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DIRECTIONS FOR DEVELOPING ENTREPRENEURSHIP AS THE ECONOMIC BASIS OF UZBEKISTAN

Suvonov Ibrahim Izbosarovich

University of Business and Science Finance Department associate professor

suvanov.ibroxim2@gmail.com

Abstract. *The reforms being carried out to expand and develop entrepreneurial activity, one of the main pillars of the economic growth of the Republic of Uzbekistan, and their results are presented, and the problems arising during their activity are highlighted.*

Keywords. *entrepreneurship, business, employment, credit, small business, export, import, competition.*

INTRODUCTION.

In our beloved Uzbekistan, which is a symbol of our great and high level of respect and love, important reforms are being carried out to build a competitive and inclusive market economy. The lofty goals set before us are reflected in the President's "Ahead of Us" **years will be a period of rapid development and higher development of our new Uzbekistan.**"[4] The main reforms are being carried out in the areas of liberalization of the exchange rate, reduction of import tariffs, liberalization of prices of selected goods and services, combating monopoly, expansion and stimulation of entrepreneurial activity, and poverty reduction. According to the history of economic development and in world economic practice, business and entrepreneurship are the main driving force of the economy. If we see this force in the example of one entrepreneurial activity, when an entrepreneur provides employment to another person, while increasing the well-being of himself and his family, he contributes to the development of society by creating jobs for many people and making those around him profitable.

As our President has noted, "Thousands of people will be able to find work, earn a living, have a home, and raise and educate their children thanks to entrepreneurship"[2]. Large-scale reforms are being carried out to expand and support entrepreneurship, which is the main economic pillar of our country.

LITERATURE REVIEW.

UVGafurov focused on improving economic mechanisms of state regulation in the development of entrepreneurial activity. Economic mechanisms for state regulation of entrepreneurial activity are of great importance.

MR Boltabayev, MS Qosimova, Sh.J. Ergashkhodjaeva, BKG Ayibnazarov, A.N. Samadov, Sh.I. Otajonov tried to show the importance of entrepreneurial activity for the economy and linked it to the fact that it is an independent type of activity in various fields and the effort to use resources in its activities.

The encyclopedic dictionary of entrepreneurship defines it as an activity based on a certain level of risk and within the framework of property responsibility:

"Entrepreneurship is an independent type of activity carried out on one's own behalf, within the framework of one's own property liability or on behalf of a legal entity and on the basis of legal responsibility, liability, with the aim of obtaining profit or personal income. An entrepreneur may

carry out all types of economic activities not prohibited by law. In particular, they may engage in commerce, brokerage, trade, purchase and sale, supply of products, agricultural activities, provision of computer services, provision of communication services and other similar types of activities."

METHODOLOGY

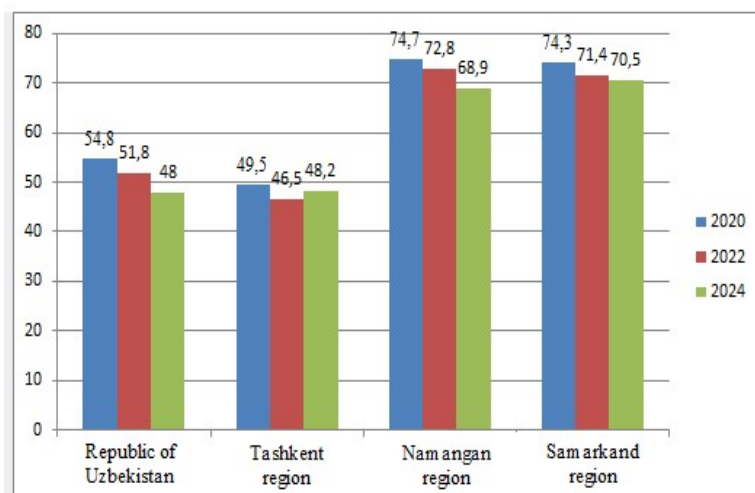
The research used methods of economic analysis, comparison, grouping and generalization. The practice of managing material and technical resources in service- providing business entities was also studied, and the use of innovative technologies was analyzed.

The study was based on the following methodological approaches: analysis of indicators of the use of material and technical resources, assessment of the impact of digital technologies (ERP systems, automated calculations) in resource management , determination of the economic efficiency of innovative management methods. Based on the data, the effectiveness of innovative approaches in service providers was summarized.

ANALYSIS AND RESULTS.

We can cite the following examples of these reforms that have been implemented and are being defined in recent years:

1. 2018 – Since 2015, more than 17 trillion soums have been allocated to more than 47,000 business projects. These funds have created more than 380,000 jobs [4].
2. In order to create competitive conditions, tax and customs privileges in about 30 areas and exclusive rights in 13 sectors were abolished in the commodity and financial markets. Entrepreneurs More than 30 goods are being removed from monopoly status as a result of liberalization of market access.
3. For entrepreneurs in purchasing monopoly and highly liquid products, the number of goods subject to mandatory sale on commodity exchanges has been increased to 46. Today, an antitrust compliance system is being introduced in more than 200 large monopolies and state bodies to ensure that their activities comply with the requirements of competition legislation.
4. The Entrepreneurship Development Company provided 17,064 billion soums in guarantees and compensation services for 76,094 billion soums of loans allocated by commercial banks to 47,176 projects of entrepreneurs . It is planned to create 380,352 new jobs by business entities .
5. Encourage business entities with a stability rating higher than the established rating indicators for entrepreneurship, it was determined that the refund of overpaid taxes for these entrepreneurs will be carried out within 3 days, and tax audits will not be conducted for business entities of the "AAA" category.
6. Starting from October 1, 2024, for businesses providing tour operator and hospitality services to receive a 20 percent refund of taxes paid to the budget.



