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CHARACTERISTIC OF THE ORGANIZATIONAL AND ECONOMIC MECHANISM OF INVESTMENT MANAGEMENT IN THE SPHERE OF HOUSING CONSTRUCTION OF THE CONSTRUCTION NETWORK

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Abstract. This article examines the features of the organizational and economic mechanism for managing investments in the sphere of housing construction in the construction
Keywords: housing construction, investments, management, organizational mechanism, economic mechanism, mortgage, leasing, public-private partnership, credit, "transparent construction, менdер.

In a globalized and highly competitive world, the global construction market is undergoing major changes due to the introduction of digital technologies. According to the McKinsey consulting company, the construction industry accounts for 13% of global GDP, and according to the international analysis of Exploding Topics, there are such trends as virtual, prefabricated, green construction, smart cities, BIM (Building Information Modeling) technologies, which will determine the industry's prospects in the near future. According to The Business Research Company, the construction modeling market is expected to grow from USD 14.9 billion in 2027 to USD 23.9 billion by 2031.

The most important trend in the global housing construction market (HCM) is the emergence of smart cities. According to Smart Cities Dive, spending on smart cities in 2020 was US$124 billion, while investment in smart cities in 2024 was US$203 billion, and according to international consulting firm Grand View Research, the market for smart cities will reach US$676 billion by 2028, and the market for modular construction, which is more efficient than traditional construction and reduces construction time and waste, will reach nearly US$130 billion.

In the new Uzbekistan, the construction sector, in particular housing and communal services, is developing steadily and systematically: 1 million housing units have been built in the regions, the number of "New Uzbekistan" massifs has been brought to 100, 200 thousand families have been additionally built, and social housing has been built for at least 140 thousand families. Also in the 48th goal of the Strategy "Uzbekistan-2030" the priority task is "doubling the production of construction materials and expanding the development of new types of energy-efficient materials, development of renovation programs taking into account public opinion to renew the outdated stock and residential buildings, construction of multi-storey housing in densely populated areas on the principle of "growth"". Similarly, the application in Uzbekistan of the advanced experience of improving investment processes in the UAV sector in developed countries requires the development of new methodological approaches and mechanisms for assessing the organizational and economic mechanisms of management of the UAV sector in the regions, the state of development on the basis of sociological research, and the effectiveness of management in the sector.

It follows from the above that the rapid development of housing construction and the increase in foreign and domestic investment in the sector are one of the important factors in the socio-economic development of Uzbekistan.

If we consider the volume and financial indicators of the projects implemented in

the housing construction sector in the country's economy, the volume of investment in housing construction for 2018-2023 increased 2.8 times, reaching 54.7 trillion soums in 2023.

Mortgage lending continued to grow in popularity in the first quarter of 2025, with 3.8 trillion soums invested in the sector, with the private sector accounting for almost 95% of the total. In 2024, the share of the construction sector in Uzbekistan's GDP was 6-7%, but in the first half of this year the growth amounted to 111%.

In the sphere of housing construction in the production and infrastructure plan for January-February 2025, construction works worth 26.3 trillion soums were carried out, of which 74% of the total volume of construction was new construction. This will support producers of construction materials, reduce imports of cement and reinforced concrete products, and stabilize prices.

In addition, in terms of social status and housing efficiency, in 2024, the State built 21.4 million m? of housing, corresponding to 100,000 families, providing jobs for 350,000 people. The increase in living space per person from 16 to 19 m? has had a great impact on social infrastructure, and the housing construction has opened up new markets (furniture, electricity, textiles, materials) and increased local industrial potential.

If we analyze the sources and volumes of funds allocated for housing construction, the total volume of investments is formed by state funds (52%), bank loans (24.8%), state budget (12.5%) and organizations (10.4%). 17 trillion soums of loans have been allocated for mortgage programs, 3 trillion soums for construction organizations. Current funds have been allocated, and in 2024 the system of protection of citizens' payments and guaranteeing their own funds has been launched.

Thus, housing development creates jobs and develops the private sector by adding a share to GDP, mortgage housing facilitates debt servicing for the population and ensures social sustainability of investments, and government programs in social housing serve the needs of the population and the sustainable development of regions.

Moreover, in developing countries, the construction sector contributes 3-8% of GDP, and the share of the housing sector in construction as a whole is 1/3. Investment is not related to the housing sector, but to multi-sectoral externalities: in addition to being calculated through valuations, it can create multiplier effects through job creation, material production and service provision.

On average, 7-10% of workers in housing construction are in the economically active population, creating long-term and permanent jobs. This sector has great potential, especially for unskilled workers: housing construction increases their income and economic activity. Sustainable housing provides the population with psychological and physiological stability. Social housing, in addition to meeting the social needs of the population, improves their health and educational performance.

Social housing is recognized as "infrastructure" - it is both economically and socially important for the state, bringing economic benefits through tax revenues, reduced costs for social services and mortgage/rent payments, and an expanded tax base for productive and service activities. In addition, from the perspective of green economy and green, smart homes, investing in housing with ESG criteria (energy, social, governance) brings not only financial but also social and environmental benefits, and the implementation of green technologies (LEED, energy efficiency) reduces the cost of construction, which will be very important for readers in the future.

As is known, any process in the economy has its multiplier effect, including each created job in housing construction, has an internal multiplier effect in the other two sectors. For example, in Kazakhstan, investments in new technologies are directed through public-private partnership (PPP) for modernization of public utilities, which

is an effective tool for solving urgent socio-economic problems.

