



MODERN ASPECTS OF ECONOMIC AND SOCIAL SUSTAINABLE DEVELOPMENT

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FAVORABLE BUSINESS ENVIRONMENT AND FACTORS AFFECTING IT IN UZBEKISTAN

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Annotation: In this article, research is being conducted on ways to further improve the favorable business environment in Uzbekistan, projects, decisions, and presidential decrees issued by the state in this direction. Entrepreneurship or business refers to any legal commercial activity, Entrepreneurship a person engaged in is called an entrepreneur. Currently, a number of measures are being developed in our country to develop the business environment in favorable conditions and to create relief for entrepreneurs.

Key words: entrepreneurship, favorable entrepreneurship, business environment, activity, strategy, inclusive, sustainable, poverty, projects, economic growth, public-private partnership, competition, development, business entity, market relations.

Introduction: Any business is conducted in a certain area: country, region, city or village. In order to effectively carry out business activities, there must be a certain working environment. Such an environment is embodied on the scale of some regions and embodies the implementation of business functions. In general, the business environment mainly consists of the following four factors:

- legal
- political
- social
- is implemented as a result of the interdependence of economic factors. They can be formed in the form of positive or encouraging. In this case, the existing conditions in the country or region are suitable for conducting business activities. Because such an environment gives an entrepreneur ample opportunity to predict the results of his actions. The entrepreneur's ability to anticipate the results of his work is expressed in contrast to the concept of risk. If an entrepreneur operates on the basis of risk in a certain environment, then it is characterized by variability, instability, and risk.

Main: This environment does not correspond to the positive environment mentioned in the introduction above. In practice, in many cases, it cannot be said that a certain factor of the business environment has the main effect on the business results of the entrepreneur. Because the entrepreneur is more interested in the interdependence of the factors determining the business environment. Among the above-mentioned factors, legal factors are considered to be the main factor, because they indicate the rules of games that can be implemented in the business environment to conduct business activities.



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The concept of the rules of games includes permitted and implemented actions (movements). The rules of the game appear in different forms in relation to fixed actions (movements). The rules of the game can be developed based on the principle of dos and don'ts. All limits or restrictions on the way of conducting business activities should be clearly indicated in these rules. In general, the legal factor is a set of all laws (tax, land, labor relations) and guidelines for conducting business activities, regulates business activities and embodies the relationship of an entrepreneur with other entities in the economic process.

Failure to maintain the legal base in full or at the same rate can have a significant negative impact on the level of entrepreneurial activity. Currently, there is a whole legal framework that forms the basis of the economic reforms implemented in the Republic of Uzbekistan.

The description of the legal factor also includes the concept of "legal culture". Under this, it is understood that the nation fully complies with the laws, that is, there is a concept in the minds of people that the requirements of the laws must be fulfilled. If all the necessary laws are adopted, but they are not working or are not implemented, such a society cannot be considered law-abiding, and the entrepreneur must take this into account when conducting his activities.

Entrepreneurship can be implemented only when certain conditions are created by the state. Its formation is primarily related to the emergence of a certain situation in society, and the political and economic situation in it is directed to the formation of entrepreneurial activity. The most important of them is the implementation of the development strategy of New Uzbekistan for 2022-2026, as well as halving poverty by achieving inclusive and sustainable economic growth, ensuring competition in the economy, and equal conditions for business entities. In order to create, accelerate the full transition to market relations, increase the competitiveness of the national economy, sharply increase the volume of private investments, and further strengthen the confidence of business circles:

The following should be defined as the main directions of increasing the role of the private sector in ensuring economic growth, creating favorable conditions for the development of the private sector in all industries and sectors:

to continue institutional and administrative reforms to guarantee the inviolability of private property and freedom of business activity, and to ensure the rule of law in this regard;

to use the mechanisms of transparent privatization of non-agricultural land plots, first of all, as an important factor of attracting private investors, and to create infrastructure and other necessary conditions to increase their attractiveness when auctioning land;

