

**SCIENTIFIC AND THEORETICAL BASIS OF DEVELOPING INVESTMENT CAPACITY
FOR INNOVATION AT THE REGIONAL LEVEL**

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These analyses show that the availability or volume of investment resources is not a sufficient condition for ensuring the innovative and investment development of the region. The quality and effectiveness of institutional and organizational mechanisms come into play as the main decisive factor. According to modern economic theories, innovative and investment development is considered a system that relies not on resources, but on the institutions and management mechanisms that activate them. From this point of view, ensuring regional innovative and investment development is manifested in dependence on the institutional environment, organizational structures and their coordinated activities. Institutional mechanisms form the "rules field" of innovative and investment development. They include a complex of legal, financial, fiscal and administrative institutions and serve to ensure confidence, stability and predictability in making investment decisions. As noted in the previous paragraph, corruption, legal instability and bureaucratic obstacles are the main factors that reduce investment activity. Therefore, the main task of institutional mechanisms is to minimize these institutional risks.

In modern scientific approaches, institutional mechanisms are considered in the following main areas:

- legal institutions that guarantee the rights of investors;
- a transparent and stable fiscal and tax system;
- financial institutions that stimulate investment activity;
- institutional control mechanisms against corruption;
- administrative institutions based on the principle of digital governance and the "single window".

The harmonious activity of these institutions forms the necessary institutional foundation for activating the innovative and investment potential in the region.

Organizational mechanisms and their innovative significance If institutional mechanisms create conditions for investment activity, then organizational mechanisms appear as practical tools that translate these conditions into real economic results. Organizational mechanisms ensure the coordination of innovative and investment processes at the regional level, manage the flow of resources, and implement projects.

In modern scientific literature, organizational mechanisms are interpreted in the following forms:

- innovation clusters and industrial zones;
- technoparks, IT parks and business incubators;
- regional development and investment funds;
- public-private partnership (PPP) mechanisms;
- startup ecosystems and venture financing systems.

These mechanisms play an important role in directing investments directly to innovative projects, commercializing scientific developments and introducing intellectual capital into economic circulation. In particular, the development of clustering and sectoral cooperation at the regional level is an important organizational basis for innovative and investment development. The sustainability of innovative and investment development is determined not by the separate existence of institutional and organizational mechanisms, but by their harmonious and synchronous activity. If institutional mechanisms do not create a favorable environment for organizational structures, organizational mechanisms cannot function effectively without institutional support. Therefore, in modern approaches, regional innovative and investment development is considered as an institutional and organizational ecosystem. Within this ecosystem, the state, the private sector, scientific institutions and financial institutions work together. This cooperation accelerates the emergence of innovations, the attraction of investments and their transformation into real economic results.

Analysis of institutional mechanisms in the regions of Uzbekistan When analyzing the mechanisms for ensuring innovative and investment development in the regions, it is appropriate to view the institutional environment in two layers:

(I) “rules and guarantees” at the central level (legal frameworks, national agencies),

(II) “execution and service ecosystem” at the regional level (SEZ/KIZ directorates, technoparks, IT Park branches, project offices, PPP portfolio).

I- 1.1. Investor monitoring and “one-stop” institutions As the institutional support of the investment process in these regions, the Investment Promotion Agency provides information, legal and organizational support to foreign investors in a “one-stop-shop” model. This model acts as an institution that reduces transaction costs between investors and government agencies in the regions, and when investment activity in the regions is low, the problem is often not a lack of resources, but rather the uneven functioning of “one-stop” services at the regional level, weak interdepartmental coordination, and the complexity of permit procedures (institutional “bottleneck”).

II- 1.2. The most common institutional mechanism for attracting investment at the regional level in special economic zones and territorial directorates is special economic zones (SEZs/SEZs), small industrial zones, and related zones. In recent years, reforms have been noted in this area aimed at improving the legal framework, simplifying management, expanding powers, and decentralizing administrative functions to a certain extent.

The differences between regions are as follows:

Tashkent city and Tashkent region: due to the strong elements of logistics, industrial cooperation, services and the digital economy, it is relatively easy to form a portfolio of “fast” investment projects. (Institutions + market capacity + personnel)

Fergana Valley (Andijan-Fergana-Namangan): the potential for labor resources and production cooperation is high; however, the quality of institutional work in infrastructure, permits and land allocation processes remains decisive.

Samarkand-Bukhara: the tourism and service chain is strong; service innovations, logistics and agrotourism integration are more likely in innovative-investment development.

Karakalpakstan and remote regions: due to the high infrastructure costs, a quality model of state co-operation (subsidies, guarantees, PPP) and institutions that reduce investor risk are more important.

Also, official statistical materials provide information on the presence of SEZ, KIZ, technoparks and clusters and the number of entities in them, which indicates the scale of regional institutions.

An important link in the regional ecosystem in innovation and investment development is the IT Park and its regional infrastructure. The spread of innovative entrepreneurship to the regions through the IT Park's branches in the regions and infrastructure elements (coworking, laboratory, education, event zones) acts as an institutional mechanism, and in assessing the innovative and investment potential of regions, such result indicators as the number of residents, export, training, and survival rate of startups are more important than the "existence of an IT Park/technopark".

Conclusions and recommendations: In conclusion, low investment activity in the regions slows down the implementation of innovative development strategies and seriously hinders the realization of the internal economic potential of the regions. Therefore, modern scientific approaches to identifying and assessing innovation-oriented investment potential determine the activation of regional investment policy, improving the institutional environment and strengthening the mechanisms that transform investments into innovative results as a necessary condition for regional sustainable development, and the classification of investment activity by social, economic and environmental directions and objects of implementation based on modern economic terms and approaches creates a solid scientific and methodological basis for developing innovation-oriented investment policy. This approach is fully consistent with the modern scientific paradigm aimed at ensuring, along with the economic efficiency of investments, their social usefulness, environmental sustainability and innovative potential.

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