

EFFECTIVE MANAGEMENT OF INVESTMENT ACTIVITY IN THE DEVELOPMENT OF THE NATIONAL ECONOMY

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The organization and efficient management of investment activity, its role in the durable and sustainable development of the country's economy were studied in the article. At the same time, the issue of development of complex measures, programs, concepts in the direction of attracting domestic and foreign investment resources in the fields of the country's economy and its improvement, and implementation of the mentioned to ensure the development of the country's economy were considered in the article. At the same time, internal and external investments directed to the fields of the country's economy were analyzed.

Ensuring the continuous and stable development of the country's economy depends very much on the effective management of the formation of the investment activities carried out by the state. This makes it necessary to develop the program, concepts and implementation mechanism that ensures the permanent systematization and improvement of the investment policy in the country and the consistent implementation of the planned measures. The application of "green energy" zone, "green agriculture", "green transport", "smart cities", "smart" villages approaches, reforestation of thousands of hectares will play a major role in achieving the goal of "net zero emissions" by 2050 in the direction of the implementation of the measures envisaged in "Azerbaijan 2030: National Priorities for socio-economic development" approved by the Decree of the President of the Republic of Azerbaijan dated February 2, 2021 and in the direction of revitalization of the territories freed from occupation. In the globalized world, it is appropriate to prepare and implement economic political measures that ensure the attraction of domestic and foreign investments in the fields of the economy [3, p. 18]. In general, investment as an economic category is considered an important element of the market economy and is considered the main factor that ensures the increase of national income. Thus, the implementation of the investment activity in a justified form as an

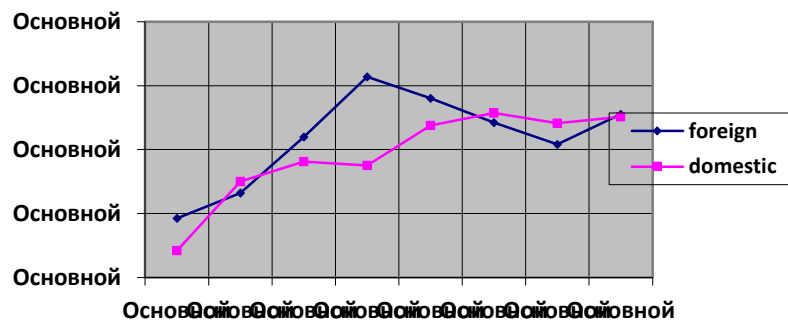
important factor in ensuring the dynamic development of the country's economy is of particular importance to the growth rate of the volume of product production and services in production and non-production areas, the acceleration of scientific and technical progress, the improvement of the structure of social production, and the solution of many socio-economic problems. The main goal of the implemented investment policy is to revive investment activity in the country, to develop the corresponding economy, and to increase the efficiency of production and as a result, the state programs prepared and implemented to create favorable conditions for solving economic and social problems also reflect the set of measures envisaged here. Taking into account the world experience, the creation and regular improvement of the legal base should be constantly considered as an important factor for the successful implementation of the investment policy. During the investment activity, there should be a legal guarantee that the investment subjects will attract their financial resources directly to the economic areas. Legal guarantee reflects measures of the state to finance domestic and foreign investments, to provide a state guarantee for their protection, and to create favorable conditions necessary to engage in investment activity through appropriate laws and regulatory acts. According to the country's legislation, guarantees given by the state in relation to investments should be provided to both domestic and foreign investors in the same manner. In the field of regulation of economic development in the Republic of Azerbaijan, the mechanism of investment activities is constantly renewed and improved, taking into account the experiences in the fields. Investment policy is the basis for ensuring continuous and sustainable development of the country's economy, both at the macro and micro levels. In essence, it determines the future activity of economic entities in the country as a whole and is considered the driving force of economic development. Investments in the economy are shown in table 1 (as well as graph 1 and graph 2).

