



DEVELOPMENT TENDENCIES OF ENTREPRENEURIAL ACTIVITY IN UZBEKISTAN

Ergashev Otamurod Tashtemirovich,
Independent Researcher at Tashkent State University of Economics

ABSTRACT	KEYWORDS
This article analyzes the development trends of entrepreneurship in Uzbekistan and its role in the national economy. The study examines the changes in the number of small business and private entrepreneurship, their share in gross domestic product, employment, industry, construction and services, as well as the dynamics of development. The study also highlights the importance of improving the business environment, expanding access to financial resources, digitalization and developing innovative activities. As a result of the study, scientific and practical conclusions are formed on the further development of entrepreneurship, increasing business activity in the context of regions and industries, and strengthening the competitiveness of business entities.	Entrepreneurship, small business, private sector, economic growth, employment, GDP, business environment, digitalization, innovation, competitiveness.

Introduction

The development of entrepreneurship in Uzbekistan is formed as one of the priority areas of the country's economic policy, serving to strengthen the role of the private sector in economic growth, create new jobs, increase incomes of the population and effectively use the economic potential of the regions. In the context of deepening market relations, entrepreneurship is becoming not only an important source of income, but also one of the main institutional entities that form a competitive environment in the economy, introduce innovations and ensure the effective use of production resources. Therefore, systematic analysis of trends in the development of entrepreneurial activity in quantitative and qualitative terms is important for assessing the effectiveness of economic policy.

As a result of economic and institutional reforms aimed at improving the business environment in Uzbekistan in recent years, the participation of small businesses in the economy has remained significant. According to the National Statistics Committee, the share of small business and private entrepreneurship in the gross domestic product was 63.5% in 2018, compared to 58.1% in 2019, 56.7% in 2020, 56.3% in 2021, 54.3% in 2022, 53.8% in 2023, 53.5% in 2024 and 52.2% in 2025. Despite the decline in this figure, the share of small businesses in the country's GDP of more than 50 percent indicates that its strategic importance in the national economy is high.

At the end of 2025, the volume of GDP created by small businesses amounted to 923.5 trillion soums. Considering that in 2021 this figure was 455.7 trillion soums, the economic value created by small business in nominal value increased significantly. At the same time, in 2025, the share of small business

in the sectors of the economy was not the same: in agriculture, forestry and fisheries, it was 93.1 percent, in construction 75.6 percent, in services 47.2 percent and in industry 28.5 percent. This situation indicates that entrepreneurial activity occupies an important place, especially in sectors with high labor capacity, such as agriculture and construction.

Another trend in the development of entrepreneurial activity is associated with the increase in the number of enterprises operating in the economy. According to the National Statistics Committee, as of December 1, 2025, there were 471.7 thousand enterprises and organizations operating in Uzbekistan, of which 401.5 thousand, or 85.1%, consisted of small enterprises and micro-enterprises. As of January 1, 2026, the number of enterprises and organizations operating reached 474.9 thousand, the number of small enterprises and micro-enterprises reached 403.8 thousand.

Sectors such as industry, services, construction, trade, and agriculture play a major role in the development of entrepreneurship. Especially in the services sector, the development of digital technologies, e-commerce, logistics, tourism, information technology, and financial services is shaping new entrepreneurial opportunities. The expansion of digitalization is increasing the ability of entrepreneurs to reduce the cost of entering the market, work directly with customers, and sell products and services in a wider area.

The role of small business in the industrial sector is also gradually increasing. In 2025, small businesses produced industrial products worth 383.9 trillion soums, and their share in total industrial production was 34.9%. This figure was 27.4% in 2021. This indicates that small businesses are strengthening their place not only in trade and services, but also in production and industrial cooperation. Another important indicator that determines the role of entrepreneurship in the economy is employment. According to the National Statistics Committee, the share of those employed in small businesses in total employment in 2025 was 74.9%.

This means that small business is one of the leading economic institutions in Uzbekistan not only in the formation of GDP, but also in employment of the population. Especially in the regions, the development of small business and family entrepreneurship is important to reduce pressure in the labor market and form stable sources of income for the population.

At the same time, some problems remain in the development of entrepreneurial activity. In particular, limited access to financial resources, loan interest rates, collateral requirements, insufficient infrastructure in some sectors, lack of qualified personnel and difficulties in entering foreign markets can affect the sustainable development of business. Therefore, the policy of supporting entrepreneurship should be aimed not only at the creation of new enterprises, but also at increasing the efficiency, innovative activity, export potential and financial stability of existing enterprises. These circumstances show the need for a comprehensive study of the development trends of entrepreneurship in Uzbekistan. Within the framework of the study, it is important to analyze the changes in the number of business entities, the share of small businesses in GDP, their contribution in employment, participation in industry and construction, as well as regional and industry features. Based on the dynamics of these indicators, it is possible to assess the current results of entrepreneurial policy and determine the priorities of future development.

