



The Role and Importance of Financing Entrepreneurial Activities in the Economy of Uzbekistan

Ulashov Aliboy Rashid ugli ¹, Sobirov Shohruxbek Naimjon ugli ²

¹ Senior teacher of Tashkent Financial Institute

² Student of Tashkent Financial Institute

Abstract: In this article as one of the ways to develop the economy of Uzbekistan at a rapid pace, the article examines the ways to improve entrepreneurship financing and benefits given to entrepreneurs, as well as the issues of increasing its importance. Also, the mechanism of effective work of the conditions created in Uzbekistan for financing entrepreneurship has been systematically studied.

Key words: Financing entrepreneurship, private entrepreneurship, economic freedom, tax exemption, gross domestic product (GDP), small enterprises, development of a market economy.

INTRODUCTION

Today, the development of the economy of Uzbekistan in the context of globalization is one of the main goals. To achieve this goal, it is necessary to improve the mechanisms of financing entrepreneurship and giving economic freedom to private entrepreneurship as one of the effective ways of developing the economy. This in turn further accelerates the country's transition to a market economy.

Reforms to finance entrepreneurial activities in Uzbekistan are aimed at solving the problems that exist in this area. First of all, it is advisable to cite the fact that special attention is paid by the president and Government of our country to improving the regulatory framework for financing entrepreneurial activities. In recent years, dozens of regulatory legal acts have been adopted in the Republic on issues of increasing the role and importance of financing entrepreneurial activities.

By the decree of the president of the Republic of Uzbekistan No. 4947 of February 7, 2017, tasdshugangan issued paragraph 3.4 of the “strategy of action on the five priority areas of development of the Republic of Uzbekistan in 2017-2021”, paragraph 24.11.2018 “on additional measures to improve the mechanisms of financing projects in the field of entrepreneurship and innovation” Decree No. 5583 dated the 29th purpose of the decree of Uzbekistan “on development strategy” PF-60, the 19.04.2022 decision of PQ — 212 “on measures to further expand the mechanisms of financing of entrepreneurial projects in the regions” and other regulatory legal acts to support entrepreneurial activity in the economy of Uzbekistan through benefits such as financing, creating favorable conditions for entrepreneurs, increasing their.

LITERATURE REVIEW

It is Aktam Kholov who made his first research on financing entrepreneurial activities in our country, especially from our scientists who contributed to the financing of entrepreneurship and the rapid development of the country. One of his notable scientific works on the field was the 2013 scientific textbook “increasing the social mass of entrepreneurship in the youth of Uzbekistan”,

whose scientific work covered the systematic ways of promoting small entrepreneurship, fostering youth and supporting and financing entrepreneurship on a national scale using world experience.

Our scientific research is of practical importance, on the basis of deduction, dialectics, logic, comparative analysis and generalization methods of study, ways to increase the role and importance of financing entrepreneurial activity in Uzbekistan are analyzed, and on the basis of analyzes, the directions of development of the system are determined.

RESEARCH METHODOLOGY

In the research process, research methods such as systematic analysis, logical abstraction, induction and deduction were used to systematize the results of the analysis.

ANALYSIS AND DISCUSSION OF RESULTS

Currently, Uzbekistan's actions in the field of entrepreneurship, the mechanisms associated with its financing, as well as the system of control over the existing created financial infrastructures do not meet the requirements of today's times in the context of fierce competition. The share of the business sector that is adding to the country's economy, the mechanisms of development and financing of the business sector are lagging behind the growing indicators of the world.

Based on world experience, the experience of the United States, which is at the forefront of economic development in the world, is one of the best. In the U.S., in 1953, a special federal department would be established under the name "Small Business Administration" (KIB) to promote and promote small-scale entrepreneurship. Each state has regional offices of the department, whose specialists advise people who want and are engaged in small-scale entrepreneurship in professional and financial matters. They also guarantee the issuance of US \$ 3.5 billion in bank debts per year. This ensures that funds are mainly directed towards obtaining equipment or creating jobs. KIB runs programs aimed at other nationalities in the country, namely American citizens. The department also manages programs aimed at reaching international markets and organizing a joint venture of small business enterprises with export potential.

Types of sources of financing of entrepreneurial activity in our country: various financial resources that supply the necessary financial resources intended for the enterprise and special financial resources expected for their development. These resources can be considered in different positions, therefore, divided into long-term and short-term, internal and external, self-involved, paid and free. Hasty sources

As can be seen from statistika, Surkhandarya region is a pioneer in this. The "initiative budget" ensures that the state budget is spent without transparency and any deception, and in this our people can also vote and observe it (Figure 1).

