IMPROVING THE MECHANISM FOR VALUATION OF INTELLECTUAL PROPERTY IN THE INVESTMENT ACTIVITIES OF COMPANIES IN THE REPUBLIC OF UZBEKISTAN

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In the context of globalization and the formation of a knowledge-based economy, intellectual property is becoming one of the key factors of sustainable economic growth and increasing the investment attractiveness of companies. In modern global practice, intangible assets, including intellectual property objects, play a decisive role in shaping the market value of companies, their competitiveness, and innovative potential. In this regard, the issue of objective and reliable valuation of intellectual property in the investment activities of business entities is gaining particular relevance.

For the Republic of Uzbekistan, which is undergoing active socio-economic reforms and integration into the global economic space, improving the mechanisms for intellectual property valuation is of strategic importance. In recent years, the country has implemented a set of measures aimed at developing an innovation-driven economy, attracting foreign direct investment, supporting startups, and commercializing scientific research. However, the effectiveness of these processes largely depends on the availability of transparent, scientifically grounded, and internationally recognized approaches to intellectual property valuation.

Despite the existence of a regulatory framework in the field of intellectual property in the Republic of Uzbekistan, the practical valuation of intellectual property in the investment activities of companies continues to face a number of challenges. Among the main issues are the insufficient adaptation of international valuation standards to national conditions, limited methodological guidance, a shortage of qualified specialists, and weak integration of intellectual property valuation results into investment planning and financial analysis processes.

In the context of the rapid development of the digital economy and innovative technologies, the need to improve the mechanism for intellectual property valuation becomes especially urgent. Both domestic and foreign investors are interested in obtaining reliable information on the real value of intangible assets, their investment attractiveness, and potential profitability. In this regard, there is an objective need to develop a comprehensive approach to intellectual property valuation that takes into account the specifics of investment activities of companies in the Republic of Uzbekistan and complies with international requirements.

1. Regulatory Framework for Intellectual Property Valuation in the Republic of Uzbekistan

In the Republic of Uzbekistan, the valuation of intellectual property objects is regulated by a number of existing legal acts. The National Valuation Standard of the Republic of Uzbekistan (NSV No. 13) “Valuation of Intellectual Property Objects” was officially approved by the resolution of the State Committee for State Asset Management on May 22, 2012, and entered into force on June 28, 2012. This standard defines the rules, methods, and requirements for conducting intellectual property valuation, including the procedure for documenting valuation results.

Previously, the valuation of intangible assets and intellectual property was also regulated by National Valuation Standard No. 9 "Valuation of Intangible Assets and Intellectual Property" dated June 9, 2020, which is applied to the valuation of all types of intangible assets and intellectual property across the country.

In addition to valuation standards, Uzbekistan has adopted the Intellectual Property Development Strategy for 2022–2026, approved by a government resolution. This strategy is aimed at eliminating legislative gaps, harmonizing legal norms with international practices, digitalizing procedures, creating favorable conditions for the registration and protection of intellectual property, and strengthening the role of intellectual property in economic development.

It is also noteworthy that the Unified National Valuation Standard of the Republic of Uzbekistan was updated on December 28, 2023, and entered into force on January 1, 2024, with the purpose of aligning the national valuation system with international standards (IVS, EVS, USPAP, RICS) to enhance the reliability and transparency of valuation procedures.

2. Practical Significance of Intellectual Property Valuation

In modern economic conditions, intellectual property is regarded not only as an object of legal protection but also as a crucial economic resource capable of providing companies with sustainable financial advantages. Intellectual property objects such as patents, trademarks, copyrights, computer software, databases, and know-how enable enterprises to attract investment resources through commercialization, licensing agreements, and their use as collateral in bank lending operations. Moreover, the availability of professionally valued intellectual property facilitates companies' participation in technological alliances, joint ventures, and innovative projects, as well as increases business capitalization through the recognition of intangible assets in financial statements. Within the framework of ongoing economic reforms in the Republic of Uzbekistan, expanding the use of patents and trademarks as collateral is of particular importance, as it creates a new segment of financial instruments and stimulates the development of innovative entrepreneurship.

3. Methods of Intellectual Property Valuation

International practice in intellectual property valuation is based on the application of three key approaches, each used depending on the valuation purpose and characteristics of the object. The cost approach determines the value of intellectual property based on the actual costs of its creation, development, or reproduction and is most applicable to assets developed internally by a company. The income approach focuses on calculating the value of intellectual property based on projected future economic benefits derived from its use, such as licensing revenues or additional profits, and is widely applied in investment analysis. The comparative, or market, approach is based on comparing the evaluated object with similar intellectual property objects traded on the market, allowing the determination of market value. In developed countries, including the United States and the European Union, these approaches are applied within the framework of international valuation standards developed and recognized by organizations such as the Royal Institution of Chartered Surveyors (RICS) and the International Valuation Standards (IVS), ensuring the consideration of investment risks, future income, and discounting.

4. Problems of the Current Intellectual Property Valuation Mechanism in Uzbekistan

Despite the existence of a regulatory framework and approved valuation standards, the practice of intellectual property valuation in the Republic of Uzbekistan faces a number of significant challenges. First, there is insufficient adaptation of international valuation methodologies to national economic conditions and industry-specific features, which complicates their practical application. Another major constraint is the shortage of qualified intellectual property valuation specialists with expertise in advanced financial and economic models and forecasting methods. In addition, many companies still do not regard intellectual property as a strategic asset, resulting in low levels of accounting and regular revaluation. Taken together, these factors lead to the undervaluation of intellectual assets in financial statements and their limited use in investment decision-making, negatively affecting business investment attractiveness.

5. Foreign Experience and Best Practices in Intellectual Property Valuation

International experience demonstrates that in countries with developed innovation-driven economies, intellectual property valuation is an integral component of corporate governance and investment strategy. In the United States, intellectual asset valuation is widely used in mergers and acquisitions, licensing, and litigation processes, while companies are required to disclose the value of intangible assets in accordance with GAAP and international financial reporting standards. Analytical and investment firms place particular emphasis on projected income from intellectual property as a key factor in business valuation. In European Union countries, standardized intellectual property valuation methods are used not only for accounting purposes but also in collateral-based lending systems, where banks and financial institutions accept intellectual property objects as loan security. This approach facilitates improved access to financial resources for innovative companies and startups. Overall, international practice confirms that integrating intellectual property valuation into investment processes enhances capital market transparency, reduces investment risks, and promotes sustainable economic development.

Intellectual property under modern conditions is a critical factor in enhancing the investment attractiveness and sustainable development of companies. Despite the formation of a regulatory framework and the implementation of reforms in the field of innovation economy in the Republic of Uzbekistan, practical experience shows that the potential of intellectual property is not fully utilized due to methodological, institutional, and human resource constraints, which reduces the effectiveness of companies' investment activities.

In order to improve the efficiency of intellectual property valuation, it is advisable to continue adapting international valuation standards to the economic conditions of the Republic of Uzbekistan, taking into account industry-specific characteristics and investment risks, which will ensure comparability and reliability of valuation results.

It is necessary to develop human capital in the field of intellectual property valuation through the introduction of specialized training and professional development programs for valuers, as well as by encouraging the application of modern financial, economic, and digital valuation methods.

It is also recommended to expand the use of intellectual property valuation results in companies' investment activities, including collateral-based lending, investment attraction, and the formation of investment projects, which will contribute to business capitalization growth and increased investment attractiveness.