



Directions for the Development of Private Entrepreneurship and Further Improvement of the Business Environment

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ABSTRACT

Private entrepreneurship is carried out in a certain area: on the scale of the country, region, city or village. A certain working environment must be in place for private businesses to be effective. Such an environment is embodied on the scale of some regions, embodying the implementation of business functions. In general, the environment of private entrepreneurship is mainly implemented as a result of the interdependence of the following four factors: legal, political, social and economic factors. They can also be formed in the form of positive or encouraging. In the article, a scientific conclusion, proposal and practical recommendations were given on the directions of improving the systems of improving the business environment in the Republic of Uzbekistan.

Keywords:

Business environment, private entrepreneurship, investor, business structures, entrepreneur's economic interests.

Introduction

In our country, the principle of the priority of the rights of business entities has been introduced, in which it is determined that insurmountable contradictions and ambiguities in the legislation related to the conduct of business activities will be interpreted in favour of the business entity [1-3].

When a private entrepreneur enters a certain business environment, he should focus not only on the implementation of his ideas but also on how to attract investors' funds to private business activity.

The main task of a private entrepreneur in organizing his business is first of all to build the initial capital necessary to implement his ideas in a certain environment. The existence of a production process is required to realize the idea of private entrepreneurship [2-4].

The entrepreneur forms a new production structure that corresponds to business ideas

and goals and is based on the amount of capital involved. If an entrepreneur participates as an initiator and investor of his idea, he should determine in advance the organizational and legal form of his activity and his contribution to the enterprise. Thus, the entrepreneur's principle of organizing his work is to form a new production structure for society and determine the extent of his participation in it.

Methodology

Systematic and factor analysis, comparative and structural analysis, statistical grouping, monographic observation, expert assessment and other methods were used in the research work.

Today, more than 525,000 business entities are operating in our country. More than 56 per cent of the gross domestic product in our country is produced by small and private business entities, which provide employment

to more than 78 per cent of the working-age population of our republic.

At the same time, implementation of the tasks defined in the Strategy of Actions on the five priority areas of development of the Republic of Uzbekistan in 2017-2021, including the establishment of effective communication and useful cooperation mechanisms between representatives of the business sector and state bodies, reliable protection of the rights and legal interests of private property and entrepreneurship to strengthen the guarantees of doing business, to improve the business environment in regions and districts, as well as to ensure the provision of high-quality state services to business entities, first of all, in regions, cities and districts, to support the mutual cooperation of state bodies and business structures, especially in the periods when business entities have just started their activities -requires the creation of a new effective system of support.

Results and discussion

It is envisaged that the solution to the above-mentioned tasks will be provided by the Chamber of Commerce and Industry of the Republic of Uzbekistan, which is considered a non-governmental non-commercial organization and unites business entities regardless of the status, direction and scope of activity, and the form of ownership.

In the field of improving the business and investment environment:

- improvement of the legislation on entrepreneurship, further improvement of the entrepreneurship environment, organization of public expertise on the implementation of regulatory and legal documents in the field of entrepreneurship and extensive involvement in strengthening public control;
- development of business activity and convenient
- active participation in the development of state programs for the formation of the business and investment environment, as well as programs for the comprehensive development of regions;

- active involvement of business entities in the development of measures to further improve the business environment, together with business structures, public expertise of regulatory legal documents projects, including industry, transport, construction, finance, information and communication technologies, trade and services, agricultural products establishment of expert councils on processing and other fields;
- preparation of proposals for improvement of legislation aimed at strengthening guarantees of the rights and legal interests of business entities, strengthening the promotion of their development;
- conducting a quarterly analysis of the state of the local business environment in the districts (cities), and regions of the republic, as well as the results of the implementation of the norms and requirements in the legislation, and presenting analytical materials and proposals for their improvement to the Office of the President of the Republic of Uzbekistan, the Cabinet of Ministers of the Republic of Uzbekistan and other competent bodies;

In the field of business support:

- to provide practical assistance to business entities in the organization, operation and further development of business, to provide opportunities and conditions for using the services of state bodies and market infrastructure entities, to assist in the provision of consulting assistance and information provision through the following:
- creation and organization of activities of business incubators for the placement of entrepreneurs who are just starting their activities, as well as providing them with expert, legal and advisory assistance in preparing business plans, obtaining necessary information related to the implementation of entrepreneurial activities and solving practical issues;
- to ensure that entrepreneurs acquire practical skills in the organization of investment and production processes, help

- to obtain the necessary information related to the implementation of entrepreneurial activities;
- providing legal and legal assistance to business entities during the implementation of business activities, when inspections are conducted on their activities;
- providing practical assistance in the use of financial and commodity resources, engineering-communication networks, technological machines and devices, production facilities, as well as land plots;
- Organization of committees, business and coordination councils on a public basis with the participation of members and partners of the Chamber of Commerce and Industry;
- introduction of innovation entrepreneurship, "startup" projects, small, private and family entrepreneurship, households, which serve to organize and run their own business of young people, especially graduates of higher and secondary special vocational education institutions, as well as to ensure the rapid growth of employment and income of the population actively supporting the rapid development of various forms.
- In the field of mutual cooperation with state bodies:
- introduction of new forms of the system that serve the effectiveness of cooperation with all branches of state power - legislative, judicial and executive authorities, as well as banking and financial organizations and other subjects of the market infrastructure;
- to facilitate the effective organization of mutual relations between business entities and state and economic management bodies, as well as local state authorities at all levels, to create a practical and effective mechanism of mutual cooperation based on the principle of "direct and feedback";
- receiving and processing appeals of business entities, submitting them to competent authorities for consideration, as well as conducting monitoring and analysis of their implementation;

- Organization of business support centres in regional centres, districts and cities, ensuring their mutual cooperation with competent state bodies and organizations, as well as economic management bodies providing state services [5].

