



MEASURES TO IMPROVE THE LENDING OF ACTIVITIES OF SMALL BUSINESS ENTITIES

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Annotation. This article examines the problematic situations that affect the lending processes of small business entities. Proportionate cases related to the systematic development features of the processes of increasing the efficiency of crediting of small business and private entrepreneurship activities in the regions have been studied. A scientific proposal and practical recommendations on the improvement of the territorial basis of the mechanism of crediting activities of small business subjects have been formed.

Keywords: credit mechanism, credit resources, credit risk, preferential financing segment, financial services, investment projects, economic freedom.

KICHIK BIZNES SUBYEKTLARI FAOLIYATINI KREDITLASHNI TAKOMILLASHTIRISH CHORA-TADBIRLARI

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Annotatsiya. Ushbu maqolada kichik biznes subyektlari faoliyatini kreditlash jarayonlariga ta'sir ko'rsatuvchi muammoli holatlar tadqiq etilgan. Hududlarda kichik biznes va xususiy tadbirkorlik faoliyatini kreditlashning samaradorligini oshirish jarayonlarining tizimli rivojlanish xususiyatlari bilan bog'liq mutanosibli holatlar o'rganilgan. Kichik biznes subyektlari faoliyatini kreditlash mexanizmining hududiy asoslarini takomillashtirishga doir ilmiy taklif va amaliy tavsiyalar shakllantirilgan.

Tayanch so'zlar: kredit mexanizmi, kredit resurslari, kredit riski, imtiyozli moliyalashtirish segmenti, moliyaviy xizmatlar, investitsiya loyihalari, iqtisodiy erkinlik.

МЕРЫ ПО УЛУЧШЕНИЮ КРЕДИТОВАНИЯ СУБЪЕКТОВ МАЛОГО БИЗНЕСА

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Аннотация. В данной статье рассмотрены проблемные ситуации, влияющие на процессы кредитования субъектов малого предпринимательства. Изучены соразмерные случаи, связанные с особенностями системного развития процессов повышения эффективности кредитования малого бизнеса и частного предпринимательства в регионах. Сформированы научное предложение и практические рекомендации по совершенствованию территориальной основы механизма кредитования субъектов малого предпринимательства.

Ключевые слова: кредитный механизм, кредитные ресурсы, кредитный риск, сегмент льготного финансирования, финансовые услуги, инвестиционные проекты, экономическая свобода.

Introduction.

According to the experience of developed countries of the world, small business and private entrepreneurship is the main factor of sustainable development of the country's economy. Small business and private entrepreneurship can quickly adapt to changes in the foreign market situation, do not require large amounts of funds, high efficiency of the execution of decisions aimed at coordinating economic activities, high rates of assimilation of new techniques and technologies and innovations. creates opportunities to increase labor productivity. Therefore, in the implementation of ownership reforms for the development of small business and private entrepreneurship in each country, by introducing various forms of small production, filling the domestic market with relatively cheap and high-quality necessary goods and services, improving the mechanism of effective use of export potential in the regions, and creating new business opportunities.

Lending is one of the effective mechanisms of state support for small business and private entrepreneurship. In Uzbekistan, in the development of small business and private entrepreneurship, along with the mechanisms mentioned above, special priority is given to the credit mechanism. Effective reforms in this regard are reflected in the processes of increasing the volume of lending and improving the organizational basis of its implementation. In particular, it is planned to allocate 200 million US dollars from the credit lines of foreign financial institutions attracted by the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan for the financial support of the tasks provided for in the "Every family is an entrepreneur" program. The coordinators of the program determined that these funds will be distributed among regions and districts (cities) based on the potential of districts (cities), the validity of received applications, the perspective of the formed projects and the creation of additional jobs, as well as the actual need (Program, 2018). Therefore, it is important to study the problems arising in this process, eliminate them, and conduct research on improving the lending mechanism of business activities of commercial banks by researching the effectiveness of the use of allocated preferential loans.

Literature review.

Important results in scientific research on improving the mechanism of crediting business activities of commercial banks were obtained during the research of foreign economists Marcelo, Jozep (2019) and the main focus of the research is on the characteristics of banks in financing small and medium-sized business activities, the structure of production along with the structure, banks are focused on changes in interest rates. Ramon, Rodrigo's (2013) scientific research studies have studied the lending strategies of commercial banks for small and medium-sized businesses and the factors affecting the process of promoting lending in this segment.

