

MEASURES TO SUPPORT SMALL BUSINESS AT THE TERRITORIAL
LEVEL

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Abstract: This article shows that one of the characteristics of a small business is its flexibility, versatility and rapid adaptation to changes in the economy. Taking into account the fact that small business affects employment, economic growth, and the fact that more than half of the gross domestic product of the Republic of Uzbekistan is produced by small businesses, measures are recommended to develop small business in the regions.

Keywords: Small business, economic growth, development, efficiency, entrepreneurship

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The formation of small business in Uzbekistan is rooted in ancient times. On the Great Silk Road, our ancestors connected the East with the West by caravans. Although entrepreneurship in Uzbekistan has a long history, the process of creating entrepreneurial, industrial, commercial and financial firms based on market forms intensified at the end of the 19th century, when their number increased dramatically. Tashkent, Samarkand, Andijan and others became centers of cotton trade, cotton enterprises and branches of various large banks were opened here. According to historians, in 1868 the first production and industrial enterprise was established, equipped with 6 cotton gins and steam engines. It should be noted that the circle of large Uzbek entrepreneurs in the field of production and capital investment industry is initially formed on the basis of the trade and commercial direction of economic activity. In the 1890s, the ancient merchant dynasties began to use their capital to purchase cotton and process it into primary processing, that is, the process of integrating the financial, commercial and industrial spheres of entrepreneurship into the real economic practice of Uzbekistan[6].

Private entrepreneurs and organizations have the right to independently dispose of the released products. And based on their interests and preferences, they carry out their financial and economic activities.

Small enterprises that do not need a large initial capital are characterized by a high turnover of resources. As a result, small businesses can best adapt to changing market structure and consumer demand. Small business affects the employment of the population, economic growth rates, as well as the composition of the gross

domestic product of the Republic of Uzbekistan. More than half of the gross domestic product of our country is produced by small businesses. They also rank highly in exports.

One of the distinguishing features of small business is its flexibility, versatility and rapid adaptation to changes in the economy. That is, the small business develops and acts in its own interests and contributes to the development of the entire economy of the state. The activity of small businesses is equally useful both for the economy of the state and for every citizen, and in this regard, the importance of recognition and support from the state should be emphasized.

For regional territories, the development of small businesses is just as important, if not more important, than the development of large businesses.

Small business means additional jobs, production of products and services necessary for local needs, and tax deductions to the local budget. Small businesses are becoming a lifeline in many areas amid production cuts and job cuts at large enterprises.

The main goal of supporting and developing small businesses in the field is to increase the flow of funds to local budgets and solve the problem of employment. Therefore, the issues of development and support of small businesses remain one of the priority tasks of local regions, their solution should be aimed at ensuring the growth of small enterprises, improving the efficiency of their activities, and increasing the number of people employed in small businesses.

The main goals of planning the socio-economic development of local territories are the satisfaction (implementation) of public (collective) interests and needs of the local community, that is, residents of local territories, as well as the creation of favourable conditions for the socio-economic development of the population. When studying the essence of small business, it is necessary to know its origin and development process. Small business played a big role in the spread of civilization, but its history has never occupied the public consciousness. But now small business is recognized as a creative force in the economy. State support for small businesses in modern Uzbekistan has entered a new stage of development. In the Decree of the President of the Republic of Uzbekistan «On measures to simplify state regulation of entrepreneurial activity», the requirements that impede the modern activities of entrepreneurs in accordance with the state program for the implementation of the Development Strategy in the «Year of Human Dignity and Active Neighbourhood», a number of amendments were made. From January 1, 2023, entrepreneurs got rid of some mandatory requirements [7].

Creating and running a small business is, first, working with numerous documents and laws, which often creates difficulties for entrepreneurs, especially beginners. As we mentioned earlier, 85 per cent of the local areas of the region have

a population of fewer than 50,000 people. It is very important to have highly qualified personnel in the legal field. To this end, it is advisable for local governments to create consulting organizations on the organization and management of small businesses. Including «Business Incubators» and «Business Schools».

