

**IMPROVING INNOVATION AND INVESTMENT CAPACITY MANAGEMENT
MECHANISMS IN THE CONSTRUCTION INDUSTRY**

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Article history:

Received: 10th February., 2022

Accepted: 12th February., 2022

Published: 19th February., 2022

Abstract. *This article discusses the implementation and management of innovative and investment processes in the construction industry. Development of projects to increase construction products and introduce them to the market and attract investment flows.*

Keywords. *construction industry, innovation, management, building materials*

Introduction. As a result of comprehensive reforms carried out by President Sh.Mirziyoyev, in recent years Uzbekistan has carried out large-scale work on the construction and reconstruction of new industrial facilities, housing, educational and medical institutions and other social facilities, including advanced architecture and modern, high-tech building materials are used.

The construction industry is an attractive and multi-sectoral process in which innovation plays a major role. [7] This sector differs from other sectors of the national economy by certain specific features. In turn, construction is a fast-growing field of activity that requires new ideas and technologies to remain a competitive industry. When introducing innovations in the construction sector, the main focus should be on the network characteristics of innovations and their targeted orientation. The analysis shows that the following types of innovations in construction can be distinguished:

- Introduction of effective innovative construction technologies (construction of experimental houses;

- improvement of technologies for the production of low-cost and high-quality thermal insulation materials);

- Introduction in practice of modern construction machinery and equipment, which will reduce the share of construction time and operating costs;

- use of new and high-quality construction and decoration materials;

- use of new forms of organization of construction and installation works; - introduction of new solutions in terms of architectural and planning description of the object under construction.

One of the most promising areas of development of the modern national economy and in particular the construction industry is the creation of materials using nanotechnology. For example, the addition of only 2-3% of nanoparticles to the concrete mass has a significant effect on increasing the strength, density and improving all the properties of this building material. Nanotechnology allows the creation of ultra-lightweight materials, including steel and concrete.

Along with the large-scale creative work carried out in our country, the construction industry is also developing rapidly. Today, hundreds of enterprises specializing in the production of such

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| 85 | ISSN 2277-3630 (online), Published by International journal of Social Sciences & Interdisciplinary Research., under Volume: 11 Issue: 02 in February-2022 https://www.gejournal.net/index.php/IJSSIR |
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products operate in the regions of the country. Their number is growing every year, and the production of new building materials is successfully growing.

The building materials industry is highly mechanized and fully meets the needs of the national economy in construction materials. New joint ventures are being built with the participation of foreign investors, and existing ones are being expanded with modern technology.

The largest organization operating in the network is the joint-stock company "O'zqurilishmateriallari".

In order to further develop and diversify the structure of the construction materials industry, attract foreign investment for modernization, technological and technical re-equipment of enterprises and increase its export potential, President of the Republic of Uzbekistan Sh. Mirziyoyev signed a decree on October 25, 2016, in accordance with the Resolution NPP-2641 "On measures to further improve", a joint-stock company "O'zqurilishmateriallari" was established on the basis of the joint-stock company "O'zqurilishmateriallari".

The main tasks of "O'zqurilishmateriallari" JSC are to determine the demand for modern building materials in the domestic and foreign markets, to take comprehensive measures for deep processing of local raw materials, to increase the volume and expand the range of competitive, export-oriented construction products.[10]

In addition, to meet domestic demand for new types of quality construction materials, to pursue a unified scientific and technical and investment policy in the widespread introduction of advanced energy and resource-saving technologies in the production of modern high quality building materials, investment in network modernization, technical and technological re-equipment, wide involvement, with leading foreign companies in this field to form opportunities for the production of a wide range of high quality modern building materials. [1]

In the first six months of 2019, the company produced 3693.1 thousand tons of cement, 6.2 million square meters of construction glass, 41.9 thousand tons of dry construction mixes, 40.7 thousand tons of construction gypsum, 16.7 thousand tons of lime, 29.7 million pieces of wall materials, 3.1 million pieces of slate, 25.8 thousand pieces of sanitary ware, quality and cheap local building materials. In the first half of this year, 154 new projects worth 518 billion soums were launched.

Analysis.As a result, 1,938 new jobs were created. Development of ceramic tiles, sanitary ware, ceramic granite, sandwich panels, soft roofing materials, basalt reinforcement, liquid wallpaper, heat-insulating materials. [3]

Our analysis and research show that the market price of construction materials increased slightly in 2009-2019, which was due to a sharp increase in demand for construction materials during these periods.

