
Development of Innovation and Investment Policy in the Economy of Uzbekistan

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Abstract: This article is devoted to the characteristic of main directions of development the innovative-investment policy of Uzbekistan Republic. In it sources of means and the projects implemented within the innovative- investment program of the state are considered. There is the conclusion in the article that innovative activity of the enterprises still is the major condition of realization of measures on modernization and country renovation.

Key words: innovative-investment policy, economic growth, economic transformations, business activity, resource saving, import replacement.

Introduction

Innovation and investment processes are the most important objective and necessary condition for economic growth.

The innovation and investment policy is given a key place in the process of economic and social transformations aimed at creating new favorable conditions for the development of innovative entrepreneurial business, which is the core of economic growth.

Therefore, in the context of economic modernization, the problem of increasing the innovation and investment activity of enterprises is one of the key ones.

Innovation and investment policies should be aimed primarily at further deepening of structural reforms in the economy, enhancing innovation and investment activities of enterprises in order to attract foreign investment by creating the most favorable 's condition first to solve social problems through the selection of innovation and investment priorities. Therefore, the most important task of the country's development should be not only to stimulate the innovation activity of entrepreneurship, but also to improve the system of benefits and preferences in the implementation of innovation and investment processes.

Main part

The trend of innovative development of innovative processes with the support of state innovative financing, which has clearly manifested itself in recent years in the world market of innovative investments, is also characteristic of Uzbekistan. Uzbekistan has adopted a number of additional legal norms aimed at further improving the innovative and investment attractiveness of our country. However, in the implementation of projects, the cost of which exceeds \$ 50 million, in which the share of a foreign investor is at least 50 percent of the new construction of industrial infrastructure, is carried out at the expense of state investments.

This is illustrated by implemented a project for the construction, reconstruction and railway electrification, rehabilitation and modernization of the railway freight and passenger transport, to which disbursed the equivalent of more than 630 million dollars, more than half of which is spent on the construction of electrified railway line Angren-Pap. Along with this, the rehabilitation of railway tracks with a length of 240 kilometers was carried out, about 650 freight and 20 passenger cars were built on our own, the railway station in the city of Karshi was reconstructed. High-speed trains "Afrosiyob", plying between Tashkent and Samarkand, transported over 180 thousand passengers in 2014 [2] .

It should be noted that the stability and development of the enterprises activity plays an important role in shaping the modern innovative structures s economy.

Therefore, in conditions of deepening structural reforms in the economy, the actual task is the priority development of innovative high-tech industries oriented to the production of innovative high-quality products, the direction 's to increase the competitiveness of domestic enterprises in the global markets of products (goods), as well as modernization of th production, accelerated renewal of all spheres economy. This can be achieved through investment in the innovation sector.

As world practice shows, in developed countries, in the implementation of innovation policy, the emphasis is on funding research and development. As world practice shows, in the industrialized countries of their research intensity reaches 3% th level of GDP for research intensity of their in 2008 relative to GDP was well in the United States - 2.57%, Japan - 3.18%, Israel - 4, 71%, Sweden - 3.86%, Finland - 3.51%, Republic of Korea - 2.99, Germany - 2.51%, France - 2.13%, Taiwan - 1.42%, China - 1, 34%, Russia - 1.34% [4, C .68] .

At the same time, the volume of the world market for innovative and high technology products has reached 2.3 trillion. USD., of which the US accounting for 36.0%, Japan - 30.0%, China - 6.0% and Russia - 0.3% [3, C .15].

Therefore, in the industrial development of the country th inno -translational activity of the enterprises paid more attention. This manifests itself in an exceptionally maximum stimulating enterprises for the purpose of development, I high-tech products, for the achievements in the field of science, etc., subsidized at all stages of the development of enterprises, with an important role for small innovative businesses. It is to this sector of the economy that the state provides loans, provides practical assistance in obtaining loans from commercial banks under guarantees or sureties.

Therefore, in the conditions of intensified business activity, enterprises of all spheres of the economy are attracted to investment activities. Of course, there is no progress without innovative activities of enterprises, innovations determine the prospects for the development of enterprises, in particular, and the entire economy as a whole.

Improving the investment and business innovation environment is an important priority for the development of the economy of the entire country. In recent years, the republic has made significant progress in creating a positive environment for the development of innovative processes. A number of measures have been taken to further reduce the cost and ensure transparency of all procedures related to ensuring the development of small innovative businesses in the country.

The first results of the measures taken to develop innovative activities of small business entities to improve their business activity are also positively evaluated. In 2019, according to the World Bank 's Doing Business reports, Uzbekistan rose eight positions in the ranking, and in taxation - 61 positions. UNDP estimates that Uzbekistan has entered the top ten countries by number of reforms in the field of facilitation in business SIC over the last year [2, C .2].

Attention is drawn to the fact that the country provides an active, targeted innovation policy, which is based on the ongoing structural transformations and diversification of the economy in the country through the implementation of an active and targeted program of innovative measures.