To further strengthen the legal mechanisms and guarantees for the protection of private business activities, to create new means of state support for them, to expand the use of credit resources by business entities, to encourage the creation of new jobs on this basis, and to further improve the functioning of the banking and financial system of the republic, the President of the Republic of Uzbekistan "Decision No. PQ-3225 on the establishment of the state fund to support the development of entrepreneurship was adopted on August 17, 2017. The decision is aimed at strengthening the financial support of private entrepreneurship, first of all, micro-firms and small enterprises, creating additional conditions for their rapid development, and expanding opportunities [6].

The State Fund to Support the Development of Entrepreneurship, which is established based on the decision, is entrusted with several tasks in order to provide comprehensive support to small businesses and private business entities. Including

- providing financial assistance to small business entities in the following form;
- to be a guarantor for commercial banks' loans to small business entities up to 50 per cent of the loan amount, but not more than 2 billion sums;
- compensation in the following equivalent to cover interest expenses on loans of commercial banks not exceeding 4 billion sums:
- in the national currency, at an interest rate not exceeding 1.5 times the refinancing rate - in the amount of 5 percentage points;
- in national currency - in the amount of 3 percentage points to cover the expenses of banks on preferential loans allocated from the funds of the pension system, which are accumulated on the recommendation of the Youth Union of Uzbekistan for the

implementation of projects developed by the initiative of young entrepreneurs;

- in foreign currency - 40 per cent of the interest rate set by commercial banks, but no more than 3 per cent.

The fund provides financial support to small business entities in national and foreign currency through commercial banks based on general agreements [6].

Proper organization of one's work is one of the main factors of private entrepreneurship. That is why the entrepreneur should take into account all the components that make up this phenomenon [7-10]. When studying these aspects of an entrepreneur's activity, observing the sequence of his activities is of particular importance. In this case, the sequence of the main actions of the entrepreneur may be as follows:

- first, developing a business idea;
- secondly, an in-depth study of the business environment;
- thirdly, the compatibility of the business idea with the economic interest of the entrepreneur, the compatibility of the private business environment with the private business idea;
- fourth, determine the amount of capital needed to implement the idea;
- fifth, to form the enterprise or organization necessary for the implementation of the business idea.

A certain idea forms the basis of every private business activity. These ideas are distinguished by their simplicity: someone comes up with the idea of packaging a product in a new way, introduces innovations to an existing product on the market, and tries to increase the level of demand for it based on this, etc [10-17].

The implementation of the adopted measures will ensure the strengthening of guarantees for the protection of the rights and legal interests of business entities, provide all-round assistance in the organization and management of the business, provide quality public services, and introduce an effective method of information exchange with entrepreneurs on the issues of improving the business environment. and serves the further

development of private property and entrepreneurship in our country, wide attraction of foreign investments and access of local producers to foreign markets [18-24].

In order to increase the effectiveness of state support in the development of the business activity, private entrepreneurship should implement the following:

- improvement of the mechanism that ensures the cooperation of state bodies, and entrepreneurs with public organizations and commercial structures;
- implementation of investment projects aimed at the production of competitive products, increasing the volume of exports, improving the use of local raw materials, and helping to create additional jobs;
- organization of the permanent exhibition and technological equipment, mini technology fairs;
- creating opportunities for private business entities to use financial resources;
- development of international cooperation in the field of private entrepreneurship.
- The following measures should be implemented in the direction of providing private entrepreneurship with financial resources:
 - expansion of implementation of financing and insurance projects and improvement of guarantee mechanism;
 - preferential lending and microcredit at the expense of extra-budgetary funds;
 - providing private business entities with funds for the purchase of equipment on the basis of leasing;
 - improvement of credit granting mechanisms by commercial banks aimed at expanding production and replenishing working capital, increasing the volume of service provision;
 - to continue the practice of creating mini equipment that produces finished products from local raw materials, attracting foreign credit lines, as well as funds in national currency.
- The work to be carried out in the coming years on the material and technical support

of private business entities should include the following:

- expanding the scope of trade of stock exchanges, auctions and fairs;
- expanding leasing of modern equipment and technologies.
- To achieve this, the following measures are envisaged:
- compiling a catalogue of mini equipment and technologies produced in the republic;
- improvement of the database on the availability of raw materials, materials and equipment, labour and other resources on the example of the region;
- improving the system of forming the needs of each business entity, taking into account raw materials and production capabilities.

Conclusion

In conclusion, it can be said that with the growth of private entrepreneurship, we will directly solve the task of forming the middle class of owners, which is the basis of our country. Private entrepreneurship becomes an important link that ensures employment of the population and is its main source of income. It acts as the most important factor of consistent economic development, a guarantee of social and political stability of our society, and an active driving force that leads our country forward on the path of development.

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