

**ECONOMIC DEVELOPMENT OF SMALL BUSINESS AND PRIVATE  
ENTREPRENEURSHIP IN UZBEKISTAN.***Shakhidova Dilafroz Mukhtarovna**dil.muxtarovna@gmail.com**Senior lecturer of the "Socio-economic and sports"  
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**Abstract:** This article discusses the importance of small business and private entrepreneurship in ensuring the economic development of our country and the measures implemented for its support.

**Key words:** entrepreneurship, small business, employment, labor resources, socio-economic environment, private entrepreneurship, export, industry, self-employment, service, market infrastructure.

**Annotatsiya:** Ushbu maqolada kichik biznes va xususiy tadbirkorlikning mamlakatimizning iqtisodiy rivojlanishini ta'minlashdagi ahamiyati va uning qo'llabquvvatlanishi uchun amalga oshirilayotgan chora-tadbirlar to'g'risida fikr yuritilgan.

**Kalit so'zlar:** tadbirkorlik, kichik biznes, bandlik, mehnat resurslari, ijtimoiy-iqtisodiy muhit, xususiy tadbirkorlik, eksport, sanoat, o'zini-o'zi band qilish, servis, bozor infratuzilmasi.

**Аннотация:** В данной статье рассматривается значение малого бизнеса и частного предпринимательства в обеспечении экономического развития нашей страны и реализуемые меры по его поддержке.

**Ключевые слова:** предпринимательство, малый бизнес, занятость, трудовые ресурсы, социально-экономическая среда, частное предпринимательство, экспорт, промышленность, самозанятость, сервис, рыночная инфраструктура.

**Introduction.** It should be noted that during the years of independence in Uzbekistan, a stable legal framework was created that strengthens the primacy of private property, which is the basis of the market economy. A favorable business environment and reliable legal guarantees have been created for the rapid development of small business and private entrepreneurship, which is an important factor in the formation of the middle class of owners, the sustainable development of the country's economy, the creation of new jobs and the increase of the population's income. The Republic of Uzbekistan to strengthen the economy, to develop it in every way, to move the economy to a market relationship in particular

One of the main ways to accelerate this is the development of small business and private entrepreneurship. That is why a number of laws, decrees and decisions were adopted on the development of entrepreneurship, its support by the state, initiative in private entrepreneurship, and its encouragement.

One of the main goals of the state is to turn small and medium-sized businesses into a guarantee of sustainable economic growth in Uzbekistan. Within the framework of the goals of the "Uzbekistan - 2030" strategy, the established tasks, such as creating ample opportunities for small and medium-sized businesses to enter international markets and supporting startups, confirm the state's interest in the development of such types of business.

In Uzbekistan, since 2013, 50 percent of the gross domestic product (GDP) has been generated by small business and private entrepreneurship activities. In 2022, the share of small business and private entrepreneurship in GDP decreased by 8% compared to 2013, and in these years, the share of small business and private entrepreneurship in construction and employment also decreased by 2-3%. The biggest change was observed in imports, which saw a decrease of about 10 percent. But this indicator changed to a positive direction in industry and export, and an increase of 0.2 (industry) and 2.6 (export) percent was observed.

If we look at the trends in developing countries, in most of them, as in Uzbekistan, more than 50 percent of the employed population works in the small and medium business sector. The contribution of the small and medium business sector to GDP is more than 50 percent in most developing economies.

In small business entities, the process of introducing new techniques and innovative technologies into production without high risks, establishing new production forces, and using them efficiently is realized faster than in large enterprises. At present, small business and private entrepreneurship in our country are developing mainly in the field of trade, service and communication, processing of agricultural products. The processes of globalization of the world economy and the strengthening of the competitive environment, the sharp reduction of the life cycle of products, the rapid changes in the market situation and the needs of consumers require the development of organizational and economic mechanisms for the production of competitive products from every economic entity today. making it a vital necessity. This requires the development and effective management of their innovative activities. In the development strategy of New Uzbekistan for the period of 2022-2026, in order to ensure rapid development of the national economy and high growth rates, "For the reform of the national economy, liberalization of foreign trade, tax and financial policy, support of entrepreneurship and to guarantee the inviolability of private property, to reduce the tax burden on business entities from 27.5% of the GDP to 25% by 2026, to create conditions for the organization of business activities and the formation of

permanent sources of income, the share of the private sector in the GDP to 80% and the share of exports to 60% Tasks such as delivery to [1] are defined.

Modernization of the country's economy, development of small business and private entrepreneurship plays an important role in ensuring sustainable economic growth and is one of the priority directions of the economic policy implemented in the republic. Thanks to the economic reforms implemented effectively in the Republic of Uzbekistan, the number of small and private business entities in our country has doubled, and 1 million 400 thousand new jobs have been created in the field. Also, as a result of creating favorable conditions for the self-employed population, 500,000 citizens registered and started their activities on a legal basis in one year.

In the "Doing Business" international ranking, Uzbekistan rose from 141st to 69th place in five years. All these works are carried out on the basis of the noble call "Let's live freely and prosperously in the new Uzbekistan". As the President noted, "We will continue to create all the conditions for entrepreneurs to introduce real market relations in our national economy and to develop our country on this basis." Why, an entrepreneur is the main support and locomotive of the economy, our reforms" [2]. Since small business increases the economic potential of the country, and is a measure of the successful development and prosperity of the state, special attention is paid to encouraging the development of small business in Uzbekistan.

The development of small business in our republic is the main priority today. Economic reasons for paying attention to small business: filling the domestic market with local goods and services; increase the purchasing power of the population; increase the country's export potential; modernization of production; development of service provision; supply large enterprises with components and parts; • creating a competitive environment; such as ensuring the circulation of capital within the country.[4]

### **Summary.**

1. In order to further develop small business and private entrepreneurship, first of all, specific sources of financing for business entities, including public funds, extra-budgetary funds, loans from entrepreneurs, commercial banks and financial institutions, grants from international organizations and foreign countries, loans in accordance with international standards establishing the activities of associations.
2. To create incentives for small businesses and private entrepreneurs to pay a single tax for newly established small business entities that build facilities for their own needs.
3. Establishing cooperation between small business and private business subjects and large enterprises in the field of science and technology. Strengthening the legal basis for the mechanisms of outsourcing services such as accounting and marketing of large enterprises.

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