A special place in the implementation of the program of measures to ensure the modernization of the country's production potential is occupied by an active and targeted investment policy focused on ensuring the innovative development of the economy.

Regarding this, it should be noted that in 2014 the volume of investment in the economy grew by 10.9% and amounted to the equivalent of \$ 14.6 billion. USA. Attention is drawn to the fact that over 21.2% of all capital investments, or more than \$ 3 billion. USA, accounted for foreign investment and loans, of which three quarters are foreign direct investment.

All this should contribute not only to resource conservation and import substitution, but also to optimize and improve the structure of industry, as well as to increase the share of manufacturing industries and industries in it. It goes without saying that the planned innovation strategy and tendency is not only directly related to enterprises, but also largely solved by them and for the benefit of their present and future. Therefore, it is necessary to promote the extension of the life of innovative enterprises, rather than traditional ones. For, as evidenced not only by the world, but already by the domestic experience, enterprises operating outside modern innovations do not have great prospects, do not withstand, or at least cannot withstand the competition that is developing every day.

A report issued by the World Bank updated the ranking of countries in terms of economic development as measured by the gross domestic product, calculated on purchasing power parity, among 190 countries of Uzbekistan rose from 72nd place in 2010 to 66th place " [2, C . 1].

The innovative climate created in the country helps to attract large foreign investments to the economy. Noteworthy is the fact that if in the past 10 years, the volume of investments in the country's economy grew by more than 3 times the volume of foreign direct investment has increased over this period by more than 20 times [6].

The main directions of innovation policy are to ensure the implementation of strategically significant tasks aimed at the construction of innovative industries, modernization, technical and technological renewal of enterprises, outstripping the development of social infrastructure, creating conditions on this basis for achieving sustainable and dynamic development of the economy as a whole.

This indicates a further increase in the role of sources for the formation of innovative products, an increase in the innovative capabilities of economic entities, enterprises and private foreign investors.

Currently, state funds are directed mainly to solving the problems of innovative development of small business.

With all the transparency of the development of innovative processes, it should be able to solve the following active tasks:

- use of resources to achieve the country's strategic goals in the field of science and technology;
- creation of an investment environment conducive to the growth of innovative activity of enterprises;
- development of systems of territorial priorities for innovative scientific and technological development;
- creation of an innovative infrastructure corresponding to the socio-economic conditions of a particular locality (region, city, district, village).

These tasks are applicable throughout the republic as a whole, in particular, in the Samarkand region.

While the economic opportunities of Samarkand region lagging th tons of Tashkent region (including the city of Tashkent), Navoi and Kashkadarya, but he and extensive enough s , and this applies not only to the development of the main traditional sectors of the economy, but also the industries related to the development and production in the innovation sphere (see Fig. 1) .

From the point of view of industry specialization, processing industries, as well as agriculture, prevail in the economy of the Samarkand region, which makes it possible to form a high-quality innovation base aimed at servicing these processing industries, moreover, the outlined development of agriculture and its financial and credit support also allow count on favorable opportunities for territorial companies in the creation and sale of innovative products for this area.

To ensure the development of small innovative business, loans from leading international large banks were attracted. It is envisaged that funds will be allocated to the National Bank for Foreign Economic Activity of the Republic of Uzbekistan, Uzpromstroybank, Hamkorbank, Asaka Bank and Ipak Yuli Bank for a total amount of over \$ 100 million under credit lines for the development of small business [5]. The funds are provided by banks in Germany, Korea, China, the Netherlands and the Islamic Corporation for the Development of the Private Sector for targeted lending to small businesses and the acquisition of imported technologies and equipment, the construction and reconstruction of thermal power plants, high-voltage lines and the electrification of regions of the country through credit lines of international financial organizations such as Asia Development Bank (ADB), World Bank, Japan International Cooperation Agency (JSA), Islamic Development Bank, Export-Import Bank of China, State Development Bank of China, Korea Development Bank, other foreign financial institutions, banks and companies.

