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### EFFECTIVE WAYS TO DEVELOP SMALL BUSINESS IN OUR COUNTRY

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#### ABOUT ARTICLE

**Key words:** Entrepreneurship, entrepreneur , economic, enterprise, trade, cost, labor market , capital, income level, privatization , market.

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**Abstract:** The article examines ways of improving the efficiency of small business activities in our country, factors affecting the development of business activities. In particular, the role of small entrepreneurship in the economy, issues that can be solved with the help of entrepreneurial activities were studied.

#### INTRODUCTION

Before the fundamental reforms and renewals implemented in New Uzbekistan in recent years, the focus is on expanding the scope of quantitative and qualitative changes in our economy, increasing its direct impact on the lives of the population, by supporting the privatization of state-owned enterprises in the field of production and the small business structures emerging on their basis with a specific goal. formation of the owner class is one of the urgent problems. In the decision of the President of the Republic of Uzbekistan “On measures to further expand the financing mechanisms of entrepreneurial projects in the regions”, [1] practical decisions on the wider development of the small business sector were made. In particular, a credit line equivalent to 300 million dollars will be allocated to banks for the financing of small business entities. At least 70 percent of the funds will be allocated to entrepreneurs operating in non-urban areas. Loans are allocated at an annual rate of 14 percent, in the amount of up to 5 billion soums. Therefore, the provision of loans for small entrepreneurs at an annual rate of 14 percent up to 5 billion soums is of great importance in the development of our economy .

This social type, which is new for our society, requires not only theoretical needs, but also practical necessity to study the forms of its spheres of activity.

#### LITERATURE REVIEW

Small entrepreneurship, as it is known, is an initiative of economic activity within the framework of the current laws, based on the risk and property responsibility of the ownership subjects for the purpose of profit. J.B. Say “tried to describe entrepreneurs as intelligent and resourceful, risk-taking in everything and able to achieve their goals [2].” A. Smith “an entrepreneur is a capital owner. He

implements a certain commercial idea and starts working with risk to get profit, because investing capital in a business is always associated with risk [3]. Who are small business entities? According to the Law "On Guarantees of Freedom of Entrepreneurial Activity", [4] the following are small business entities:

- individual entrepreneurs;
- micro-firms with an average annual number of employees in the production sector of no more than 20 people, in the service sector and other sectors not related to production with an average annual number of employees of no more than 10 people, and in the wholesale, retail and catering sectors with an average annual number of employees of no more than 5 people ;
- small enterprises in the following sectors:
  - the average annual number of employees in the light, food industry and construction materials industry is no more than 200 people;
  - the average annual number of employees in metalworking and instrument making, woodworking, furniture industry, as well as in other industrial-production areas stipulated by legislation is 100 people at most;
  - the average annual number of employees in mechanical engineering, metallurgy, fuel and energy and chemical industry, production of agricultural products and their processing, construction and other industrial and production sectors provided for by law is no more than 50 people;

## **RESEARCH METHODOLOGY**

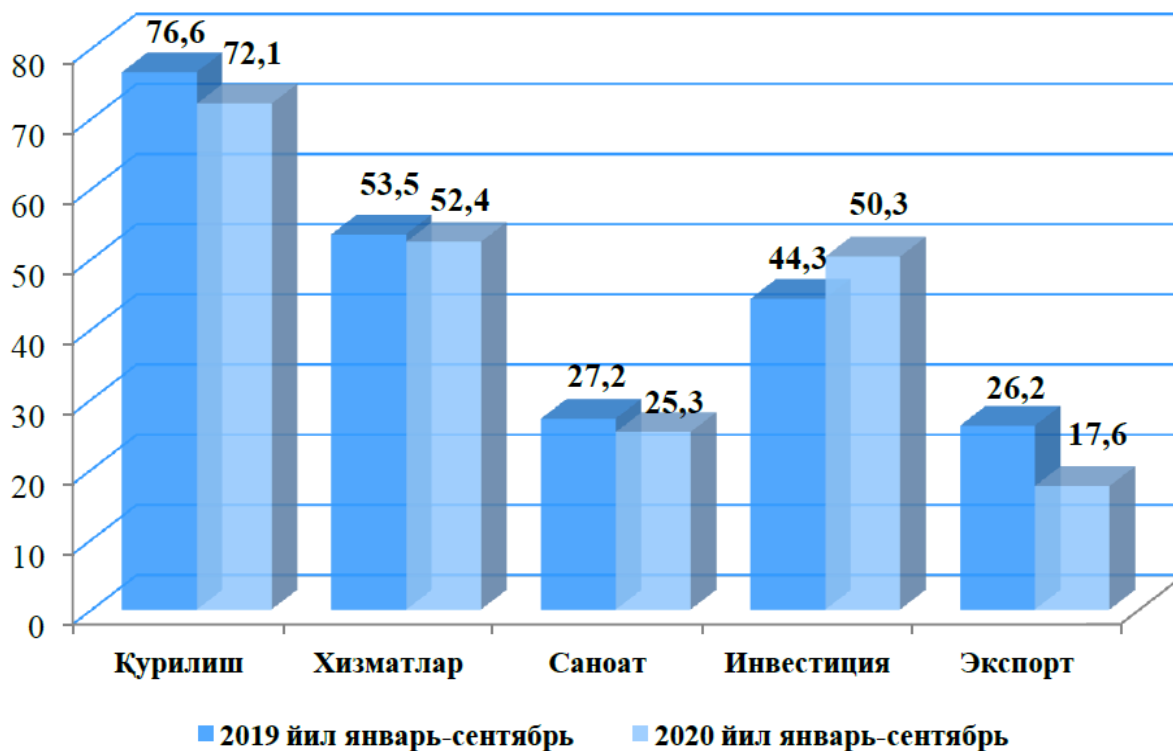
In the process of preparing a scientific article, comparative analysis of data based on tables, grouping of data, statistical grouping based on systematic analysis of abstract-logical thinking, induction and deduction, and methods of expert evaluation were used effectively.