Table 1 - Investments directed to areas of the economy

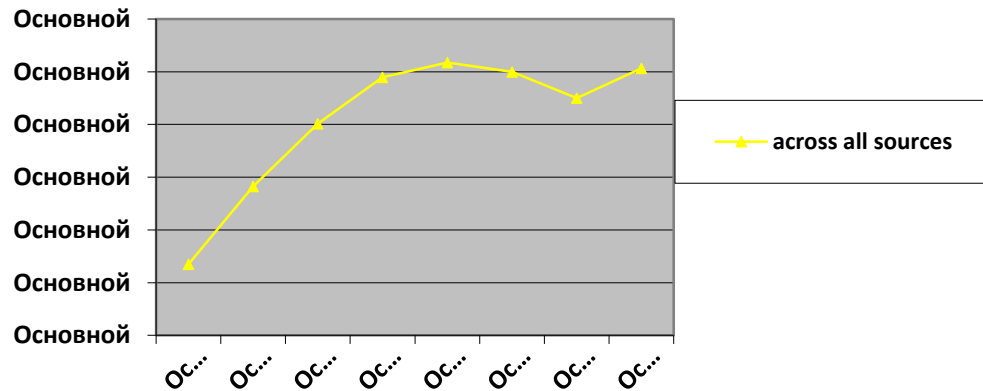
Indicators	2005	2010	In 2010 compared to 2005	2015	2017	In 2017 compared to 2015	2018	In 2018 compared to 2017	2019	2020	In 2020 compared to 2019	2021	In 2021 compared to 2005
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Investments, across all sources:													
million manats	6733,4	14118,9	2,1 Times	20057,4	24462,5	1,2 Times	25877	1,1 times	24986,6	22484	0,9d	25313,8	3,7 times

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Foreign investments:													
million manats	4628,5	6619,7	1,4 times	10998,9	15697,3	1,4 times	14002,1	0,9 times	12119,5	10413,2	0,8d	12751,9	2,7 Times
Domestic investments:													
million manats	2104,9	7499,2	3,1 times	9058,5	8765,2	0,9 times	11874,9	1,4 times	12867,5	12070,8	0,9d	12561,9	5,9 times

Source: The table was compiled by the author based on the data from <https://www.stat.gov.az/source/finance/az/004az.xls> [2].



Graph 1



Graph 2

Based on the analysis of the above table, it was determined that the volume of investments directed to the fixed capital in 2021 compared to 2005 was 25313.8 million manats or a 3.7 times increase, of which 12561.9 million manats were internal and 12751.9 million manats was realized at the expense of foreign investments. During this period, foreign and domestic investments increased by 2.7 times and 5.9 times, respectively. It should be noted that these indicators were achieved as a result of complex measures implemented in the direction of the investment environment in Azerbaijan in recent years. These provided the perfect regulatory legal framework and

its mechanism in the country, taking into account international practices. As a result of the implementation of these measures, the amount of direct foreign investments attracted to the country's economy in the last 10 years alone amounted to 57 billion US dollars.

Attracting foreign investments allows not only the introduction of technological innovations in the national economy, but also sustainable economic development accompanied by the introduction of new knowledge and technologies for innovative management. The active involvement of foreign direct investment is of particular importance in ensuring the country's economic development and stable high growth rates [1]. It should be noted that one of the important tasks carried out in the country's economy is the implementation of the measures provided in the "Azerbaijan 2030: National Priorities for socio-economic development" approved by the Decree of the President of the Republic of Azerbaijan dated February 2, 2021 [4]. In other words, five National Priorities aimed at socio-economic development of the country should be realized in the next decade. These include a sustainable growing competitive economy, a dynamic, inclusive and social justice-based society, a competitive human capital and modern innovation space, a great return to the liberated territories and a clean environment and "green growth" priorities [4].

Special attention should be paid to the creation and effective implementation of effective integration in the world economic system, and for this purpose, the importance of attracting permanent strategic investors to the important role of foreign investment factors should be taken into account. In this process, the national interests of the country should be protected, a competitive environment should be created for foreign investors, and a mechanism of efficient regulation of these investments should be developed.

References.

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