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DEVELOPMENT OF ENTREPRENEURSHIP AND IMPROVEMENT OF ORGANIZATIONAL AND ECONOMIC BASES OF ITS STATE REGULATION

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ABSTRACT

This article focuses on the opportunities provided by the state in the development of entrepreneurship and small business, the expansion of incentives to support and regulate them. Also, the organizational and economic bases of state regulation of entrepreneurship were studied, analyzed and proposals and recommendations for solving the problem were developed.

KEYWORDS: *Small Business, Entrepreneurship, Investment, Lending, Business Environment, Business Support, Microcredit Allocation, Protection Of Private Property Rights, Competitive Products.*

INTRODUCTION

In world practice, entrepreneurship plays an important role in the sustainable development of national economies and plays a leading role in solving economic and social problems. In the world economy, this sector plays an important role in the production of employment, social protection, new types of products and services

If we look at our high history, during the reign of Amir Temur and the Temurids, ie in the XIV-XV centuries, Samarkand was recognized as a highly developed center of science, literature, music and fine arts, folk theater, dance.

Sahibkiran Amir Temur (1336-1405) had active political and trade relations with the leaders of European countries. Amir Temur supported entrepreneurship and glorified entrepreneurs, emphasizing that they will be of great benefit not only to himself but also to society, emphasizing that a person should always be active, better than careless, indifferent people, indicates that.

At the initiative of the President of our country, great measures are being taken to further develop private property and private entrepreneurship, eliminate obstacles and obstacles to their development, sharply strengthen the responsibility and accountability of regulatory authorities, reduce the tax burden, simplify taxation and improve tax administration.

As noted by the President of the Republic of Uzbekistan Sh. Mirziyoyev: "Another important task is to support and encourage small business and entrepreneurship, to strengthen the economic power of our country, peace and stability, social harmony in our country, to create favorable conditions for further increasing the share of this sector.

After all, an entrepreneur feeds not only himself and his family, but also the people and the state. I never tire of saying, "If the people are rich, the state will be rich and powerful."

In the third direction of the Action Strategy "Further development and liberalization of the economy" approved in the country in five priority areas of development of the Republic of Uzbekistan for 2017-2021: strengthening macroeconomic stability, protection and strengthening of private property rights, promotion of small business and private entrepreneurship, continuing the policy of reducing the tax burden and simplifying the tax system, improving tax administration and expanding appropriate incentives.

MATERIALS AND METHODS

Comparative and comparative analysis, complex assessment methods were used in the study of the problem.

RESULT AND DISCUSSION

From the first years of independence in our country, the development of entrepreneurship and small business has been identified as an important direction in ensuring socio-economic development. It should be noted that a solid legal and regulatory framework for the development of the industry has been formed and is constantly being improved, the state provides systematic assistance in providing benefits and preferences for business, technical and technological reequipment and modernization of production.

Systemic measures have been taken to regulate entrepreneurship and small business, including increasing its share in GDP and employment, improving the technological structure, meeting the needs for credit resources and creating a favorable business environment. As a result of such important reforms, by the end of 2018 the share of entrepreneurship and small business in GDP reached 57.9%, industrial production 45.6%, agricultural production 99.4%, fixed capital investment 40.8%.

As noted in the Address of the President of the Republic of Uzbekistan Sh.M.Mirziyoev to the Oliy Majlis, "Fifth, the work to support entrepreneurship will be continued. World experience

shows that the country that has pursued an active investment policy has achieved sustainable growth of its economy.

Along with investment, new technologies, advanced experience, highly qualified specialists will enter various industries and regions, and entrepreneurship will develop rapidly.

In recent years, more than 13 trillion sums of soft loans have been allocated to cover more than 600,000 families within the framework of "Every family is an entrepreneur", "Our youth future" and other social programs aimed at attracting a wide range of people to entrepreneurship and expanding their sources of income.

These programs serve as an incentive for the population to engage in entrepreneurial activities in the regions, to improve their living standards and increase employment.

At the same time, the experience gained and international practice require the formation of an integrated system of complex and complementary credit opportunities.

In the context of modernization of the economy, expanding the opportunities for small business and private entrepreneurship to effectively use loans, raw materials, as well as public procurement is an important factor in increasing their economic activity.

To do this, it is necessary to continue practical measures to further improve and increase the mechanisms for allocating loans to them, primarily long-term loans for investment purposes, the formation of start-up capital, expanding the scope of micro crediting.

It would be expedient to establish a fund to finance the preparation of project documentation for investment projects, which will reduce the cost of preparing business plans, improve their quality and reduce the terms of loans.

In this regard, in 2000-2018, the volume of loans issued by commercial banks to IBRD entities had a steady growth trend.

If in 2000 loans were issued in the amount of 365.7 billion sums, in 2018 it increased by 6789.2 billion sums and increased by 20.9 times. It should be noted that during this period in the practice of lending micro crediting is widespread.

Their amount in 2000 was 44.9 billion. By 2018, the amount will amount to 1392.0 billion sums. Sums, or increased by 14.6 times. It also indicates that this type of credit has become one of the independent directions of credit policy of commercial banks.

This can be seen from the share of microcredit in total credit resources. During the analyzed period, their share increased from 8.9 points to 21.4 points

The increase in the volume of loans issued by commercial banks to small businesses, including long-term investment loans, depends directly on the level of their interest rates

In 2006-2018, the average annual interest rate on loans issued had a downward trend. This is a positive development and will serve to increase the use of loans from commercial banks.

In particular, in 2018, the average annual interest rate on loans to small businesses by commercial banks amounted to 9.3%.

