

SJIF Impact Factor (2023): 8.574 ISI I.F. Value: 1.241 Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)

# EPRA International Journal of Research and Development (IJRD)

Volume: 8 | Issue: 4 | April 2023 - Peer Reviewed Journal

# NATIONAL CHARACTERISTICS OF YOUTH ENTREPRENEURSHIP DEVELOPMENT IN UZBEKISTAN

#### Rajapova E'tibor Bekberganovna

Independent Researcher, Urganch State University, Uzbekistan

Although entrepreneurship is considered as a universal, socio-economic reality, it is not equal to national-territorial aspects. It is precisely because of these national-territorial aspects that it is an important opportunity to solve local problems (for example, employment of young people, training them for the profession, supporting their aspirations for a comfortable life). Although researches on entrepreneurship have been carried out, legal aspects of relations with local authorities have been studied, the issue of classification of youth entrepreneurship in regional areas has not been resolved. We often use the general terms "small business" and "private enterprise", but they are not a classificatory approach to reality. Even the socio-philosophical characteristics, organizational and legal mechanisms of youth entrepreneurship have not been defined. Even in statistical data on economic development, youth entrepreneurship is not mentioned as a separate direction, a type of social work, therefore, the dynamics of youth entrepreneurship can only be determined (a local sign) through the numbers presented in the President's speeches and some articles.

Youth entrepreneurship is mentioned in the 2016 Law on "State Policy Regarding Youth" as a means of supporting youth employment, their initiatives and labor activity. In the following years, 5 laws on youth policy, 7 decrees and 14 decisions of the President, 2 orders, 23 decrees and 4 orders of the Cabinet of Ministers were adopted. For the first time in the history of our country, June 30 was celebrated as Youth Day and August 20 as Entrepreneurs' Day. The Committee on Youth, Culture and Sports in the Senate of the Oliy Majlis, the Committee on Youth Issues in the Legislative Chamber, the Business Ombudsman aimed at protecting the rights and freedoms of entrepreneurs, the Youth Academy under the Ministry of Innovation, the Youth Parliament, the Youth Agency, 9,500 youth leaders in the neighborhoods position was established. Tutors working with young people have been introduced in special secondary and higher educational institutions. In order to support youth entrepreneurship, preferential loans of 4 trillion 400 billion soums were allocated for the projects of 147,000 young people in the next two years, and land areas for farming were allocated to 560,000 people.

In order to establish a direct interaction with the people, Such principles as "road maps", "working in the cross-section of neighborhoods", "entering the people", "listening to the pain of the population", "participating in the pain of the people", "employing young people, organizing their free time" were introduced to the activities of public receptions and virtual receptions of the President of the Republic of Uzbekistan, local business centers, state authorities and management bodies. More than 20 social programs such as "Youth are our future" and "Five initiatives" have been developed, a new system of address work in all neighborhoods, districts and villages, work methods such as "Youth register" and "Wives' register" have been introduced, as a result 5 million families' problems were solved, young people were employed [1]. The "Project Factory" aimed at supporting youth initiatives, innovative ideas and entrepreneurship was launched in the regions, and the position of deputy chairman of the Council of Ministers of the Republic of Karakalpakstan for youth issues was introduced. In order to establish a continuous communication with young people, "Youth Reception Rooms" were established, and it was started to attract experienced specialists capable of carrying out spiritual educational work.



### EPRA International Journal of Research and Development (IJRD)

Volume: 8 | Issue: 4 | April 2023 - Peer Reviewed Journal

A total of 1 trillion 614 billion soums of loans were allocated to 7,690 business projects of young people under the "Youth-our future" program, as a result of which 39,577 jobs were created. Within the framework of the program, guarantees for 57 projects of 30.2 billion soums were provided to young people, and they were helped to start their entrepreneurial activities. Today, 25 "Young Entrepreneurs" co-working centers, 157 "Youth Work Center" complexes, 24 Youth Industrial and Entrepreneurship Zones were established in the regions. In 2021 alone, funds of 167 billion 539 million soums were formed in the funds of "Youth register". 34 thousand 253 young entrepreneurs were supported from these funds and a total of 42 billion 371 million soums were allocated to them. Unsecured microloans of up to 33 million soums were allocated to women and girls interested in entrepreneurship to start their own business (another regional symbol), and microloans of up to 225 million soums were allocated to the founders of micro-firms and small enterprises. 50 million US dollars have been allocated to train 125,000 young people in entrepreneurship and make them professional. The Foundation "Young Future" invites young people to earn income at home, "Make a profit at home!" an online competition was held. 35,000 young people took part in it, 36 of them received awards. A special educational portal with more than 8,000 video lessons was created and distributed by the foundation [2].

