

The Importance of Creating Competitive Industrial Chains in Industrial Sectors and Increasing the Efficiency of Investment Projects

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ABSTRACT

This article highlights the importance of creating competitive industrial chains in industries and increasing the efficiency of investment projects using the opportunities of the investment environment. In addition, an analytical approach to the state of production of industrial sectors and proposals and recommendations for increasing the volume of investment on the basis of investment projects to ensure a competitive industrial chain have been developed.

KEYWORDS: *competitive industrial chains, investment, investment environment, investment projects, direct investment.*

Introduction.

The Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis summarizes the results achieved this year, the work done in the framework of the State Program "Year of Science, Enlightenment and Digital Economy" and names the next year. Priorities for domestic and foreign policy have been identified.

Another important issue raised in the Address of the President of the Republic of Uzbekistan to the Oliy Majlis is to ensure high economic growth in the country in the coming years. As the President said, economic growth requires the constant development of new goods and upward progress in the global production chain.

Analysis of the relevant literature

In his address, President Shavkat Mirziyoyev said that oil and gas, metallurgy, machinery, electrical engineering, pharmaceuticals, construction materials, textiles, leather and footwear, which are identified on the basis of in-depth scientific and practical research and have all the potential, should become the "drivers" of our economy. They also expressed their views on what to do in 2021, with particular emphasis on the following: [1]

- Development of investments totaling \$ 23 billion in the areas involved in the creation of competitive industrial chains and the commissioning of 226 large industrial and infrastructure facilities;
- reducing the state's participation in investment policy, ensuring the priority of increasing the share of private and direct investment;
- To determine the list of promising industrial clusters by April 1, 2021 and to develop a separate program for their development;
- Increasing the production of industrial products under the "regime of processing in the customs territory";

- In the field of geological prospecting in the country, 50 deposits and promising areas will be sold to investors through auctions.

Uzbekistan ranks 80th in the Index of Economic Complexity, an increase of 9 points over the past decade. For comparison, this is the best indicator among Central Asian countries. Another important aspect of this index is that the higher the index, the higher the income level of the country. Based on this ranking, Uzbekistan expects an average annual economic growth of 4.5% over the next 10 years and is one of the 23rd highest among the 133 countries analyzed. Another noteworthy aspect is that since 2003, the number of exporting goods has increased by 23 new goods. During these years, the number of new products in Kazakhstan - 15, in Pakistan - 21, in Tajikistan - 10 [4].

Research methodology.

The main purpose of the study is to develop scientific and practical proposals and recommendations for the development of the industry based on the analysis of the state of investment in industrial enterprises, as well as the current implementation of reforms to create competitive industrial chains and increase the socio-economic significance of investment projects.

Analysis and results

Increasing investment projects is important in ensuring the economic growth of the country and the creation of competitive industrial chains. In this regard, the development and effective introduction of investment projects, taking into account the country's resource potential, will serve to deepen structural changes in industry, increase its competitiveness through modernization and diversification of leading sectors of the national economy.

Comprehensive measures are being taken in the industrial sector to further intensify investment policy aimed at modernizing and organizing high-tech industries that provide deep processing of local raw materials and production of finished products with high added value. Extensive work has been done to radically improve and simplify the mechanisms for implementing investment projects, to expand the attraction and development of investment, especially foreign direct investment [3].

In accordance with this decision, the Ministry of Investment and Foreign Trade of the Republic of Uzbekistan, in cooperation with the relevant ministries, departments and other organizations, has allocated 850.5 trillion soums on the basis of the Investment Program of the Republic of Uzbekistan for 2020-2022. soums of investments, including 35.5 bln. Aggregate forecast parameters for the development of capital investments in 2020-2022, which provides for the development of foreign investment in the amount of US dollars, as well as the development and attraction of investments and loans in 2020-2022, the creation of 206 new production facilities and more than 31 thousand jobs in 2020 issues of launching large production facilities and capacities have been identified.