During his research, Bondarenko (2014) notes that there are big differences in the strategies of offering financial services in the segment of financing small business activities of commercial banks. The biggest obstacles to increasing credit provision of this process are the lack of information and the changes in the activity of commercial banks. Morkovkin (2015) in his research suggests introducing a targeted lending system for small business and private entrepreneurship for innovative development of the real sector of the economy. It is concluded that through the targeted lending system, an efficient system of stabilization of highly innovative activity and import substitution is formed.

In P.D. Burova's scientific researches, the features of implementation of the mechanism of bank lending to small businesses are analyzed, and based on the principles of analysis, attention is paid to processes such as business risk assessment and financial risk determination[6].

In the scientific research carried out by Boltaboev, Kasimova, Ergashkhodjaeva, Goyibnazarov, Samadov, Otajonova (2012), among the economists of our country, cases related to the financial activity of small business and entrepreneurial subjects, forms of credit provision

studied. The researches of Gafurov (2016) justify the conditions and possibilities of meeting the need for credit resources by small business subjects in the state support and regulation of small business and private entrepreneurship. Salaev (2007) explains that the determination of the need for credit resources by small business entities is determined based on modeling and forecasting methods. It is emphasized that these methods can ensure consistency in the real interest rate of long-term loans. Ergashev (2016) highly appreciates the importance of using international credit lines in lending by analyzing the practice of providing microfinance services to small business entities by commercial banks. Khusainov (2016) researches some problems related to lending to small business and private entrepreneurship by commercial banks in Uzbekistan, conditions and opportunities for improving the forms of financial support for small business subjects.

In the above-mentioned scientific research, the processes related to the functioning and efficiency of the mechanism of lending to small businesses and private enterprises of commercial banks were studied. However, the measures and directions of the systematic organization of improving the efficiency of the credit mechanism have not been sufficiently studied.

Research methodology.

Scientific abstraction, induction and deduction, statistical and systematic analysis methods were widely used in the research process, and conclusions and suggestions were formed according to the obtained results.

Analysis and results.

In recent years, reforms in the process of improving market relations in our country, like all branches and sectors of the economy, have recorded their positive results in the activities of small business and private entrepreneurship. In particular, by the end of 2022, the share of small business and private entrepreneurship in GDP will be 54.9 percent, the volume of export of products (works and services) of small business entities will be 3711.2 million US dollars or 22.3 percent of the total export volume, operating small business the number of subjects was 16.5 units per 1000 inhabitants (Raimberdiev, 2022). At the same time, the volume of lending to small business and private entrepreneurship by commercial banks has increased significantly. In accordance with the analysis of the loans allocated to small business entities and the population for the purposes of carrying out business activities in 2020-2023, it can be said that in 2020, a total of 30648.9 billion soums were allocated to small business entities and the population for the purposes of carrying out business activities within the republic. In 2020, this indicator increased by almost 80% to 55430.2 billion soums. In 2022, 48389.6 billion soums were allocated from commercial banks for these purposes, about 18 percent less than in 2020.

Tashkent city, Tashkent, Fergana, Bukhara, Andijan regions are the regions with the highest indicators in terms of the volume of loans allocated to small business entities and residents for the purposes of carrying out entrepreneurial activities. In 2021, the share of these regions in the total targeted loans allocated to small business entities and residents for the implementation of business activities is 57 percent.

In our opinion, one of the main reasons for these disparities between the loans allocated to small business entities and residents for the purposes of entrepreneurial activity between the regions is related to the weight of small business and private business entities established in the regions.

In the months of January-December 2021, the largest share of newly established small enterprises and micro-firms by region is Tashkent city - 16.2 percent, Samarkand region - 10.9 percent, Kashkadarya region - 9.6 percent, Fergana region - 9.2 percent, Tashkent region - 7.9 percent, Andijan region - 7.2 percent, Bukhara region - 6.5 percent (Raimberdiev, 2022). At the

same time, the implementation of strategically important investment projects in these regions, increasing the volume of loans directed to financial support of small business and private entrepreneurship, modernization of production, and consistent reforms carried out in the process of technical and technological renewal of production can be evaluated as efficiency.

Creating a more favorable environment for the development of small business and private business entities in our country, further improving the regulatory legal framework aimed at strengthening the protection of the rights and interests of small business and private business entities, state support for the financial and economic activities of small business and private business entities and sharply reducing the intervention of control structures, simplifying the procedure for establishing small business and private business entities and ensuring the material and technical conditions for their operation, creating relief for small business and private business entities in terms of taxes and other payments, improving the reporting system, to further improve the mechanism of lending to small businesses and private entrepreneurs, to attract foreign investments to the development of small businesses, to expand their participation in the field of foreign economic activity, to open a wide path to the development of small businesses and private businesses based on the achievements of advanced science, the priorities of the system of benefits and favorable conditions provided to small business entities are defined. However, the level of capitalization of the profits of small business entities in the regions is low, and most of their profits are directed to financing current expenses. Also, the lack of highly liquid collateral objects in small business entities, the lack of experience in implementing investment projects prevents them from increasing the volume of financing their investment expenses.