At the same time, according to experts, the development of small business and entrepreneurship in Uzbekistan depends not only on the use of native resources and opportunities, but also on the problems of the world economy. The Director of the Center for Economic Research and Reforms, O. Hakimov, said that today in the world, especially in Western countries, there are a number of problems such as the decrease in economic activity, foreign trade, logistics, food and raw material prices, and energy supply, which are negative for entrepreneurship. "An additional 6 billion dollars of investment is needed for the development of small business and entrepreneurship in Uzbekistan. 1.5% of entrepreneurs cannot continue their activity due to obstacles such as tax administration and bureaucracy. Conditions for entrepreneurship are not the same in all districts and cities. This was clearly demonstrated by the recently introduced investment rating of regions. In order to ensure equal development of entrepreneurship in districts and cities, separate approaches are needed for each region. Many problems of business representatives regarding connection to infrastructure, land and space allocation remain unsolved. Inviolability of property and interference in business activities are also a serious concern of business representatives. Concepts of small and medium-sized businesses, special measures to support them have not been developed" [3]. Only in the first half of 2021, 37,379 applications from entrepreneurs were received at the reception of the Prime Minister, 39,778 (59, 6%) of the issues mentioned in the petitions are related to districts and cities, 13,206 (33, 2%) are related to regions. Take action against 547 responsible leaders and employees (105 local authorities, 325 banking institutions, 117 organizations and agencies) who made mistakes in considering the applications of entrepreneurs sent for execution through the Prime Minister's offices. 359 of them were reprimanded, 106 were fined, 64 were dismissed, 18 were brought to administrative responsibility [5]. Therefore, President Sh.M. Mirziyoev organized an open dialogue with entrepreneurs on August 22, 2022 at the International Congress Center and emphasizes that there is a lack of new approaches in the field, and in order to solve the existing problems, first of all, local authorities, institutions, bodies and structures called for socio-economic and cultural development of the regions should make a concerted effort to please the people. In this regard, he puts forward five directions.

The goal is to "take the development of the region to a new level", that is, to improve the investment and business environment of the region, to ensure the employment of young people, to create a favorable business environment, to raise the use of human capital to a new level, and to expand the coverage of social protection. In order to improve the investment and business environment of the region and attract young people to entrepreneurship, tax rates on profit tax, turnover tax and land tax on legal entities have been reduced by 50% from January 1, 2023 to January 1, 2028. The social tax paid by individual entrepreneurs has been reduced by 12 times for those operating in urban areas, and by 6 times for those operating in districts. Up to 70% of the cost of transporting raw materials for entrepreneurs will be paid by the Foreign Trade and other relevant agencies. A procedure for allocating loans to young



# EPRA International Journal of Research and Development (IJRD)

Volume: 8 | Issue: 4 | April 2023 - Peer Reviewed Journal

entrepreneurs for the purchase of equipment and machinery for a period of 7 years through the Fund for the Support of Young Entrepreneurs under the Ministry of Investments and Foreign Trade has been established. Also, in the Decree, a wide range of measures related to the development of agribusiness were defined in order to attract young entrepreneurs in the region and to employ the population. For example, renting land to young farmers for up to 30 years, supporting fruit and vegetable clusters with preferential loans, providing practical and material assistance to young entrepreneurs and farmers in effective use of land and water resources, and coal to low-income families, allocation of one-time aid money for gas, food delivery, etc. are great opportunities for socio-economic development of the region. Taking into account the socio-economic situation in the northern regions of the Republic of Karakalpakstan, the President adopted a separate decision "On additional measures for the development of entrepreneurship in the northern districts of the Republic of Karakalpakstan" (May 30, 2022). The main focus is on accelerating the socio-economic and cultural development of the northern regions with the help of youth entrepreneurship. It is known that one of the peculiarities of the Karakalpakstan region is that there is a wide opportunity to engage in fishing. According to the accounting book of experts, every person should consume 12-16 kilograms of fish and fish products on average per year. Entrepreneurs from Karakalpakstan took the initiative to grow fish at home, based on this initiative, the Karakalpak Fishery Industry Association, 6 hatcheries and 5 clusters were established. For example, up to 200 tons of dietary fish meat are grown in closed water reservoirs of clusters in the city of Nukus. Fish, tilapia and African silverfish are kept in innovative methods in water reservoirs. In the conditions of the region, fish farming in the style of artificial family business has the power to fully satisfy the population's demand for fish products. Each household and family produces 150-200 tons of fish per year, each cluster can process an average of 4.5 thousand tons of fish. 100 million fish fry are grown in the hatchery of the "Super fish" farm alone. Today, artificial lakes have reached 300 hectares, and there is a plan to increase it to 500 hectares [4].