Table 1

Production volume of basic building materials (by years)

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| 86 | ISSN 2277-3630 (online), Published by International journal of Social Sciences & Interdisciplinary Research., under Volume: 11 Issue: 02 in February-2022 https://www.gejournal.net/index.php/IJSSIR |
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| Types of building materials | 2009 | 2010 | 2016 | 2019 |
|--|------|------|------|------|
| Cement (mln.tons) | 3.9 | 5.1 | 5.6 | 6.0 |
| Wall materials - brick (billion pieces) | 0.6 | 0.5 | 0.6 | 0.8 |
| Slate (mlr.dona) | 296 | 397 | 419 | 506 |
| Reinforced concrete structures (million m-3) | 0.5 | 0.6 | 0.7 | 0.8 |
| Play (mln. m-2) | 4.6 | 6.3 | 6.1 | 7.1 |
| Wood (board) (thousand m 3) | 8.0 | 8.4 | 16.4 | 10.4 |

Table 2

The main technical and economic indicators of the building materials industry

| № | Indicators: | 2005 | 2010 | 2019 |
|---|---|------|------|------|
| 1 | Gross output of the building materials industry (mld.sum) | 207 | 401 | 962 |
| 2 | Number of employees in the industry (thousand people) | 57 | 45 | 44 |
| 3 | Net profit (billion soums) | 18.2 | 139 | 328 |
| 4 | Productivity of production (profitability in%) | 32% | 72% | 126% |

At present, the market of construction materials in the Republic is full of all kinds of materials produced in Uzbekistan and abroad. It should be noted that the development of the construction materials industry, the strengthening of its material and technical base, the expansion of cooperation (integration) of construction materials markets with neighboring countries. As a result, this cooperation will play an important role not only in the construction and building materials industry, but also in the growth of our national economy.[5]

Building materials are sold through exchange trades. It should be noted that in recent years, the volume of sales and the range of goods traded on the stock exchange is growing.

Technological structure of investments in fixed assets by forms of ownership (2019)
 Technological structure of investments in fixed assets: The share of construction and installation work in the country - 49.7%, the cost of purchasing machinery, equipment, inventory - 39.7% and the share of other expenses is 10.6%. As can be seen from the table, most of the investments are in construction. It is known that in this case it is necessary to improve the mechanism of effective use of investments in the construction sector. Only when the investments in the country's economy are used effectively, these investments will bring positive growth rates to the country's economy.

Table 3

Investment statistics [11]

| | |
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| | Total | State | Non-State |
|-------------------------------------|----------|---------|-----------|
| | 107333,0 | 20126,7 | 87206,3 |
| <i>Including in% of the total</i> | | | |
| Construction and installation works | 49,7 | 65,2 | 46,1 |
| Machinery, equipment, inventory | 39,7 | 28,7 | 42,3 |
| Other expenses | 10,6 | 6,1 | 11,6 |

Despite the growing attention to construction, we can see that there are some problems in this area. It is obvious that these problems have a negative impact on the inflow of investment in this area. President Sh.Mirziyoyev commented on this: "There are 17 procedures for issuing permits in the construction industry, It takes an average of 246 days." [2] In addition, in the World Bank's report "Doing Business 2019: Training and Reforms", our country ranks 134th out of 190 countries in the field of "Building Permits". It is obvious that there is a need for systematic work in the field, and its implementation is now important for the development of this sector and attracting investment in this area.

Conclusion. In short, in the field of production of modern building materials to ensure their competitiveness, to fill the market of building materials with all kinds of materials, to improve the material and technical base of construction, great work is being done in our Republic. It should be noted that today the network needs to be seriously reformed. The network has huge reserves, potential and opportunities. Using them professionally, wisely and effectively will determine the future prospects of the industry. Attracting innovation and investment in the construction sector is growing day by day.

This shows that our country needs to solve some problems in this area. As a solution to such problems, we offer the following suggestions:

- first, simplification of the construction permit system;
- second, simplification of the mechanism of effective use of investments in construction;
- third, to attract more investment in this area;
- fourth, the formation of the correct placement of investment projects.

Today, the development of the construction industry plays an important role in the development of the country's economy and increasing the level of urbanization of the country. In addition, the attraction of innovation and investment in this area and the effective use of attracted investments will lead to the rapid development of construction.

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