In the formation of the competitive environment, the state should first of all create a regulatory and legal framework, i.e. a legislative system, which encourages competition for all existing enterprises and guarantees their economic freedom, and then implements the financial and credit policy, a certain share for small and private enterprises in the state market. should implement the mechanism of provision.

Table 2

In 2020-2023, the share of loans allocated to small business entities and residents for the purposes of entrepreneurial activities in the gross regional product, (in percent)⁹⁶

Regions	2020	2021	2022	2023
Republic of Karakalpakstan	9,42	8,82	8,44	7,39
Andijan region	7,26	7,34	9,60	9,47
Bukhara region	8,96	11,68	9,37	10,80
Jizzakh region	10,05	16,38	12,20	13,59
Kashkadarya region	5,59	8,57	7,14	7,23
Navoi region	6,08	6,36	3,46	3,16
Namangan region	6,53	12,27	10,16	9,57
Samarkand region	7,87	11,25	8,81	8,65
Surkhandarya region	7,50	11,48	11,00	10,25
Syrdarya region	10,08	20,79	17,10	12,91
Tashkent region	4,70	6,19	7,15	5,78
Fergana region	7,49	10,14	9,15	10,01
Khorezm region	10,52	11,82	11,57	10,15
Tashkent city	14,70	21,95	11,65	13,50

⁹⁶ www.stat.uz- Information from the official website of the State Statistics Committee of the Republic of Uzbekistan

There are imbalances in the share of loans allocated to small business entities and residents for the purposes of entrepreneurial activities in the gross regional product, and this situation has a negative impact on the labor activity of the country's population.

In 2020-2023, if we analyze the share of loans allocated to small business entities and residents for the purposes of business activities in the gross regional product, the highest share in this regard in 2020 with 14.70 percent corresponds to the territory of the city of Tashkent. In 2021, it can be witnessed that the high rate of this indicator was 21.95% of the gross regional product in Tashkent city, 20.79% in Syrdarya region, and 16.38% in Jizzakh region.

In 2022, according to the share of loans allocated to small business entities and residents for the purposes of entrepreneurial activities in the gross regional product, the leading regions according to this indicator are 17.1-13 percent in Syrdarya region, 13.59 percent in Jizzakh region, Tashkent city is 13.5 percent.

Today, the following problems are observed in our country related to the lending mechanism of small business and private entrepreneurship:

- low level of diversification of loan portfolios directed to small business and private entrepreneurship activities;
- high interest rates on loans allocated to newly established small businesses and private business entities;
- increasing credit monopoly due to the lack of consideration of the competitive environment in lending to small business entities;
- inconsistency of the justification processes of the business plans being prepared for obtaining a loan to the market environment, etc.

Forming an effective solution to the above-mentioned problems, simplifying the procedures for crediting the economic activity of small business entities, ultimately provides an opportunity to prevent the shortage of financial resources necessary for the implementation of investment activities. The appropriate efficiency in this area is reflected in the work and market activity of small business and private entrepreneurship.

Conclusions and suggestions.

Due to the lack of highly liquid collateral objects on the balance sheet of small business entities, preferential loans allocated by Mikrokreditbank for small business entities remain unutilized. Therefore, it is appropriate to introduce state credit guarantees on commercial bank loans for the purpose of financing the expenses of small business entities that export their products.

In our opinion, it is appropriate to implement the following measures to improve the lending mechanism of small business and private entrepreneurship activities of commercial banks in Uzbekistan:

- to apply measures to improve the composition of small businesses and private business entities operating in the region in terms of their activity directions, in particular, in the industrial sector, in the organization of modern production networks that require high technologies, small businesses based on the achievements of advanced science and formation of the trajectory of preferential loans aimed at stimulating the development of private entrepreneurship;
- creating a single state register of legal and regulatory documents aimed at ensuring the financial stability and guarantee of small business and private entrepreneurship;
- formation of a regime for ensuring balance between the system of privileges, preferential loans from state and extra-budgetary funds, loans from commercial banks and international financial institutions in the formation of the mechanism for providing microloans to entrepreneurs;

- formation of a platform of a permanent information exchange system on credit operations of commercial banks related to the mechanism of lending to small business and private entrepreneurship, etc.

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