On November 25, 2022, during his visit to Navoi region, the President of our Republic put forward the concept of "a region free from poverty and unemployment". He set the task of establishing 26 local industrial centers and small industrial zones in the region, allocating 600 billion soums for family entrepreneurship programs, allowing to create 72 neighborhoods in Khatirchi, Karmana, Navbahor, Kyziltepa and Nurota districts specialized in the cultivation of potatoes, vegetables, grapes and pomegranates. For this, water supply will be improved in 5 thousand hectares around these neighborhoods. In general, in 2023, an additional 655 billion soums will be allocated to solving socio-economic and cultural problems in the region, and 750 billion soums will be allocated to support family entrepreneurship [6]. The idea of the President of "a region free from poverty and unemployment" can be applied to other regions as well, it will help to effectively solve the most painful issue for our republic. Entrepreneurship development through neighborhood specialization is another national territorial feature. It can be called "Entrepreneurship specialized area" according to each business activity.

The role of young entrepreneurs is reflected in the implementation of traditional activities, services and innovative developments in these neighborhoods. The concept of socio-economic development of regions of our country is clearly manifested in the "Prosperous village" and "Prosperous neighborhood" programs (the next national regional symbol). More than 200 Decrees and Decisions of our President and Government regarding these programs have been adopted, they emphasize that regional problems are directly related to the development of neighborhood and family entrepreneurship, employment of young people, and improvement of the population's life. The Resolution "On measures for the implementation of the "Prosperous Village" and "Prosperous Neighborhood" programs in 2022-2026" of the President of the Republic of Uzbekistan (March 18, 2022) indicates that socio-economic and cultural development of regions has been implemented in more than 1,500 villages and neighborhoods in the following years, and socio-economic problems are awaiting their solution in 1,071 villages and neighborhoods. It is reported that 179 villages and neighborhoods have general education schools built of straw and raw bricks, 5,568 have 29,000 kilometers of dirt roads, 1,540 have no centralized drinking water supply, 49 have public transport, and 781 have garbage collection. In accordance with the decision, to develop the master plan of regions, villages and



SJIF Impact Factor (2023): 8.574 ISI I.F. Value: 1.241 Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)

### EPRA International Journal of Research and Development (IJRD)

Volume: 8 | Issue: 4 | April 2023 - Peer Reviewed Journal

neighborhoods, to involve local residents, especially young people included in the "Iron Register", "Women's Register" and "Youth Register", in the construction of the objects to be built in them, based on the initiatives of young entrepreneurs, new such as expansion of workplaces, new types of services, increasing the activity of local offices and hokims in the formation of infrastructures.

#### REFERENCES

- 1. Абдуллаев А. Мустақиллик аввало ҳуқуқ демак // "Янги Ўзбекистон", 2022, 27 август.
- 2. Саъдуллаев А. Халқаро майдонда рақобатга кириша оладиган, замонавий фикрлайдиган, ҳар соҳада билимдон ёшлар мамлакатга таянч бўлади/ "Янги Ўзбекистон", 2021, 30 июнь.
- 3. *Хакимов О. Тадбиркорликни ривожлантириш учун янгича ёндашувлар талаб этилади // "Янги Ўзбекистон"*, 2022. 28 август.
- 4. Қутлимуратов М. Балиқчилик:бир куб метр сувда 100 килограммгача балиқ етиштриш мумкин // "Янги Ўзбекистон", 2022, 25 январь.
- 5. yuz.uz.news, 2021, 10 июль.
- 6. yuz. uz.news.