

IMPROVEMENT OF THE ORGANIZATIONAL AND LEGAL BASIS OF MICROFINANCING OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP

Dzhorayeva Lola Abdugabbarovna
Termiz State University Teacher of the Department of Economics

Iskanderov Eshgurban Samandarovich
Student of Termiz State University

Abstract:

This scientific article provides opinions on the expansion of opportunities for small businesses and private entrepreneurs to use microfinancing, including loans, raw materials, as well as public procurement.

The purpose of writing this article is to show the effectiveness of creating necessary and convenient organizational-legal, financial mechanisms and conditions for the development of the export potential of small business and private entrepreneurship from an organizational-legal point of view.

The result: development of allocation of targeted loans by state and non-state organizations to small business and private business entities for starting their own business and ensuring their spending.

Keywords: microfinancing, bank activity, community life, needs.

The state in managing the economy
intervention should be drastically reduced.

Shavkat Mirziyoyev

As we all know, improving the organizational and legal foundations of microfinancing of small business and private entrepreneurship has become an urgent task today. In our country, economy is the most changing sphere of social life. Because it is necessary to create the necessary conditions for people to live well every day. There is no ready-made bread, clothes, or housing in nature. He is forced to create all the things necessary for human needs, which are not readily available in nature. For this purpose, he built a huge economy in the heart of nature. Now the economy as a system of economic management has become the only means of human existence and development. The main component of the economy is people. A person moves and manages the economy with his work and intelligence. The second component of the economy is nature. Nature is the raw material of the economy. The third part of the economy is the artificial environment, which consists of buildings and structures, factories and factories, roads and bridges, equipment, machines and mechanisms, and a number of other things created by human hands. In the following centuries, the world economy developed, and the scale of human intervention in natural processes and the use of natural resources reached an unprecedented level. Even the biggest problem faced by a young entrepreneur who wants to start his own business, who has his own business idea and a ready-made business project, is, of course, how to find funds.



Especially if it concerns not traditional business areas such as trade or catering, but the high-risk areas associated with modern technologies. In developed countries, such business ideas are appreciated and sought after. Because only new business projects based on such a strong risk can bring a high level of profit. That is why some large companies buy such business ideas or ready-made business projects or finance them on the basis of partnership. Special funds that finance such business ideas and business projects have become an integral part of the business system in developed countries. Such new types of businesses that are funded and started operating are called startups in these countries. Facebook, Uber, Space X, Xiaomi, and Instagram are examples of startups that have started their activities and achieved great success in recent years. Due to the high level of risk in such types of business, they often start with the funds of investment funds known as venture funds. They are mainly focused on working with innovative enterprises. Venture funds invest in enterprises with a very high level of volatility and expected to receive an extraordinary high level of profit. It began to be spoken. In our country, there are many types of business that will bring great profit in the future, but also high risk, and there are many young entrepreneurs who want to do it.

When improving the organizational and legal foundations of microfinancing of small business and private entrepreneurship, it is permissible to pay attention to the following:

- expansion of opportunities for small business and private business subjects to use microfinancing, including loans, raw materials, as well as state purchases;
- creation of necessary and convenient organizational-legal, financial mechanisms and conditions for the development of the export potential of small business and private entrepreneurship from an organizational-legal point of view;
- establishment of systematic control over allocation of targeted loans by state and non-state organizations to small business and private business entities for setting up their own business and ensuring their spending;

- further improvement of the necessary legal and regulatory documents aimed at the formation and strengthening of the middle class through the further development of small business and private entrepreneurship among young people based on modern requirements, and development of prospective plans for the organizational and legal improvement of microfinancing;
- it is necessary to increase the number of small enterprises processing agricultural products of microfinancing in our country;
- it is necessary to further increase the number of small enterprises that process secondary waste and produce industrial products;
- It is necessary to further increase the number of small enterprises engaged in the introduction of information and communication technologies into production.



As part of the small business financing program, the bank offers to your attention a wide range of business loans. Our types of loans allow you to solve any issues related to business development and ensuring its competitiveness. When making a decision on In this case, the focus is not on official indicators, but on the development prospects of the business for which financing is provided. It is known that the large-scale reforms that are gradually being implemented in our country cover all areas of our social life and are directly related to the period of active democratic renewal and modernization of the country. In our country, foreign direct investments are widely attracted to the implementation of programs for further improvement of the investment environment, privatization, modernization of production, technical re-equipment and reconstruction, and creation of new jobs in the regions of the republic where there is a workforce.

In conclusion, it should be noted that in improving the organizational and legal foundations of microfinancing of small business and private entrepreneurship in our country, the improvement of the use of marketing research in the activities of enterprises will increase the contribution to the

country's economy, the creation of small industrial zones, the improvement of the investment environment and competitive environment, small business within the framework of public-private partnership, we can see the expansion of the volume of public procurement, strengthening of mutually beneficial cooperation between large and small enterprises, and the involvement of business entities in innovation processes. It is also worth noting that it is important to provide financial support to successful and promising small enterprises that have sufficient export potential, but at the same time do not have enough capital for further development.

References:

1. The decision of the President of the Republic of Uzbekistan dated August 17, 2017 "On the establishment of the state fund to support the development of entrepreneurship".
2. A.S. Azizov. (2021) Reducing financial, economic and country risks in attracting foreign direct investment. Doctor of Philosophy in Economic Sciences (PhD) diss. Autoref. - Tashkent: 2021.
- 3.lex.uz information site.
4. <https://www.uzavtoyul.uz/sayti>