FINANCING WAYS TO REDUCE POVERTY BY PROMOTING ENTREPRENEURSHIP IN UZBEKISTAN

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Annotatsiya . *Ushbu maqola O'zbekistonda tadbirkorlikni rivojlantirishga oid iqtisodiy muammolarni o'rganadi. Prezidentimiz tomonidan amalga oshirilayotgan islohotlar, reglamentlar, moliyalash imkoniyatlari va innovatsiyani qo'llab-quvvatlovchi ta'lim tizimini hisobga olib, tadbirkorlik ekotizimini ta'sir etuvchi omillar batafsil tahlil qilinadi. Jahon banki va Osiyo Taraqqiyot Bankidan olingan eng so'nggi ma'lumotlar asosida maqola kichik va o'rta tadbirkorlikka (KOT) tug'diradigan imkoniyatlar va tizimdagi muammolarni ko'rsatadi. Ushbu asar O'zbekistonda tadbirkorlikni rivojlantirish uchun samarali strategiyalarning muhokamasiga hissa qo'shadi.*

Kalit so'zlar: *O'zbekiston, tadbirkorlik, iqtisodiy muammolar, kichik va o'rta tadbirkorlik, islohotlar.*

Abstract. *This article examines the economic challenges facing entrepreneurship development in Uzbekistan, a country undergoing significant reforms. It analyzes factors influencing the entrepreneurial ecosystem, including regulatory barriers, access to finance, and educational frameworks that support innovation. Based on recent data from organizations like the World Bank and Asian Development Bank, the article highlights opportunities for small and medium-sized enterprises (SMEs) while addressing systemic issues hindering their growth. This piece aims to contribute to the discussion on effective strategies for fostering entrepreneurship in Uzbekistan.*

Keywords: *Uzbekistan, entrepreneurship, economic challenges, small and medium-sized enterprises, reforms.*

Аннотация. *В этой статье исследуются экономические проблемы, стоящие перед развитием предпринимательства в Узбекистане, стране, проходящей значительные реформы. В ней анализируются факторы, влияющие на предпринимательскую экосистему, включая нормативные барьеры, доступ к финансированию и образовательные программы, поддерживающие инновации. Основываясь на последних данных от таких организаций, как Всемирный банк и Азиатский банк развития, статья подчеркивает возможности для малых и средних предприятий (МСП), а также рассматривает системные проблемы, препятствующие их росту. Цель данной работы - внести свой вклад в обсуждение эффективных стратегий содействия предпринимательству в Узбекистане.*

Ключевые слова: *Узбекистан, предпринимательство, экономические проблемы, малые и средние предприятия, реформы.*

Introduction

Poverty continues to be one of the most pressing issues confronting numerous developing nations, including Uzbekistan. Despite notable economic advancements in recent years, a significant portion of the population remains impoverished. To address this problem, fostering entrepreneurship has emerged as a practical solution. Encouraging people to launch their enterprises not only generates employment but also stimulates innovation and promotes economic expansion. This article examines various methods to alleviate poverty in Uzbekistan through the promotion of entrepreneurship.

The Present Condition of Poverty in Uzbekistan

Uzbekistan, located in Central Asia and rich in cultural heritage and natural resources, has made progress in reducing poverty since it achieved independence in 1991. However, challenges still exist. The Asian Development Bank reports that around 11.4% of the population lives below the national poverty threshold. This issue is more pronounced in rural regions, where unemployment is higher and access to economic opportunities is limited.

The government has acknowledged the significance of entrepreneurship as a driver of economic development and poverty alleviation. Initiatives aimed at creating a supportive business environment are essential for empowering individuals and communities.

One of the main strategies for promoting entrepreneurship involves establishing a favorable business climate. This includes:

1. Streamlining Regulatory Frameworks: Reducing bureaucratic hurdles can greatly alleviate the pressure on startups and small enterprises. Introducing one-stop services for business registrations and necessary permits can simplify the process for entrepreneurs to launch their businesses.

2. Financial Accessibility: Many potential entrepreneurs face difficulties in securing financing. Creating microfinance institutions and improving access to credit can provide essential funding for small business growth. Moreover, offering grants and subsidies can encourage the expansion of startups.

3. Infrastructure Development: Improving infrastructure such as roads, telecommunications, and utilities is crucial for efficient business functions. Investments in rural areas can enhance access to markets and resources, empowering local entrepreneurs.

Education and Skill Development

Entrepreneurship relies on innovation, creativity, and skill. Therefore, investing in education and skill development is essential. This can be achieved through:

1. Entrepreneurial Education Programs: Implementing entrepreneurship courses at schools and universities can nurture an entrepreneurial mindset from an early age. Curriculum should include business management, financial literacy, marketing, and innovation.

2. Vocational Training Initiatives: Programs focused on practical skills across different sectors can equip individuals with the necessary abilities for particular industries, enabling them to launch their own ventures or become valuable workforce contributors.

3. Mentorship Programs: Connecting novice entrepreneurs with seasoned mentors can offer guidance and support. This can be facilitated through incubators or by establishing networks of local business leaders.

In today's digital era, technology plays a crucial role in entrepreneurship. Fostering innovation can have a meaningful impact on poverty alleviation:

1. Supporting Technology Startups: Uzbekistan can cultivate a dynamic tech ecosystem by offering resources for technology startups. Government grants, incubators, and coworking space access can smooth the journey for tech entrepreneurs.

2. E-commerce Growth: Encouraging the development of e-commerce platforms allows local businesses to access larger markets. Training in digital marketing and online sales can boost their competitiveness.

3. Research and Development Funding: Providing grants for research and innovation can motivate entrepreneurs to create distinctive products and services, especially those that address local demands.

Social entrepreneurship aims to tackle social challenges while generating economic benefits. This approach can facilitate sustainable development in Uzbekistan:

1. Community-Focused Initiatives: Supporting social enterprises that meet community needs—like health, education, and environmental concerns—can elevate living standards and encourage inclusive growth.

2. Collaboration with NGOs: Working together with non-governmental organizations can assist entrepreneurs in obtaining technical support and financing to launch social ventures.

3. Awareness Initiatives: Increasing understanding of the advantages of social entrepreneurship can motivate individuals to engage in projects that not only yield profits but also benefit societal welfare.

Conclusion

Encouraging entrepreneurship is an effective method for alleviating poverty in Uzbekistan. By cultivating a favorable business ecosystem, enhancing education and skill development, promoting innovation, and supporting social entrepreneurship, the nation can empower its citizens to build sustainable livelihoods. As Uzbekistan moves toward modernizing its economy, investing in entrepreneurial ventures will be essential to achieving enduring prosperity and alleviating poverty for future generations.

To guarantee the effectiveness of these efforts, cooperation among the government, private sector, and civil society will be vital. With adequate support and resources, the entrepreneurial spirit can thrive, transforming lives and communities throughout Uzbekistan.

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