In recent years, our state has been importing new technologies from abroad for the development of entrepreneurship. Therefore, the volume of imports in our country today is large in the volume of exports. As of the end of 2021, Uzbekistan's stone trading version has reached \$ 42.1 billion. This result increased to \$ 5.8 billion compared to 2020. Exports increased by 10% to \$ 16,611 billion. The Import volume is \$ 25,461 crore. During these years, the bulk of the products imported into the state are made stone by machines, tools, industrial goods, chemical tools and self-food goods.¹

At the moment in our country, when the volume of exports has passed the volume of import, measures are being considered to find a solution and obtain information about it in the competitions held by our country to increase the volume of exports. On February 27 of the new year, a video conference with a Countryman was also installed, which was considered to increase the volume of exports.

¹ <https://prowines.ru/uz/onlajjn-kalkulyatory/analiz-predprinimatelskoi-deyatelnosti-istochniki-finansirovaniya-istochniki-finansirovaniya-predprini.html>

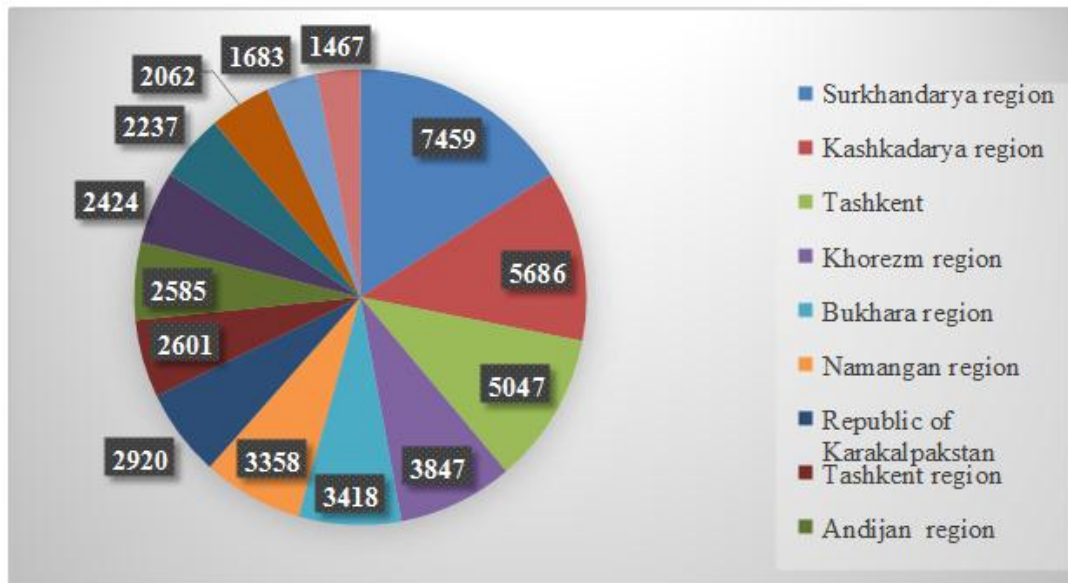


Figure 1. The number of settlements in the initiative budget as of the 1st season of 2023 will be provinces²

From this diagram we see that the machinery and equipment are more inport than in the rest of our country. Of course, this was done in order to develop entrepreneurship and the economy of Uzbekistan. Many technologies for entrepreneurship are given by the leadership of our state. This in turn contributes to the development of entrepreneurship and private entrepreneurship. In particular, young entrepreneurs from subsidies allocated by the leadership of our state are very happy and have to work with enthusiasm.

From April 1, 2022 to January 1, 2025, a target of no more than 2 times BHM was allocated for purchases for training in fish farming in the settlements of physical shakhs.³

From a number of rights to entrepreneurs by the leadership of our state chiqildi.

It is known that in economically developed countries of the world, the economy is seen above politics. The main way of development of the economy is the promotion of a market economy in this state. Many developed countries know this. There are two ways to switch to a market economy.