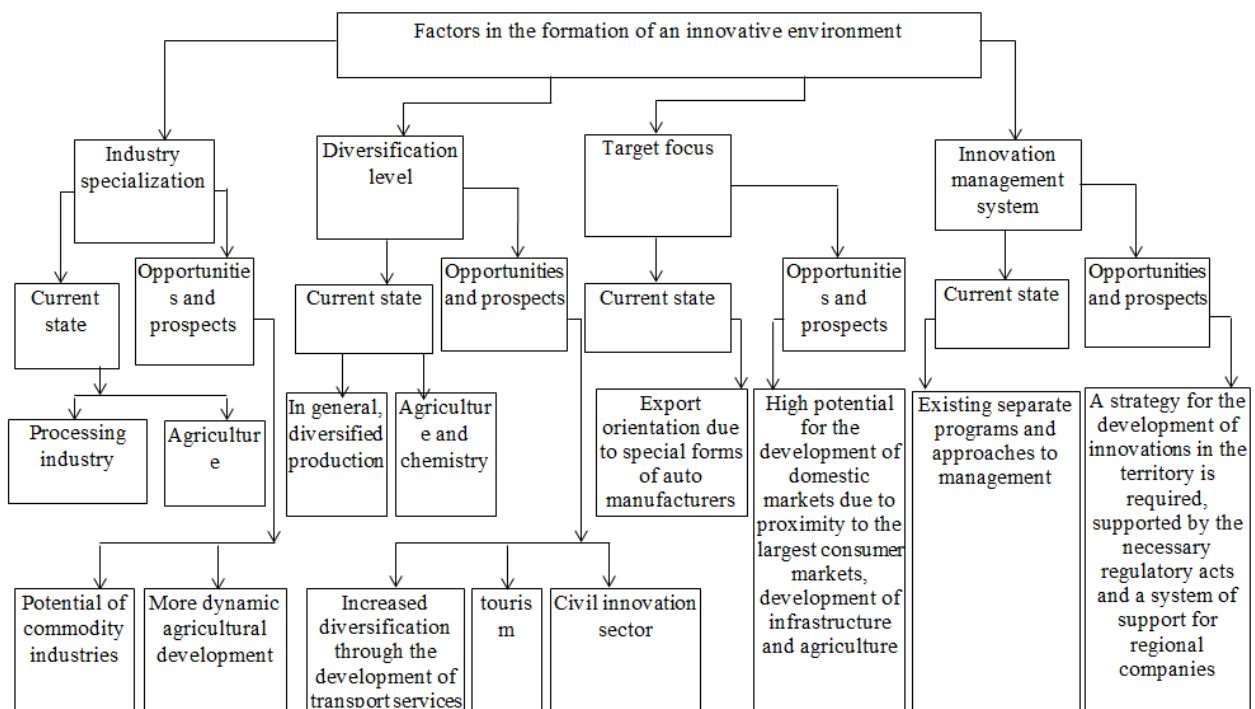


Fig. 1. The state of the factors that form the innovation environment of the Samarkand region

An important role in the implementation of the processes of modernization, technical and technological re-equipment of enterprises is played by the Fund for Reconstruction and Development of the Republic of Uzbekistan, whose capital has now exceeded \$ 15 billion.

In the group of decentralized innovative investments, the State Investment Program defines investment projects implemented with the attraction of foreign direct investment. A characteristic feature of this period should be considered the consistently high activity of foreign investors in the Uzbek market. Foreign investments and loans aimed at the country's economy has reached a more than 23%. [2] This indicator is most important for characterizing the economy with a favorable innovation and investment climate, since the level of innovation and investment activity is determined by the conditions that are created in the country for effective business and investment. An example is the implementation together with a consortium of foreign banks and companies are innovative, unique, even by world standards, the Ustyurt Gas Chemical Complex at Surgil deposit, whose total cost is more than \$ 2.5 billion [6] , Covering introduction of gas-chemical technologies that are able to provide and be extraction of up to 97 percent of ethane, propane and other valuable components from natural gas. All of this can be attributed to innovative enterprises of the latest generation.

It is envisaged to implement a large-scale first projection worth more than 4 billion dollars US in conjunction with the South African company "Sasol" and Malaysian corporation "Petronas" contemplating and first production of synthetic liquid fuels based on purified methane. This will be of great importance for the domestic economy, since for the first time this enterprise will produce synthetic liquid fuel - liquefied gas, jet kerosene and premium diesel fuel.

On the territory of the Angren Free Economic Zone, with the participation of foreign investors from South Korea and China, 8 investment projects of an innovative nature are being implemented today, amounting to more than 186 million US dollars [1]. These include, first of all, the organization of the production of base oils from waste petroleum products, the manufacture of copper pipes of various diameters, valves and components, sanitary ceramics, ceramic plates, briquetted coal, the production of medical products and pharmaceutical products, and others. It also envisages the implementation of 22 more profitable projects for a total amount of about \$ 245 million.

To create conditions for attracting foreign investors on the territory of FIEZ "Navoi" and FIEZ "Angren", the necessary production infrastructure is being built at the expense of state funds. Funds in the amount of 3.0 billion soums have been allocated from the state budget for the construction of engineering structures and communications of FIEZ "Navoi". And in the development of the infrastructure of the FIZ "Angren" in 2013, from all sources, it was planned to invest 14.4 million dollars [6] .

Conclusion.

Thus, the innovative activity of enterprises is still the most important condition for the implementation of measures to modernize and renew the country.

Natural resources and their availability can affect the development of raw materials industries serving the interests of the territorial electric power industry and chemistry. For territorial companies, such a development is attractive and allows us to hope for an increased demand for innovative products of these industries.

The economy of the regions has also been diversified. It presents a variety of industries and services. At the same time, the emphasis is on large auto-industrial enterprises, agriculture and chemistry.

Currently, a group of innovative enterprises has been formed in the region, successfully operating in the domestic and foreign markets. These enterprises use the potential of the territory, its labor and other resources with the aim of creating and promoting innovative products to the markets,

allowing its consumers to solve complex production and infrastructural problems. All this testifies to the presence of diversification of new innovative programs in this territory.

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