## **ANALYSIS AND RESULTS**

Entrepreneurship, to increase the interest of entrepreneurs operating in the field in the results of their work. In January -September 2020, more than 70,300 small enterprises and micro-firms (excluding farmers and peasant farms) were established in the Republic of Uzbekistan. This indicator showed a decrease of 3.0 percent compared to the same period last year.

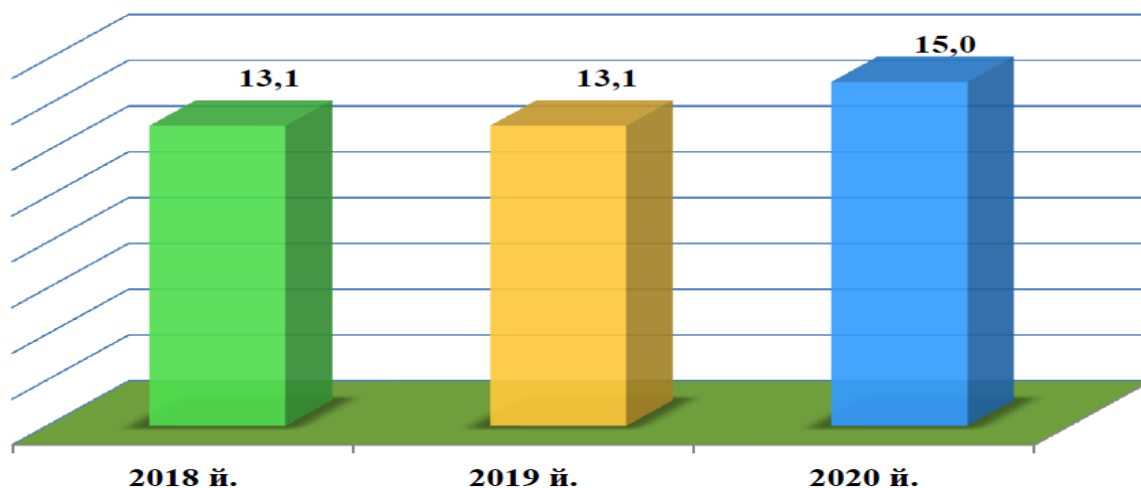
The largest number of small enterprises and micro-enterprises are established in trade (37.0%), industry (20.7%), agriculture, forestry and fisheries (16.9%), and construction (6.7%). If we consider the share of small business in the gross domestic product sectors in the Republic of Uzbekistan

### **Share of small business (in % of total volume)**



If we compare January-September 2019 with January-September 2020, we can see that the share of small business in the construction industry in 2020 has decreased by 4.5%. The reason for the decrease in the share of small business is the corona virus pandemic that came to our country. So, if we look at one sector, we can observe a 6% increase in the investment sector compared to January-September of last year.

In January-September 2020, the number of small business entities (in units per 1,000 inhabitants) by region was the highest: 31.0 units in the city of Tashkent, 20.8 units in the Navoi region, 20.4 units in the Syrdarya region, 18.1 units in the Jizzakh region, Tashkent 16.7 units in the region, 16.7 units in the Bukhara region, 13.2 units in the Fergana region. It is equal to 10.5 units in Surkhandarya region, and this indicator remains the lowest.



### **The number of small business entities in the Republic of Uzbekistan in January-September 2020) (per 1000 inhabitants, in units).**

In general, despite the complexity of the mentioned problems, the country has a favorable situation for the formation of a class of owners and the development of small entrepreneurship. Currently, a large group of people who have real property, who value it and use it as a basis for their material well-being, has formed in our society. Further strengthening of this social layer leads to the increase of the economic power of the state and the establishment of democratic values.

to develop the mechanism of giving preferential microcredits to residents who express

their desire to engage in small business activities, form their knowledge and skills on the basis of training in special courses;

- secondly, the privatization of small businesses and the preservation of state property or its monopoly in another related field undermines the interests of privatized enterprises. This First of all , it 's different in networks of prices parity in violation manifestation will be

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