

## **INNOVATIVE APPROACHES TO DEVELOPING INVESTMENT ACTIVITY IN COTTON-TEXTILE CLUSTERS**

Shadmanov Bakhodir Sherkulovich

Tashkent State University of Economics

In the context of globalization and the digital economy, the development of investment activity based on innovative approaches is considered one of the key factors of economic growth. Innovations contribute to the modernization of production processes, efficient use of resources, and the creation of high value-added products. The cotton-textile sector plays a significant role in Uzbekistan's economy, and the introduction of the cluster system in this field requires bringing investment activity to a new stage. The sustainable development of cotton-textile clusters is directly linked to the organization of investment activity based on innovative approaches.

Cotton-textile clusters integrate processes ranging from cotton cultivation to processing and the production of finished goods into a unified production chain. The introduction of innovative technologies within this system makes it possible to increase production efficiency, reduce costs, and improve product quality. However, innovative development requires substantial investment resources, which necessitates effective management of investment activity and the use of modern approaches.

In recent years, important reforms aimed at the innovative development of cotton-textile clusters have been implemented in Uzbekistan. The introduction of digital technologies, automated management systems, and energy-efficient and environmentally friendly production methods represents practical examples of innovative approaches in cluster activities. At the same time, innovative financing mechanisms, including venture financing, leasing, and public-private partnership-based projects, are gaining increasing importance in the development of investment activity.

Innovative approaches not only enhance the economic efficiency of investment activity but also help reduce investment risks and strengthen investor confidence. The implementation of innovative investment projects in cotton-textile clusters contributes to the diversification of production processes, an increase in the share of export-oriented products, and the strengthening of cluster competitiveness.

Therefore, studying the essence of innovative approaches to the development of investment activity in cotton-textile clusters, assessing their economic efficiency, and scientifically analyzing their practical implementation are of great relevance.

An analysis of the process of developing investment activity in cotton-textile clusters shows that the introduction of innovative approaches has a significant impact on improving production and financial indicators. In particular, in clusters modernized on the basis of

technological innovations, an increase in production volume and product quality, along with a decrease in production costs, has been observed. This serves as an important factor in ensuring the economic efficiency of investment projects.

The introduction of digital technologies creates new opportunities for managing investment activity. Digital monitoring of production processes, optimization of resource use, and management of financial flows in clusters help reduce investment risks. As a result, the level of accuracy and transparency in investment decision-making increases. This, in turn, strengthens investor confidence and creates favorable conditions for increasing investment activity.

The diversification of financing mechanisms is also one of the key directions of innovative approaches. Projects based on public-private partnerships, leasing, and venture financing enable the implementation of innovative investment projects in cotton-textile clusters. However, in some clusters, the level of utilization of these mechanisms remains insufficient. This indicates the existence of institutional and financial constraints in the development of investment activity.

Moreover, investment in human capital is emerging as an important factor of innovative development. A shortage of qualified specialists and scientific-technical personnel may negatively affect the effectiveness of innovative projects. Therefore, it is necessary to strengthen the integration of research and production, as well as to improve the system of personnel training in clusters.

The conducted analysis shows that innovative approaches are a key factor in the development of investment activity in cotton-textile clusters. The systematic and comprehensive implementation of innovations serves to increase investment efficiency and ensure the sustainable development of clusters.

The development of investment activity in cotton-textile clusters based on innovative approaches plays a crucial role in ensuring the sustainable and competitive growth of the sector. The introduction of innovative technologies, the use of digital management systems, and the application of modern financing mechanisms make it possible to use investment resources more efficiently.

The analysis indicates that innovative approaches contribute to increasing production efficiency, reducing costs, and improving product quality in cotton-textile clusters. In particular, automated production processes and digital monitoring systems not only increase labor productivity but also reduce production losses. This significantly enhances the economic efficiency of investment projects.

The introduction of innovative financing mechanisms plays an important role in stimulating investment activity. Investment projects based on public-private partnerships, leasing, and venture financing allow innovative ideas to be implemented in cluster operations. At the same

time, innovative approaches help reduce investment risks, create favorable conditions for investors, and improve the overall investment climate.

However, it is necessary to overcome existing challenges in the process of innovative development. In particular, limited sources of financing for innovative projects, a shortage of qualified personnel, and insufficient development of research activities may hinder the innovative progress of clusters. Therefore, strengthening cooperation between research institutions, higher education institutions, and production sectors is of great importance for the development of innovative activity.

In conclusion, the comprehensive use of innovative approaches in developing investment activity in cotton-textile clusters is a key condition for ensuring the long-term sustainable development of the sector. Investment activity organized on the basis of innovative approaches contributes to increasing the competitiveness of clusters, expanding export potential, and creating high value-added products in the national economy.