Further development of the activities of IFCS entities and improving their economic activity requires improving the practice of financing investment costs

If we analyze the trend of indicators characterizing small business investment in 2000-2018, the amount of investments in fixed assets by them in current prices has a high growth rate (14.3 times).

In addition, the volume of production, which corresponds to an investment of 1 sum, increased by 6.6 times during this period; although this is a significant growth rate, it can be seen that this figure has decreased significantly compared to 2000-2018.

This decrease is explained by the fact that the growth rate of investments in fixed assets by small businesses during this period was higher than the growth rate of the volume of products produced by them.

In addition to the positive successes in small business investment, there are some challenges, including can be added:

- ❖ Lack of sufficiently feasibility studies;
- ❖ low level of use of long-term investment loans due to lack of highly liquid collateral;
- ❖ Lack of state bonification of loans to small businesses engaged in the production and export of goods in priority sectors, lack of practice.

To this end, in our opinion, a comprehensive examination of the proposed investment projects, the introduction of a mechanism for issuing loans under the guarantee of highly solvent third parties, It is expedient to introduce a unification mechanism at the expense of funds.

The sustainable development of the country's economy and economic activity depend to a large extent on external factors in addition to internal ones. However, CBT entities cannot enter foreign markets independently. This situation is explained, firstly, by the fact that it requires large expenditures, and secondly, by the lack of sufficient information and knowledge about the state of the foreign market and the specifics of the legislation.

Today, one can observe the growing trend of the share of small business in the country's exports. It increased from 10.2% in 2000 to 27.2% in 2018, an increase of 2.7 f.p., and the growth rate also averaged 28% annual growth over the same period.

The share of CBD in the country's imports increased from 27.4% to 46.8%, or 1.7 f.p., respectively, and the annual growth rate averaged 13.5%. However, there is a significant imbalance between the share of small business in the republic's exports and its share in imports. This indicates that the export potential of small businesses and private entrepreneurship is not used effectively enough.

In our opinion, a significant difference between the share of small business in the country's exports and its share in imports should not be allowed. This is because import duties lead to a decrease in the supply of foreign currencies in the country's domestic foreign exchange market.

This reduction should be offset by foreign exchange earnings from the production and export of quality, competitive products through the introduction of new equipment and technologies in the production activities of small businesses

CONCLUSION

1. Relying on theoretical foundations in setting criteria for the number of employees in order to determine the object of state regulation of small business and private entrepreneurship, in particular, the concepts of "final added output", "minimum effective size of the enterprise" and "functional staffing" to ensure the efficiency of the industry.
2. The forms and means of state regulation of small business and private entrepreneurship should change according to the level of development of the small business sector and use appropriate tools. In the first stage of the industry's development, more entrepreneurship training, business planning assistance and advice, various benefits, micro crediting play an important role. Providing, facilitating access to foreign markets, attracting national and foreign investment. Also, while the direct regulatory mechanisms of the state are more effective in the early stages of the sector's development, the role of indirect regulatory mechanisms will increase with its development.
3. The approach is to simplify the registration of business entities, including the reduction of deadlines, to encourage them to be organized as much as possible, to support the idea of establishing business entities, to study their feasibility and to prepare relevant documents in a timely and quality manner. Further improvement of the activities of special infrastructure services and the strengthening of the mechanism of responsibility for the quality of their services will lead to an increase in the efficiency of expanding the boundaries of state regulation of these processes.
4. It is proposed to improve the theoretical basis of state support for CBT entities in the following areas:
 - ❖ First, economic support is based on selection, targeted, short-term, criteria-based, and socio-economically efficient and market mechanism, anti-discrimination measures that have a positive impact on the viability and competitiveness of business entities without impeding the formation of free competition. to be an event
 - ❖ secondly, based on the experience of developed countries and the results of our research, the optimal level of economic support for business entities of the state should be determined at the point where the marginal socio-economic benefit is equal to the marginal social cost: $MSB = MSC$.
5. The analysis shows that the implementation of future structural changes in the region requires, first of all, the full use of domestic resources and opportunities, the creation of favorable conditions for attracting foreign investment. Improving the legal framework to encourage new forms of foreign investment in this area; effective use of available benefits; development of investment partnership between public and private structures; giving financial enterprises more freedom in choosing and justifying investment projects; foreign partners are required to provide more information about the country's investment potential.
6. In the context of modernization of the economy, it is necessary to take the following measures to increase the role of small business and private entrepreneurship: improve practical measures to increase the share of small businesses in industry, support export-oriented enterprises, modernize production capacity through domestic and foreign

investment; to stimulate the growth of production of competitive products through technological re-equipment, establishment of new enterprises comprehensive support of farms, strengthening their material and financial base, creating new opportunities for them, development of service structures; Measures should be taken to help agricultural enterprises to take advantage of the wide range of opportunities created for the purchase of modern technologies for processing their products.

7. In the implementation of financial support for small business and private entrepreneurship, it is necessary to pay attention to: microcredit and micro leasing services to the production and service sectors mainly related to individual labor, family business and home-based work and job creation; increase the number of customers using start-up capital in the number of customers using microcredits. At the same time, special attention should be paid to private business entities that do not have the status of a legal entity; strengthen monitoring and prevention of overdue indebtedness by ensuring full repayment of principal and interest payments on microcredits in the future; given the steady increase in the number of microcredit customers and the need to increase the effectiveness of local seminars on these topics in order to prevent problems with the timely repayment of microcredits
8. It is necessary to create an effective incentive system for small business and private entrepreneurship to carry out regular technical and technological modernization of production.

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