Share of small businesses in total GDP [5].

Looking at the results of these reforms carried out by our state, we can cite the following examples:

- in our country and employ almost 80 percent of the country's workforce.
- 2024, the number of small businesses (excluding farmers and peasant farms) was 608,930 in 2023, 649,627 in 2024, and the number of operating businesses was 422,586 in 2023, and 402,209 in 2024.[5]
- entrepreneurs was 38 in February, and today it exceeds 1,720.

Among these results, we can see the share of small businesses in total GDP in the diagram below.

From the indicators in the diagram above, we can see that the share of small businesses in the total GDP in our republic was 66.8 percent in 2016, 54.8 percent in 2020, and 48 percent in 2024, and in terms of regions, the leading positions are occupied by the indicators of Jizzakh region, Bukhara region, and Khorezm region. The lowest share is accounted for by Tashkent city, Navoi region, and Tashkent regions. If we analyze the indicators in general, their share in GDP is decreasing from year to year. If we analyze this situation, this decrease is not a negative situation, that is, a decrease in their share is observed due to the transition of small businesses to the category of medium and large businesses.

In accordance with the "Entrepreneurship Code of the Republic of Uzbekistan", approved in August 2024, business entities are divided into the following three categories.

1. Small businesses
2. Medium- sized businesses
3. Large business entities

Let's look at the specific characteristics of these categories :

Small business entities include:

- 1) individual entrepreneurs;
- 2) micro-firms - business entities with an average annual number of employees of up to twenty people and an average annual turnover from the sale of goods (works, services) of up to eighteen thousand times the base calculation amount.

3) small enterprises - include business entities with an average annual number of employees of up to one hundred and an average annual turnover from the sale of goods (works, services) of up to ninety thousand times the base calculation amount[5].

From the above information, we can see that entrepreneurial activity in our country is expanding and developing, that is, small businesses are rapidly moving to the medium-sized level, and medium-sized businesses are rapidly moving to the large-scale category.

If we pay attention to the number of people employed in small businesses, the decrease in their number did not affect this indicator. In the republic, the average for recent years has been 10,168.3 thousand people. In terms of regions, Fergana region is in the lead with 1,215.4 thousand people, Samarkand region with 1,211.0 thousand people, and Andijan region with 1,051.0 thousand people. Syrdarya region with 243.5 thousand people and Navoi region with 216.8 thousand people have the lowest indicators, while the remaining regions show average indicators. The indicators of low and medium-level regions are formed in this case due to the high share of large and medium-sized businesses in these regions. Each form of entrepreneurial activity has its place in the economy and its own contribution to our development path[6].

Given the large-scale reforms and results that are being carried out to expand and develop entrepreneurship, which is the economic foundation of our country, we can wonder whether the problems in this activity are gradually decreasing. We can see confirmation of this idea from the number of problems considered in the open dialogue with entrepreneurs held by the President every year. However, if we pay attention to these indicators, if about 6 thousand applications were received from entrepreneurs on the eve of last year's dialogue, this year these applications amount to 12 thousand. If we analyze this situation, as some activity expands and develops, innovations and new

directions appear in this activity, and after this, the number of issues that need to be solved in accordance with the innovations increases. In accordance with this law, new directions are also emerging in entrepreneurship, and businessmen are striving for the world market. For this reason, there is a need to meet new standards and requirements and adopt appropriate laws, resolutions, and orders.

At the composition of problems identified in entrepreneurial activity based on the results of a survey conducted by the Institute for Macroeconomic and Territorial Research under the Cabinet of Ministers to identify problems that hinder entrepreneurial activity, almost 30 percent of the participating entrepreneurs noted difficulties in land acquisition, 27 percent in natural gas supply, and 25 percent in electricity supply [4].

One of the driving forces of any industry is the introduction of modern technologies into its activities. Today, every entrepreneur is trying to use modern technologies in their activities. In the practice of applying these technologies, 20% of entrepreneurs noted difficulties in importing and registering modern technologies, and 19% noted difficulties in finding spare parts for them in the local market.

CONCLUSION AND SUGGESTIONS.

Based on the above, we can note that our efforts to find solutions to problems related to financing of entrepreneurial activities, errors in tax administration, land, and infrastructure in a faster and easier way, to avoid imposing excessive requirements on entrepreneurs if they fully fulfill their obligations to the state and operate in accordance with established legislation, and to use higher forms of education to raise financial awareness in every citizen and encourage people to pursue entrepreneurship will determine the future of our state.

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