In general, the improvement of socio-economic mechanisms of housing investment management requires effective interaction and full integration of the state, the private sector and the public, and certainly the following organizational and economic mechanisms are of particular importance. In particular, the organizational mechanisms include:

1. In Uzbekistan, phased monitoring and evaluation of projects is mainly studied in four main phases:

- Initial evaluation - grants/compression should be based on strategic information
- Implementation phase - results of departmental monitoring are aligned with the end of the year
- Interim monitoring - the project is checked for compliance with set outcomes at mid-term
- Post-intervention period - economic and social sustainability is assessed

2. State administration and competent ministries

- The Ministry of Construction and Housing and Communal Services coordinates the state's interaction with foreign investors, forms tender and feasibility bases;
- Local self-government bodies (district/city) ensure attraction and realization of foreign investments

3. Digital automation: "Transparent Construction"

In 2021, the information system "Transparent Construction" was fully implemented:

- Register of expertise of design and estimate documentation, real-time monitoring, full automation of control
- Electronic document flow, confirmation of documents by electronic digital signature, online monitoring of cases.

This ensures impartiality, reduces corruption risks and strengthens public control

4. Decision support systems (DSS) in tenders and decision making

- In international practice, DSS tools are used for tenders.

These systems provide decision-making based on objective calculations rather than subjective assessments.

5. Mechanism of public-private partnership and clustering

- There is a procedure for formation of clusters of building materials and housing production in certain regions, creation of infrastructure construction system within the framework of public-private partnership.
- Special support to engineering infrastructure companies such as Kishlok Kurilish Invest with tax incentives is a structural mechanism.

6. Digital economic systems for financing and controlling investments

- There are open and transparent blockchain-based payment systems for financing construction projects (Xiong'an example).
- Smart contract technologies contribute to the efficiency of payment management.

Economic mechanisms for investment management in housing construction in Uzbekistan are summarized below:

Lending and mortgage channels

- Government and bank loans are the main instrument for financing construction projects. For example, in Turkey, the government in cooperation with the private sector provides soft loans to construction companies, thereby expanding mortgage lending.
- This mechanism creates a "risk-sharing" model: construction loans are eventually repaid through mortgage payments.Thus, the consumer (end buyer) also participates in the project.

Financial leasing and bonds

- Following the experience of Israel and Europe, financial leasing in construction is being introduced (lease-purchase scheme), starting with 10-20% of own funds, then payments are made on the basis of bank loans and leasing.

- Also, one of the mechanisms actively developing this year is raising capital through bonds and special purpose bonds.

Structured finance

- Provision is made for financing mortgage loans or construction projects with assets for capital risk sharing (ABS, MBS, CMO).

- These financial instruments diversify sources of liquidity and resources for construction projects.

Project finance and blended finance

- Project finance - lending to projects through specialized special purpose entities (SPEs) solely on the basis of project profits; the loan is secured by project assets.

- Blended finance - leveraging private capital in the form of public-public or consumer grants for socially significant construction projects that contribute to the Sustainable Development Goals (SDGs).

Value creation and tax incentives

- The impact of publicly funded infrastructure (roads, communications, etc.) on construction is taken into account; the value of land in the locations where it is located is increased. By directing these funds to construction, additional financial resources can be channeled. - At the same time, the TIF tool (tax increment financing) is used to build infrastructure in the city in a socially sustainable way using future taxes

REITs and crowdfunding

- REITs (real estate investment trusts) are great for raising money for construction and housing projects, especially because of the liquidity they provide - they provide a source of income for investors through dividends and liquid assets.

- Crowdfunding also serves to leverage public investments (e.g., flipping and building small homes), making it very quick and easy to make money through an online platform.

Banking and institutional arrangements

- Banking institutions provide loans and mortgages to construction companies, financially insured through a combination of loans, factoring and leasing, which stabilizes the market and reduces credit risk.

This mechanism serves to provide the construction sector with high credit facilities.

In our opinion, the main priority directions for improving organizational and economic mechanisms of investment management in housing construction are1. Public-private partnerships (PPPs) and clustering

- The formation of clusters between the public and private sectors, as well as with producers of construction materials, increases the effectiveness of PPPs and promotes a fair distribution of risks and benefits.

- It is a successful mechanism for introducing dozens of modern technologies, stimulating investments in energy efficiency and infrastructure.

Utilization of blockchain and smart contracts

- Implementing blockchain-based financing control and cash flow management systems, as in the case of Xiong'an, China, reduces investment risks and ensures transparency.

- Automating and monitoring payments through smart contracts reduces the likelihood of annual audits and corruption.

Adaptive Management and Benefit Realization Management (BRM)

- To achieve high economic and social results of projects, it is necessary to implement

an adaptive management method based on continuous analysis, measuring results and making changes.

- With BRM, investment results and social impact can be planned and monitored. 4. Value creation and financial mechanisms

- Tax increment financing (TIF), tax increment financing (TIF), tax incentives and land appreciation financing are strategic instruments for financing urban infrastructure.

- The introduction of real estate investment trusts (REITs) and crowdfunding instruments can bring unexpected social impacts by popularizing construction projects, increasing liquidity and transparency.

Economic incentives and various other benefits

- Tax incentives, tax vacations, building material subsidies, and policies to encourage prefab construction have ensured the expansion of prefab networks in China and Singapore.

Of course, these models need to be adapted to Uzbek conditions, and reducing construction costs is a priority.

Social partnership and public control

We believe that the effective application of the above organizational and economic mechanisms of investment management in housing construction, taking into account the conditions and specifics of our republic, will be an important step in the development of the sector.

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