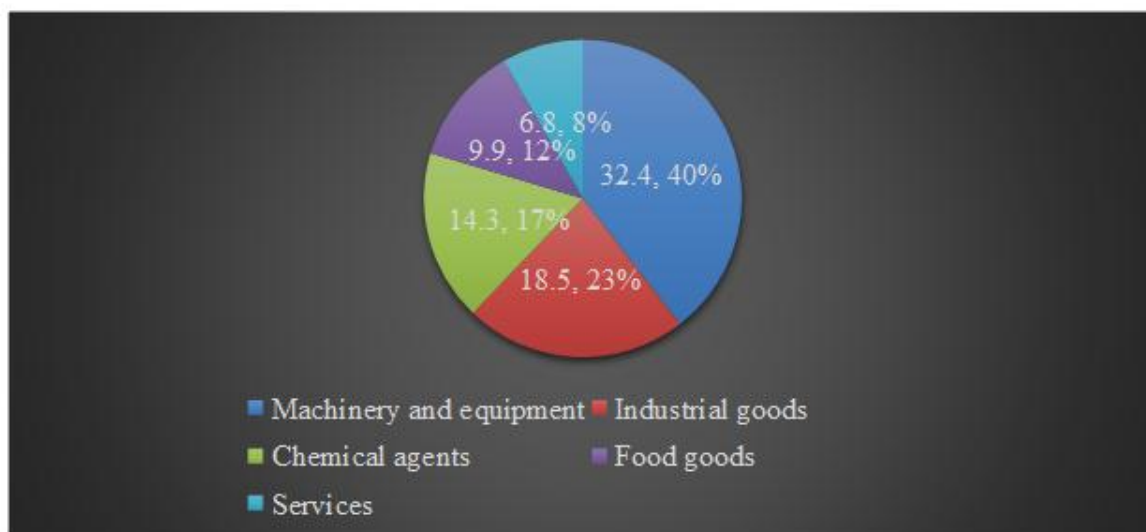


Figure 2. 2021 volume of imported goods, (%)⁴

² <https://lex.uz/docs/-5969605>

³Podrobneye: https://www.norma.uz/oz/qonunchilikda_yangi/tadbirkorlik_faoliyatini_boshlaetgan_shahslarga_subsidiyalar_beriladi

⁴ <https://stat.uz/uz/haqida/statistika-kengashi>

A market economy should be based on healthy competition. Otherwise, the market economy ensures that total funds are accumulated in the hands of one person. One way of developing a market economy is to develop entrepreneurship, which is the main part of the market economy, and provide healthy competition for them. Only then does the market mechanism work correctly.

Many economists favor state intervention in a market economy. One bad thing about market mechanism at once is that it causes citizens who need social protection to be tormented if there is no state intervention. Our state has switched to a market economy, and they pay a part of the cost of basic products in consumption for the ahali layer, which needs social protection, and through this way the price of exactly these goods remains unchanged. An example of such goods is the price of bread. The price of bread has been 2800 rubles for many years.

In recent years, the interest of foreign invaders in our state is growing. The reason for this is the policies that are being implemented in our state and the freedoms that are being created for entrepreneurs. Many investors are allocating large investments to our country.

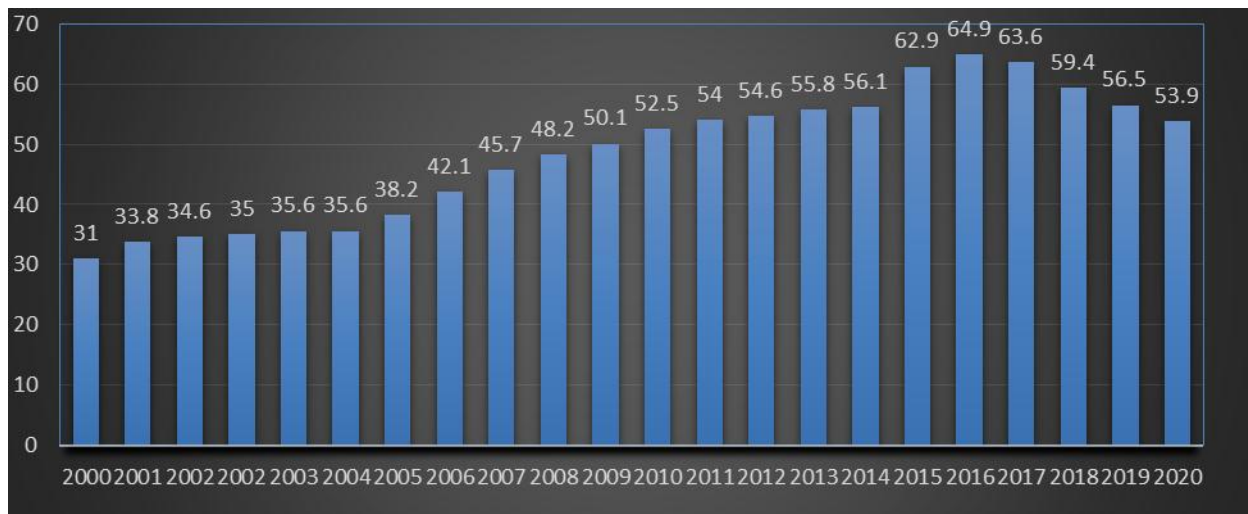


Figure 3. Small business share in GDP (%)⁵

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CONCLUSIONS AND SUGGESTIONS

In our country, we need to form a mechanism for helping small enterprises to conclude contracts with large firms. To shape small and private entrepreneurship, it is necessary to create a special public study. It is necessary to create a product quality control system.

The reform of existing current legislation in the effective conduct of the activities of our state in the development of the economy, the inclusion and entrepreneurship in the cross section of the territories

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