

INNOVATIVE ACTIVITY PRACTICES AFFECTING THE INVESTMENT CLIMATE

Ikram Abdullayevich Navruzov

PhD., Senior Lecturer at Tashkent State University of Economics,
Department of “Evaluation and Investments”.

E-mail: navruzovikrom55@mail.ru / Tel: +998912690990

Innovation is becoming a key factor in human development and economic growth. The continuous development of the innovation process has a serious impact on the change of humanity and social life. Innovation has a great impact on the modernization of economic entities. Effective innovative activity determines not only the production strategy, but also the strengthening of the country's economic potential. Innovation includes the creation or improvement of a product (goods, work, service) in a new form, the introduction of a new view of the production process or the improvement of this process, the introduction of new marketing or organizational methods in conducting business, the creation of jobs, or the establishment of external relations. the final result of the activity is understood.

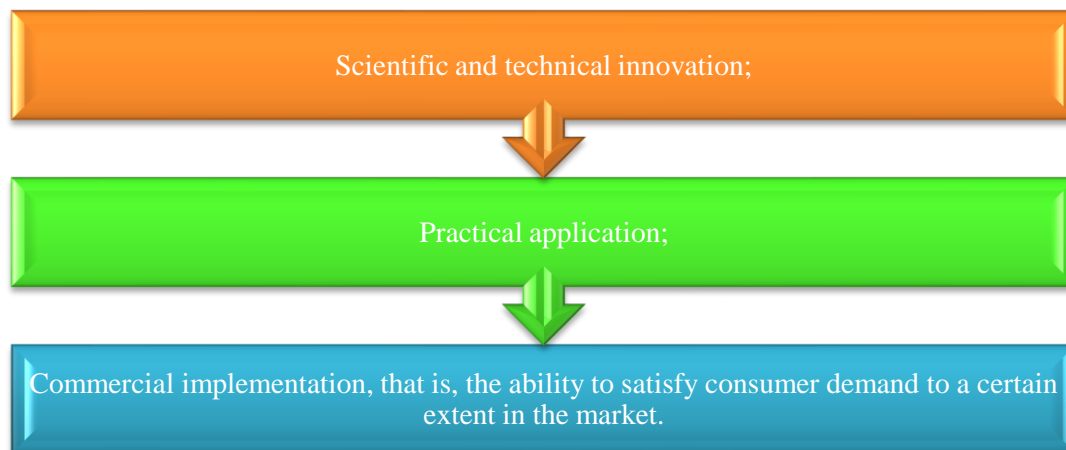


Figure 1. The main features of the innovation

In general, the innovation process is the formation and distribution of an innovation to a product.

Stage 1	new ideas and knowledge;
Stage 2	application of innovation (novation) to practical activities
Stage 3	innovation diffusion.

Figure 2. Stages of the innovation process

Another feature of modernity is the outsourcing of innovations, which shows the processes of forming a single scientific and technical space. The concept of the techno-industrial system of production, which forms self-regulating local systems that builds exchange relations according to the network principle, comes to the fore in the context of the global economic recession. As a result, there is a system in which the direct manufacturers of high-tech products do not completely manufacture their products - a part of the business is outsourced to third-party contractors, often spread across different countries. there is a model when done. A new type of division of labor is being formed - scientific research, development and innovation are carried out by “core countries”, while “semi-countries” are engaged in direct production of the final product.

Table 1 Top-10 2024 rankings overall and by innovation pillar

Developed countries	Overall GII	Institutions	Human capital and research	Infra-structure	Market sophistication	Business sophistication	Knowledge and technology outputs	Creative outputs
Switzerland	1	3	4	7	5	4	1	1
Sweden	2	16	3	1	9	1	2	6
United States	3	17	12	30	1	2	4	8
Singapore	4	1	2	11	7	3	9	19
United Kingdom	5	26	7	18	3	14	5	3
Republic of Korea	6	24	1	9	15	5	10	2
Finland	7	4	6	2	11	8	6	17
Netherlands	8	9	14	25	14	7	8	7
Germany	9	19	5	27	13	18	11	5
Denmark	10	2	9	8	21	12	13	10



The above data shows that Switzerland is ranked 4th in human capital and research, 7th in infrastructure, 5th in market sophistication, and 4th in business sophistication and in knowledge and technology outputs and creative outputs, it is taking the first place. It can be seen that among the developed countries, Switzerland is taking the first steps, which, along with defining the innovative position of the country, also opens a great way for a favorable investment environment and innovative economy.

The portfolio of innovative projects often allows you to choose from them. Innovative projects are designed for a certain period of time and differ in their aspects. The common denominator is that all innovative projects have their own life cycles and phases. Innovative projects are technically and economically justified, the feasibility of their implementation is assessed, the source is analyzed, the results of specific goals are calculated. The future results of innovative projects are effectively compared, the risks in the phases of the life cycle process are measured, and mitigation measures are developed through their management.

List of used literature:

1. Sheremet A., Rakhman Z. Accounting in a market economy. - M.: "Infra – M", 1996. - P. 135.
2. Davenport T. H., Leibold M., Voelpel S. C. Strategic management in the innovation economy: Strategic approaches and tools for dynamic innovation capabilities. – John Wiley & Sons, 2007.
3. Compiled by the author with the help of economic literature.
4. Aghion P., Harris C., Vickers J. Competition and growth with step-by-step innovation: An example //European Economic Review. – 1997. – T. 41. – №. 3-5. – C. 771-782.
5. Author's developments based on data from the official website of the Global Innovation Index - <https://www.wipo.int/en/web/global-innovation-index>