Positive work is being done with the support of our Government on the development of industrial sectors and attracting direct investors. In particular, relations in the field of joint investments with the World Bank, the European Bank for Reconstruction and Development, the Islamic and Asian Development Banks, and other international financial institutions are changing for the better. In addition, in 2020, foreign investments will be directed to fixed assets, amounting to 6.6 billion US dollars [5].

The development and implementation of investment projects is of great importance for our country as well as for investors. In this regard, it is stipulated that the implementation of investment obligations will be carried out mainly in Phase 2. Today, the implementation of investment projects is important for every country. It is no exaggeration to say that investment as a "driver of the economy" is the "heart of the economy" - the driving force.

Along with investment in ensuring economic growth, new technologies, advanced foreign experience, highly qualified specialists, small business and entrepreneurship are rapidly developing in various industries and sectors, as well as in the regions.

According to the data, in January-November 2020, the enterprises of the republic produced industrial products worth 322.3 trillion soums, compared to January-November 2019, the volume index of industrial production amounted to 100.1%. The largest share in the structure of industrial production fell to the share of manufacturing industry, which accounted for its share in total industrial production (83.1%).

The main factor in the decline in the physical volume of industrial production was a decrease in mining and quarrying - by 22.5% and in water supply, sewerage, waste collection and disposal - by 6.2%. There was also an increase in manufacturing (processing) by 6.3% and electricity, gas, steam and air conditioning supply by 12.9%.

The volume of products produced by industrial enterprises in January-November 2020 amounted to 267.8 trillion soums or 83.1% of total industrial output. The share of high-tech industry in the structure of manufacturing industry is 1.9% (in January-November 2019 - 1.5%), medium-high-tech - 23.1% (26.1%), medium-low-tech - 40.5 percent (36.6 percent) and low-tech - 34.5 percent (35.8 percent).

Foreign investment is mainly applied to solve financial problems. The use of funds by the financial departments of foreign corporations for the purpose of obtaining high returns, along with short-term investments, leads to the determination of material interest. Such investments are often based on the capital of private entrepreneurs, who sometimes issue their own securities and buy foreign securities.

An analysis of the structure of foreign investment in Uzbekistan shows that the bulk of such investments are in export-oriented industries: fuel and energy, oil and gas, chemicals, gold mining and cotton processing, or short-term and multi-funded high-yield projects that do not require: trade, telecommunications, catering, construction of office and hotel buildings in major cities, food industry and financial services.

Ensuring the sustainability of production in all sectors is important in ensuring the chain of industrial sectors. In this regard, special attention is paid to the implementation of an active investment policy aimed at modernization of production, technical and technological renewal, implementation of projects in manufacturing, agriculture, transport and communications and social infrastructure. To this end, emphasis is placed on the development and effective use of centralized, decentralized funds, foreign investments and loans.

Particular attention should be paid to the work being done to attract investments for the implementation of projects on structural restructuring of the economy, modernization of industries, technical and technological renewal.

As of 2020, it is planned to create 62,972 new jobs in the Republic of Uzbekistan as a result of disbursement of investment funds of 16.7 trillion soums.

The total volume of investments in fixed assets in the Republic of Uzbekistan in 2017 amounted to 72155.2 billion soums, in 2019 - 195927.3 billion soums, in the three quarters of 2020 - 138106.6 billion soums.

Conclusions and offers.

The economic and social significance of creating competitive industrial chains and increasing investment projects is growing, in particular, as a result of deeper processing of raw materials, implementation of structural policies aimed at increasing the share of high value-added goods,

reducing the share of agriculture and industry, services an increase in the share of industries is observed.

The measures taken to create competitive industrial chains and increase investment projects, as well as technical and technological modernization of enterprises, expansion of the range of products and further increase the competitiveness of foreign and domestic investments will help to create chains of competitive industries.

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