



ISSUES OF ENTREPRENEURSHIP DEVELOPMENT IN NATIONAL LEGISLATION

Inomov Asrorbek Axrorjon o'g'li
4th Year Student of Law Faculty of Namangan State University
Tashkent, Uzbekistan

Abstract

In this article, the role of national legislation in the development of entrepreneurship, the results of the current laws in practice, and ways to solve current problems are covered in detail.

Keywords: Entrepreneurship, legislation, economic reforms, private property, investments, digitalization, public policy, economic liberalization, innovations.

INTRODUCTION

The Republic of Uzbekistan pays great attention to the support and development of entrepreneurship as an important component of economic development. Our national legislation is aimed at creating a favorable legal environment for entrepreneurship, protecting private property and attracting investments.

Entrepreneurship is an important area that drives the development of the state economy. After gaining independence, the Republic of Uzbekistan introduced a new model of economy based on market principles. In this process, special attention was paid to the formation of legislation aimed at supporting the private sector and developing entrepreneurship.

The Basic Law of the Republic of Uzbekistan - the Constitution serves as a solid legal basis for the development of entrepreneurship. According to Article 41 of the Constitution, everyone has the right to be an owner in the Republic of Uzbekistan. This means that the development of entrepreneurship, that is, private property in the Republic of Uzbekistan is protected at the level of the Constitutional right.



Modern American Journal of Social Sciences and Humanities

ISSN (E): 3067-8153

Volume 01, Issue 07, October, 2025

Website: usajournals.org

*This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.*

MAIN PART

Our national legislation for the development of entrepreneurship includes a number of laws, including: A number of laws and decrees have been adopted in the Republic of Uzbekistan to provide legal support for the development of entrepreneurship. These documents are aimed at creating benefits for small businesses, private business entities, simplifying the process of obtaining permits and protecting property. Here are some important legal grounds:

The Law "On Guarantees of Freedom of Entrepreneurial Activity" clearly defines the mechanisms of state regulation of entrepreneurial activity. According to Article 6 of this Law, it provides additional guarantees and benefits to small business entities. For example, a special tax system has been introduced for micro-firms and small enterprises.

The principles of legal protection of family entrepreneurship and individual entrepreneurship are defined (Article 7). The decree of the head of state No. PF-244 dated November 9, 2022 stipulated the simplification of the process of obtaining business permits and licenses. This has been helping to reduce bureaucratic obstacles in business activities. The decree adopted in 2016 created the necessary legal guarantees for the comprehensive protection of small businesses and the attraction of investments. This decree also envisages increasing the responsibility of officials who illegally intervene in business activities.

Simplification of regulatory requirements: Ministries and state bodies are working to revise the permitting procedures, cancel outdated requirements, and introduce new, flexible systems.

The 1998 Law "On Guarantees of Freedom of Entrepreneurial Activity" was adopted, and according to it, this law aims to protect the freedom of entrepreneurial activity and limit the illegal interference of state bodies. According to the 2012 Law "On Protection of Private Property and Guarantees of Owners' Rights", this law serves to ensure the inviolability of private property and the state guarantees the legal interests of owners. According to the Law "On Investments and Investment Activities" in 2019, this law is based on supporting foreign and domestic investors, providing them with tax breaks and guarantees. The Law "On Electronic Commerce" of 2004 was adopted, according to which it



Modern American Journal of Social Sciences and Humanities

ISSN (E): 3067-8153

Volume 01, Issue 07, October, 2025

Website: usajournals.org

*This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.*

creates new opportunities for business entities in the digital economy. The practical application of these laws created important mechanisms for the development of entrepreneurship. For example, by 2023, the share of the private sector in the GDP will exceed 60%. Many programs are implemented by the state for the development of entrepreneurship. These programs are aimed at encouraging small and medium-sized businesses, developing innovative entrepreneurship and attracting investments. Small business is one of the main segments of the country's economy. The state provides tax breaks, credit relief and grants for small business entities. Currently, the government of Uzbekistan is paying special attention to the widespread introduction of digital technologies. Special technological parks and innovation centers were established for the development of innovative entrepreneurship.

