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Article



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WAYS TO INCREASE THE EXPORT POTENTIAL OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP

Abstract: This article examines the need and ways to increase the export potential of small business and private entrepreneurship. In this, the reforms implemented and the measures being implemented to increase the export potential of small business and private entrepreneurship in our country have been described. Scientific-practical proposals and recommendations have been developed to increase the export potential of small business and private entrepreneurship.

Key words: small business, private entrepreneurship, export, investment, foreign trade, diversification, finance-credit, tax system.

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Introduction

Today, increasing the export potential of small business and private entrepreneurship remains one of the most important tasks. Diversification of the economy, broad emphasis on socio-economic reforms, changes in bringing the development of small business and private entrepreneurship to a new stage are becoming more urgent. In particular, in the speech of the President of the Republic of Uzbekistan Shavkat Mirziyoyev at the open dialogue meeting with entrepreneurs of our country on August 20, 2021, business financing, improvement of the financial-credit and tax system, reducing the tax burden on business as much as possible, the issue of land allocation, development of infrastructure necessary for business, exporter supporting enterprises, widely involving small businesses in export activities, making our products competitive, entering new markets, improving the transport-logistics system in connecting interregional trade and cooperation relations, reducing interference in business activities, simplifying procedures in the field, strictly enforcing the policy on the inviolability of private property to continue, to expand the scope of freedom given to small business and private entrepreneurship, to radically reduce the intervention of state agencies, to

ensure the prevention of violations, to increase the effectiveness of their prevention and to prevention of foreign interference was defined as the priority direction of state policy and the first-level task of state bodies.

Small business and private business entities are adapted to multiple market conditions, they have a flexible management system, but they do not have large financial, economic and production capacity like large enterprises. Such a problem is widespread in the remote regions of Uzbekistan, especially in enterprises that produce products of low quality, which do not meet international standards, and which do not have a high level of processing.

In recent years, the foreign economic cooperation of the Republic of Uzbekistan has been characterized by a high rate of development both at the regional level and in individual enterprises and companies. Trade relations of the Republic with foreign partners have a clear export direction. There is a stable direction of exports to the markets of the CIS countries. The share of exports of the Republic of Uzbekistan with non-CIS countries was 72% (in 2000 - 98%), in import purchases - 62% (in 2000 - 68%).

In the Republic of Uzbekistan, small businesses and private enterprises mainly export food products,

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chemicals and products made from them, textile products, leather and footwear products, construction materials and various services.

A significant share of the volume of exported goods falls on food industry products, light industrial products, chemicals and products prepared from them, and services. In 2020, the export volume of small businesses and private enterprises made up 20.5% of the total volume of goods exported abroad by all enterprises in the country.

Most of the products exported by small businesses and private enterprises are raw materials that are not deeply processed and do not have high added value. Such a situation requires the development of drastic measures aimed at directing the sale of high-tech products for export in the country.

Currently, there are different approaches to defining the "Export potential" category. Under the concept of export potential, we understand the available resources or the possibility of exporting manufactured products.

Export potential can be studied based on modern methods and divided into classes. In our opinion, the export potential can be divided into 2 classes:

1) Structural - according to the results obtained by studying the structural elements of the export potential;

2) Comparative - according to the results obtained based on the evaluation of the performance of enterprises producing competing products and comparison of the export potential.

Based on the specific characteristics of each industry, the level of export potential of small business and private business entities is manifested differently. This affects the change in quality and quantity aspects. Continuing in this sense, it is worth saying that it is necessary to study the level of export potential of small businesses and private enterprises, and these studies will help to make a reliable and complete conclusion about the current situation. According to the obtained results, it is necessary to develop a reasonable state policy to support small business and private entrepreneurship, taking into account the most effective way of distribution of limited resources. It is desirable to support not all enterprises, but first of all vulnerable enterprises exposed to negative factors.

When talking about the potential of small business and private business entities in the industrial sector, it can be concluded that the chemical industry, food industry, as well as light industrial enterprises have the greatest opportunities for export activities. More than 80 percent of light industrial enterprises have a high potential for export activities. First of all, this is due to the formation of an important production base in these sectors.

Along with the emerging threats to the development of small business and private entrepreneurship in the country, there are, of course, a

number of promising opportunities. Thus, the most promising enterprises from the point of view of development of export potential are chemical, food industry and light industrial enterprises.

A survey of experts in the field of foreign economic activity was conducted to obtain more detailed information about the state of export potential of small business enterprises in the country. According to the results of the survey of experts, the level of export potential of small business and private business entities in the Republic of Uzbekistan is estimated as average. A quarter of experts consider the export potential to be low, and the remaining experts consider its level to be above the norm.

According to experts, the following sectors have the greatest export potential: food industry products, light industry products, and chemical industry products.

The results of the research showed that export-oriented enterprises have the potential to conduct foreign economic activities, but it was found that the potential is not fully used. It was shown that chemical, food industry enterprises, as well as light industry enterprises have great opportunities for conducting export activities. Most of the export-oriented enterprises in the Republic of Uzbekistan have an average level of export potential, so they need state support and improvement of foreign trade infrastructure.

It is appropriate to develop a long-term strategy to increase the competitiveness of export-oriented small business entities as a priority for developing the export potential of small business and private business entities in the Republic of Uzbekistan.

One of the most effective means of increasing export potential is production cooperation, which attracts business representatives with the following possibilities: low production costs of the subcontractor; lack of production capacity in the firm when the volume of orders is too large; availability of marginal batches of products, etc.

In the near future, the following can be pointed out as a promising direction of support for export-oriented small businesses and private entrepreneurship entities:

creation and development of services infrastructure needed for small business and private business entities;

formation of a structural unit responsible for the implementation of a unified policy in the field of development and activation of export-oriented enterprises in the country;

to further improve the attraction of foreign direct investments in increasing the export potential of small businesses and private enterprises;

support of export activities of small business and private entrepreneurship subjects by the state on the basis of tax policy liberalization.

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In conclusion, the implementation of these measures will help to increase the export potential of

small businesses and private enterprises, and to develop the country's economy in general.

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