To liberalize the market of goods and services in which state participation is maintained and to create conditions for the entry of the private sector into these areas, to form a healthy competitive environment by strengthening the institutional capacity and authority of the anti-monopoly body;

cancellation of privileges, exclusive rights and privileges by targeted application of the "regulatory guillotine" method;



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accelerating the transformation and privatization of state-owned enterprises and commercial banks, reducing the share of inefficient enterprises in the economy, stimulating the increase of qualitatively new investments, in particular, based on the principles of environmental, social and corporate governance (ESG), and the increase of technologies with high production productivity encourage;

stimulating the development of various segments of the financial market at the expense of further liberalization of the money and capital markets, thereby creating conditions for the creation of alternative sources of financing for privatized and transforming enterprises;

to accelerate the attraction of foreign investors in geological exploration, extraction and processing, in order to provide the driver sectors of the economy, in particular, mining, oil and gas, chemical, building materials industry and other industries with a guaranteed base of raw materials, mineral raw materials support for increasing base reserves;

development of energy resources, transport and communication markets and creation of conditions for the entry of private investments into the sector;

a sharp increase in public-private partnership projects in the fields of drinking and waste water supply, heat supply, beautification, road construction, and aviation infrastructure;

to have an intolerant attitude towards any form of corruption in all spheres and sectors and fight against it fiercely;

measures such as wide introduction of modern methods of corporate management in state-owned enterprises and commercial banks, including the "compliance" control system, prevention of corruption by ensuring the transparency of the procurement system, etc.

The political factor determines the state's reaction to all events occurring in the business process and the state's influence on them. The extent to which the state should influence or intervene in the business activity is also included in the concept of a political factor. Such intervention may be unplanned or planned. In general, the attitude of the state to the level of entrepreneurial activity is manifested in the form of encouragement or non-participation. The development of entrepreneurship in each country is greatly influenced by the stability of its political system. If the political system is not stable, entrepreneurs try to implement various short-term operations in order to get high profits without attracting large investments. The stability of the political situation allows an entrepreneur to plan his activities strategically, i.e., to carry out work intended for the long term.

The social factor is much more complex in terms of its composition compared to others. That is why its composition consists of many elements. If the entrepreneur ignores them, it may lead to negative results in the future. The following are the main elements of this factor:

state of ideology in society;

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national customs;

cultural and household customs of the nation;

the attitude of the surrounding people to the entrepreneur and business activities;

the attitude of the state to entrepreneurs and business activities.

The economic factor reflects the market competition and price situation. The price system, in turn, includes the level of prices, production factors involved in the production process by the entrepreneur, labor force, the amount of the credit rate, and taxes and mandatory payments. The conditions of competition in the market are analyzed qualitatively and quantitatively.

Conclusion: taking into account the above, the factors related to the creation of an entrepreneurial environment were divided into groups, and on this basis, an organizational-economic model of the mechanism of its formation and development was created.

Factors affecting the business environment can be divided into the following groups:

- the ability of consumers to pay for a specific product. In this case, the actual demand in the market and the expected demand differ.

If the product (goods) differs from the previous ones by its characteristics, the demand for it is determined by marketing methods:

- entrepreneurs who can take risks and market risks and operate on the basis of property responsibility. They must be highly qualified and able to adapt to certain market conditions, able to effectively use their property, knowledge and capital;

- investors with capital. This includes individuals or enterprises with free capital, organizations and entrepreneurs themselves. They form several categories: banks, funds, insurance companies, state organizations, foreign investors, etc.;

- infrastructures that allow business activities to be carried out at the same rate. They include financial and credit, audit, marketing, consulting, information, insurance and similar service organizations;

- decision-making system. This system includes, first of all, a set of criteria and methods that allow assessing the reliability and efficiency of business. The entrepreneur should be able to check the results of his work through this system. The systematic and interaction laws of these factors activate entrepreneurship and it is implemented through the economic mechanism. As a result, new enterprises, production, service and other business objects are created in some regions and sectors. Such activities become more active and adapt to the market due to the knowledge of the entrepreneur, investments, market demand, and the mutually beneficial actions of the state and other organizations.



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