RESULTS

Uzbekistan is actively using international experience in the development of entrepreneurship. The legislation and economic reforms successfully applied in the developed countries of the world are being adapted to the conditions of Uzbekistan. For example, free economic zones played an important role in the development of entrepreneurship in China. In Uzbekistan, special economic zones were established in Andijan, Navoi and other regions. These zones increase economic activity by creating tax incentives and favorable conditions for foreign investors. Singapore has promoted entrepreneurship by minimizing bureaucratic barriers and protecting investments. Uzbekistan has started digitalization of business registration and other legal processes to implement this model. In Germany, the model of private sector and public cooperation plays an important role in the development of small and medium-sized businesses. In Uzbekistan, this experience is implemented through the implementation of a number of projects on the basis of public-private partnership.

The share and role of entrepreneurship in the economy of the Republic of Uzbekistan is increasing year by year. In recent years, a number of positive changes have been noted as a result of the state policy to support small and medium-sized businesses. For example, in 2017, there were 283,000 business entities in the country, and by the end of 2022, their number will reach 523,000.



Modern American Journal of Social Sciences and Humanities

ISSN (E): 3067-8153

Volume 01, Issue 07, October, 2025

Website: usajournals.org

*This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.*

This means a 1.8-fold increase, that is, 240,000 more entities were established. The average number of entrepreneurs per 1,000 people was 15, while in Tashkent this figure was 36.8 and in Navoi region it was 21.9. According to the results of 2022, the share of small and private business in the gross domestic product (GDP) was 54.9 percent. Its share in the construction sector reached 72.4%, and its share in employment reached 74.4%. In 2023, more than 18,000 entrepreneurs were provided with credit support, including the number of microloans for start-up entrepreneurs. In 2023, the volume of subsidies provided for the development of small businesses was increased by 15%. The size of the e-commerce market is expected to grow by 20% in 2023, indicating the digitization of small and medium-sized businesses. These data show the effectiveness of the state policy on the development of entrepreneurship and play an important role in the future development of the country's economy. The measures taken to develop entrepreneurship, attract investments, and diversify the economy have a positive effect on the industry.

Despite the effectiveness of national legislation, there are still some obstacles in the development of entrepreneurship. Currently, entrepreneurs complain about the lengthy process of getting permission and licensing in some cases. Therefore, it is necessary to automate the processes of business activity permits to the maximum extent. Many small business entities do not have initial capital and credit resources, therefore providing them with interest-free initial loans would greatly contribute to the improvement of the economy.

In order to revive the economy, first of all, it is necessary to carry out extensive reforms in the financial sector, in particular, the expansion of the microcredit system and the further increase of tax reliefs are among the most appropriate solutions. Many entrepreneurs are not aware of the changes in the legislation. That is why it is necessary to organize free trainings by lawyers in the regions to improve their legal literacy.

In our country, it is necessary to increase trainings and seminars on improving the economy for new entrepreneurs by leading entrepreneurs.



Modern American Journal of Social Sciences and Humanities

ISSN (E): 3067-8153

Volume 01, Issue 07, October, 2025

Website: usajournals.org

***This work is Licensed under CC BY 4.0 a Creative Commons Attribution
4.0 International License.***

CONCLUSION

In conclusion, it can be said that the Republic of Uzbekistan is doing a number of positive things to create a favorable legal and economic environment for the development of entrepreneurship. But in order to eliminate the existing problems, it is necessary to regularly improve the legislation. It is possible to increase the share of entrepreneurship in the economy of Uzbekistan through the wider introduction of innovative technologies and the use of international experience.

REFERENCES

1. Constitution of the Republic of Uzbekistan.
2. Law "On Guarantees of Freedom of Entrepreneurial Activity", 1998.
3. Law "On Protection of Private Property and Guarantees of Owners' Rights", 2012.
4. Law "On Investments and Investment Activities", 2019.
5. Law "On Electronic Commerce", 2004.