investment activity" allowed the author to identify four key theoretical approaches that reveal the features of investment activity in the "space-time" coordinates with the scientific application of such basic categories as "investment", "region", "project".

To date, it is considered important to study such topical issues as a system-conceptual approach that allows considering investment activity as part of the territorial socio-economic system, taking into account the peculiarities of the formation and implementation of regional investment projects, to investigate the process of the impact of projects on the investment management system in the economic space of the region, as well as to form strategic guidelines for regional investment activities in the conditions of modernization of the economy. At the same time, this system has the integrity and structuring of elements, subsystems and connections between them, the ability to change in time and space, and also has development goals and interacts with the external environment.

The analysis of theoretical approaches to the study of investment activity and the concept of "investment" allowed the author to single out the fundamental theoretical basis for the study of investment activity, based, firstly, on the theory of economic growth, secondly, on the theory of regional economic development, and, thirdly, on the theory of modernization, creating a logical model for the study of investment activity in the space of the region.

The neoclassical approach to economic growth focuses on the issue of capital accumulation and the relationship between the two main factors of production - labor and capital - to achieve sustainable balanced growth. In the center of the study are the laws of pricing, analysis of the relationship between supply and demand. Basic model of economic growth R.Solow includes the Cobb-Douglas production function, in which labor and capital are sub-stitutes; the condition for the analysis is the diminishing marginal productivity of capital, constant returns to scale and the rate of disposal, as well as the absence of investment lags. At the same time, clarification of the boundaries of production factors makes it possible to determine the factors that contribute to economic growth.

It should be noted that many studies are devoted to studying the features of the investment attractiveness of the region and its interaction with such economic phenomena as the investment climate and investment activity. At the same time, a unified approach to determining the essence of such an economic phenomenon as investment attractiveness has not been formed in economic

science.

Currently, a number of theoretical and methodological approaches and criteria for assessing the investment attractiveness and investment climate of the subjects of the Federation are presented, containing comparative and expert methods of analysis, tools for building multifactor models and evaluating economic indicators, taking into account the established list of criteria (GRP, industry –left structure of the economy, the level of infrastructure development, etc.), including practical recommendations for their application.

In the economic literature, as part of the study of the essence of the investment attractiveness (investment climate) of the region, the influence of such factors as investment potential (or investment capacity) and investment risk is considered.

The investment potential (investment capacity) of the territory is characterized by the maximum possible volume of capital investments in the framework of the implementation of investment activities, taking into account the totality of macroeconomic indicators. The investment potential of the region is a system of interconnected economic indicators (indicators) that form a single integrity (infrastructural, financial, consumer, labor, resource and raw materials, institutional, industrial, innovative, etc.).

The investment climate of the region is directly related to the investment risk, which is characterized by the possibility of occurrence in the framework of the implementation of investment activities of conditions that have a negative impact on the result and activities of all participants in the investment process, including the occurrence of unforeseen financial losses. At the same time, the investment risk is calculated as an integral indicator and depends on many factors that affect the result of the investment activity of the region (economic, financial, political, social, legislative, environmental and criminal).

As a result of the generalization of the study, it can be concluded that the investment attractiveness of the region plays a key role in the formation of a favorable investment climate and the implementation of effective investment activities, is the result of creating a model for the effective interaction of participants in the investment process (investors, public authorities, business, scientific community, population, etc.) and develops under the influence of many internal and external factors.

It should also be emphasized that the investment attractiveness of the region is a qualitative characteristic of the implementation of investment activities and includes a set of objective and subjective features, properties, resources that determine the intensity of attracting investments to the region.

References:

1. Law of the Republic of Uzbekistan No. ZRU-604 of February 17, 2020 "On Special Economic Zones".
2. Mirziyoev Sh.M. "Critical analysis, strict discipline and personal responsibility should be the Daily rule of every leader." - Tashkent.: Xalq so'zi newspaper, January 15, 2017.
3. Decree of the President of the Republic of Uzbekistan dated January 12, 2017 No PF-4931. "On the establishment of free economic zones" Urgut ", " Gijduvon ", " Kokand "and" Hazarasp".
4. Kuzieva, N. and others. (2020). Efficiency of free economic zones in Uzbekistan through taxes ways of supply. *International Journal of Advanced Science and Technology*. Vol. 29, №. 7, (2020), pp. 7861-7873.
5. Kuzieva, N. and others. (2020). Business processes in the insurance system and their features. *International Journal of Advanced Science and Technology*. Vol. 29, №. 7, (2020), pp. 7908-7913.

6. Kuzieva, N. and others. (2020). Overview of tax administration and tax revenue in Denmark, Norway, Sweden and Uzbekistan. *Solid State Technology* Volume: 63. Issue: 4, (2020), pp. 390-409.
7. Kuzieva, N. and others. (2020). Use of electronic commerce platforms in order to increase the competitiveness of insurance companies. *Solid State Technology* Volume: 63. Issue: 4, (2020), pp. 663-669.
8. Kuzieva, N. and others. (2020). Analysis of free economic zones in the Republic of Uzbekistan: development, functioning and existing tax regime. *Solid State Technology* Volume: 63. Issue: 4, (2020), pp. 574-582.
9. Kuzieva, N. and others. (2020). The oretical aspects of the emergence of free economic zones and their role in the economy of the state. *Solid State Technology* Volume: 63. Issue: 4, (2020), pp. 673.