One of the goals of business incubators is legal assistance. First, this is assistance in organizing an enterprise, registering it with the tax authorities and preparing the necessary documents. Secondly, legal support of commercial operations and other activities associated with the risk of violation of the client's rights, preparation of contracts and agreements, as well as their legal analysis. Thirdly, he represents the interests of the enterprise in courts of all instances, prepares an evidence base, helps in challenging claims, illegal inspections of controlling organizations and accompanying the bankruptcy process of an organization.

Another important role of the business incubator is consulting and information support. They can be called:

1. Providing advice and information on the forms of state and regional support operating in the region. A detailed and detailed explanation of actions aimed at obtaining state and regional assistance. Assistance in preparing documents for participation in government projects.

2. Consultations and assistance in creating business plans. Highly qualified specialists get acquainted with the business plan and make their own adjustments.

3. Bringing information to entrepreneurs, as well as changes related to small businesses. Due to frequent changes in legislation, many entrepreneurs simply do not know about the upcoming changes. It is desirable to create an information portal on the Internet, where everyone can get acquainted with all the necessary information.

Also, information resources can be:

- socio-economic data;
- economic monitoring, finance, prices;
- marketing, markets for goods and services;
- legal documents.

Finally, it should be noted that business incubators are a very effective and high-quality tool for supporting and stimulating the development of the regional economy with a simple operating system. In addition, by creating such an organization, the administration creates favourable conditions for the existence, formation and development of small businesses in the region. The impact of business incubators can be felt over time.

Encouragement and popularization of entrepreneurial activity, as well as the development of a set of measures aimed at creating a positive image of an entrepreneur, expanding the circle of small businesses and persons wishing to engage in entrepreneurial activity, should become one of the important tasks of regional leaders in this regard.

One of the best ways to promote small business and entrepreneurship in the region is to hold various competitions and competitions to increase its reputation:

1. «**Successful start**» for aspiring entrepreneurs and enterprises that have been successfully running a business for one to two years.

2. «**Business lady**» - for women - heads of small enterprises with work experience in this position for more than 2 years or self-employed for more than 2 years.

3. «**Efficiency and development**» - the best performance indicators of business entities compared to the previous year (the number of products manufactured (services rendered), goods sold to the population through a retail network, proceeds from the sale of goods (works, services).

4. «**The best family business**» - for small and medium-sized businesses, where the owners and key employees are relatives.

5. «**Recognition and affection of the consumer**» - the residents of the district independently choose the enterprise that, in their opinion, satisfies their interests and needs to the maximum extent.

6. «**For effective economic activity in micro districts**» trade, agriculture, services, etc.

7. «**New technologies in business**» Enterprises that have introduced new technologies.

Competitions should be massive and include both small business owners and local residents. All possible media should be involved. (TV, newspapers, journalists, etc.)

An important part of the competition is the awarding of the winners. Appropriate encouragement will be an incentive to participate in the competition, the result of which will be an increase in the number of participants.

Summing up the above points, we can say that we give the following recommendations for supporting small businesses at the regional level:

1. Rational use of communal property, leasing on preferential terms. Many adjacent territories have communal property, but some of them are not used at all or are used without the desired effect. From time to time, the market value of rent is too high, which burdens small business owners, and this problem is especially relevant for startups. Local self-government bodies have the right to independently choose the direction of the use of property, in addition, they have the right to

independently determine the rental value of the property. Leasing real estate on preferential terms can contribute to the favourable development of the area;

2. Organization of business incubators are created only in large cities. The territorial administration acts as the main founder or co-founder. Initial costs are covered by the budget. The creation of this organization helps entrepreneurs overcome a number of obstacles that they face every day. The activity of incubators is aimed at the supply of property, information, consultations, training and advanced training of personnel. In addition, business incubators can help in creating business plans and projects, obtaining loans, franchising and leasing, etc.;

3. promotion and popularization of small businesses. It is necessary to create a favourable climate for doing business on the territory, in addition, it is important to create a favourable image of the entrepreneur. Anyone who wants to start their own business should take care to overcome all the difficulties associated with starting their own business. In such conditions, it can be assumed that small businesses will grow. Promotion and popularization can be carried out through competitions, fairs, exhibitions, presentations of products of local manufacturers, etc.

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