

MAIN PROBLEMS IN THE DEVELOPMENT OF SMALL AND MEDIUM BUSINESSES IN UZBEKISTAN AND THEIR SOLUTIONS

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Abstract

The article notes that small and medium businesses as an important sector of the economy of Uzbekistan play an important role in providing employment, developing local production and increasing export potential.

Keywords: Small and medium businesses, business problems, financial support, tax incentives, innovative development, market infrastructure, technology implementation, legislative reforms.

Introduction

O‘ZBEKISTONDA KICHIK VA O‘RTA BIZNESNI RIVOJLANTIRISHDA ASOSIY MUAMMOLAR VA ULARNI YESHIMI

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Annotatsiya:

Maqolada O‘zbekistonda kichik va o‘rta biznes iqtisodiyotning muhim tarmog‘i sifatida aholi bandligini ta‘minlash, mahalliy ishlab chiqarishni rivojlantirish va eksport salohiyatini oshirishda katta rol borligi ta‘kidlangan.



Kalit soʻzlar: kichik va oʻrta biznes, tadbirkorlik muammolari, moliyaviy qoʻllab-quvvatlash, soliq imtiyozlari, innovatsion rivojlanish, bozor infratuzilmasi, texnologiyalarni joriy etish, qonunchilik islohotlari

ОСНОВНЫЕ ПРОБЛЕМЫ И ИХ РЕШЕНИЯ В РАЗВИТИИ МАЛОГО И СРЕДНЕГО БИЗНЕСА В УЗБЕКИСТАНЕ

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Узбекистан

Аннотация:

В статье отмечается, что малый и средний бизнес как важная отрасль экономики Узбекистана играет важную роль в обеспечении занятости, развитии местного производства и повышении экспортного потенциала.

Ключевые слова: малый и средний бизнес, проблемы бизнеса, финансовая поддержка, налоговые льготы, инновационное развитие, рыночная инфраструктура, внедрение технологий, законодательные реформы.

Introduction

Small and medium-sized businesses are businesses that are based on independent ownership, independent organization of economic activities and do not hold a dominant position in their industry. In different countries, the criteria for determining the status of small and medium-sized businesses are the number of employees employed in the enterprise, the turnover of the enterprise, assets, capital, profit and other indicators. For example, in the USA, enterprises with less than 100 employees in most industries, and less than 500 employees in the manufacturing industry, are included in small businesses. In Uzbekistan, the number of employees in the enterprise is taken as a criterion for determining small and medium-sized businesses. Small businesses, regardless of the form of ownership, are micro-firms with an average of up to 10 employees per year in industrial enterprises, and up to 5 employees in trade, service and other non-manufacturing sectors; Small businesses include enterprises with an average annual employment of up to 40 employees in the manufacturing sector, up to 20 employees in construction, agriculture and other manufacturing sectors, and up to 10 employees in science,



scientific services, retail trade and other non-manufacturing sectors. Enterprises with an annual employment of more than the established number of employees for small businesses, but not more than 100 employees in the manufacturing sector, 50 employees in construction, 30 employees in agriculture and other manufacturing sectors, wholesale trade, and 20 employees in retail trade, services and other non-manufacturing sectors are considered medium-sized businesses.

Small and medium-sized businesses are of great importance in the economy of any developed and developing country. Small and medium-sized businesses are characterized by rapid adaptation to conditions, and their establishment does not require a large amount of initial capital. Small and medium-sized businesses are developing in areas that are not suitable for large businesses. Small and medium-sized businesses have certain advantages in operating in small markets, using local resources, solving the problem of unemployment, increasing labor productivity, forming a middle-class stratum, and filling the domestic market with consumer goods. Small businesses are a means of realizing entrepreneurial, entrepreneurial, and property-owning abilities in people, and of forming and developing business skills in them. Small and medium-sized businesses in Uzbekistan have historical roots. Crafts have been developed here for a long time. There were many small workshops and shops engaged in weaving, handicrafts, ceramics, applied arts, carpentry, blacksmithing, and carving. Small and medium-sized businesses in Uzbekistan operate in the fields of industry, construction, trade, consumer goods, medical services, transport services, scientific and technical information services, and agriculture. There are insurance companies, engineering and leasing service organizations that support small and medium-sized businesses. The Chamber of Manufacturers and Entrepreneurs, the "Business Fund" insurance company, and the "Madad" insurance company have been established at the republican and regional levels to support small and medium-sized businesses. There are also tax incentives and a system of preferential loans for small and medium-sized businesses.

The development of small and medium-sized businesses (SMEs) in Uzbekistan is important for ensuring the stability of the country's economy and creating new jobs. The following are the main strategies for the development of SMEs:

1. Strengthening the legal and regulatory framework
 - Creating a favorable legal environment for small and medium-sized businesses.
 - Reducing the burden on business by introducing tax incentives and reliefs.
 - Fighting corruption and ensuring the rule of law.



2. Financial support

- Easing the conditions for obtaining loans for SMEs.
- Reducing interest rates and providing long-term loans.
- Allocating grants and subsidies for innovative and startup projects.

3. Developing an entrepreneurial culture

- Attracting young people to entrepreneurship and expanding training programs.
- Promoting the benefits of entrepreneurship.
- Implementing programs for training and retraining qualified personnel.

4. Infrastructure development

- Establishment of small business zones and technoparks.
- Providing easy access to the Internet and digital technologies.
- Improving logistics and transport services.

5. Expanding export opportunities

- Assistance in introducing SME products to international markets.
- Introduction of special programs for exporting entrepreneurs.
- Certification of local products and compliance with international standards.

6. Public-private partnership

- Increasing the participation of SMEs in government orders.
- Implementation of long-term partnership programs of the state with the private sector.
- Ensuring constant dialogue of entrepreneurs with local authorities.

7. Innovative development and digitalization

- Integration of SMEs into digital technologies.
- Development of e-commerce and improvement of related legislation.
- Assistance in introducing technological innovations to small businesses.

8. Regional development strategies

- Development of specific small business areas in each region (for example, agriculture, tourism, crafts).
- Support for the establishment of small and medium-sized enterprises in rural areas.
- Implementation of infrastructure projects for the development of SMEs.

Results. Successful implementation of these strategies:

- Increases employment.
- Increases output.
- Accelerates innovative development.



- Serves for the diversification of the country's economy.

The development of small and medium-sized businesses (SMEs) is important in Uzbekistan, as this sector is one of the main drivers of the economy. At the same time, there are a number of problems on the way to SME development. The main problems and their solutions are listed below:

Key problems:

1. Limited access to financing and credit resources: It is difficult for most SMEs to obtain bank loans, collateral requirements are high, and interest rates are high.
2. Lack of business management skills: New entrepreneurs lack sufficient knowledge and experience in business planning, financial management, marketing, and other basic skills.
3. Low level of competitiveness and innovation: Most local SMEs face difficulties in introducing modern technologies and innovative solutions.
4. Legal and administrative barriers: The complexity of the tax system, the difficulty of obtaining licenses and permits, and excessive bureaucracy hinder business development.
5. Infrastructure constraints: Insufficient electricity, internet, transport, and logistics services.
6. Restrictions on international market access: There are difficulties in obtaining the necessary certification for export, technical requirements, and compliance with international standards.

Suggestions for solving problems:

1. Expanding financial support: Continue to provide preferential loans and grants to small and medium-sized businesses by the state. Develop the activities of microcredit organizations and business incubators.
2. Improving business skills: Organize free or subsidized training courses that teach entrepreneurship. Develop new businesses with the help of experienced entrepreneurs by introducing mentoring programs.
3. Supporting innovation: Subsidizing the purchase or production of technological solutions for small businesses.
Organize special programs and exhibitions for innovative startups.
4. Legal and administrative reforms: Simplify the tax system and introduce tax breaks for small businesses. Transfer the licensing and permit procedures to online platforms.
5. Improve infrastructure: Develop business centers, technoparks, and industrial zones. Ensure uninterrupted electricity and internet connections.



6. Develop international cooperation: Conduct special trainings to prepare SMEs for export activities. Implement programs to support small businesses in cooperation with international financial institutions.

If the above solutions are systematically implemented, competitiveness and efficiency in the small and medium-sized business sector will be increased.

This has a positive impact on overall economic growth.

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