The participation of small business entities in the import of products, works and services is one of the most important indicators representing the level of foreign trade activity of the country's economy and the level of development of the business sector. The growth of import volumes indicates that the opportunities of business entities to use raw materials, technologies, equipment and finished products

necessary for production are expanding. In 2017-2025, the volume of imports of small business entities in Uzbekistan changed significantly, increasing from 7,511.9 million US dollars to 25,390.3 million US dollars. This dynamic is also formed differently in the context of regions, which creates an important basis for assessing the activity of entrepreneurship in foreign trade.

Table 1 The volume of imports of products (works, services) of small businesses, millions of US dollars¹

Classification	2017	2018	2019	2020	2021	2022	2023	2024	2025
Republic of Uzbekistan	7511,9	10916,2	14972,2	10943,3	11533,5	15216,8	19527,8	19884,5	25390,3
Republic of Karakalpakstan	76	172,8	190,1	125,2	134,3	108,8	121	186	287,1
Andijan Region	217	303,3	308,4	285,7	286,7	334,3	628,5	555,8	672,3
Bukhara Region	99,5	289,8	505,6	280,4	498,1	443,6	486,8	615,5	673
Jizzakh Region	102,4	242,7	376,4	647,1	283,3	427,4	748,5	437,2	388,5
Kashkadarya Region	65,5	121,6	314,9	180,4	173,2	122,6	228,9	437,3	437,7
Navoi Region	85,3	196,1	958,7	311,2	171,5	224	246,8	204,2	667,8
Namangan Region	327,5	446,9	529	376,4	467,7	499,8	583,3	514,2	753,7
Samarkand Region	505	909,1	942,3	530,9	527,1	643,5	950,1	860,4	1181,6
Surkhandarya Region	181,9	361,4	241,3	189	185,7	105,4	94,1	138,3	266,4
Syrdarya Region	132,3	160,8	333,5	299	288,2	350,4	380,5	333,8	505
Tashkent Region	729,7	1006,2	1424,9	1291,9	1264,6	1715,3	2105,6	2129,7	3651,2
Fergana Region	241,7	476	652,8	669,6	750,6	894,8	1056	1103,7	1365,7
Khorezm Region	125,2	163,1	287,9	213	213,5	189,1	231,7	283,7	297,8
Tashkent City	3298,6	4587,1	6233,5	5098,3	6225,5	7284,8	9350,8	9280,9	11631,3

¹ <https://stat.uz/uz/rasmiy-statistika/small-business-and-entrepreneurship-2> data prepared by the author.

The presented data show that the import activity of small businesses in Uzbekistan has a general growth trend in 2017-2025. The volume of imports in the country increased from USD 7,511.9 million in 2017 to USD 25,390.3 million in 2025. During this period, the indicator increased almost 3.4 times. In particular, the consistent growth of import volumes in 2022–2025 means an increase in the activity of business entities in international markets.

Tashkent accounts for the largest volume of imports by regions. The indicator in this region increased from 3,298.6 million dollars in 2017 to 11,631.3 million dollars in 2025. In 2025, the city of Tashkent accounted for about 45.8% of the country's imports of small businesses. This situation is explained by the capital's position as a major trade, logistics, financial and business center.

The Tashkent region also has high import activity, increasing from 729.7 million dollars in 2017 to 3 651.2 million dollars in 2025. Also, the volume of imports in the Fergana region reached from 241.7 million dollars to 1 365.7 million dollars, and in the Samarkand region from 505.0 million dollars to 1 181.6 million dollars. The growth of import volumes in these regions indicates the expansion of business activities in the production and trade areas.

In some regions, the volume of imports remains relatively low. For example, in the Republic of Karakalpakstan in 2025 it amounted to \$ 287.1 million, in Surkhandarya - \$ 266.4 million, in Khorezm - \$ 297.8 million. It is urgent to develop logistics infrastructure in these regions, facilitate the entry of entrepreneurs into export-import operations and expand foreign trade financing instruments.

The decrease in the volume of imports in the republic in 2020 to \$ 10,943.3 million may be due to the pandemic and a reduction in foreign economic activity. The resumption of the indicator in subsequent years and reaching a record level in 2025 indicate the expansion of international trade relations of small businesses. In general, the volume of imports of small businesses in 2017-2025 showed a steady growth trend. The increase in imports from \$ 7.5 billion to \$ 25.4 billion indicates that the foreign economic activity of the business sector is expanding. At the same time, it is important to develop financial support, logistics and foreign trade infrastructure in order to reduce significant differences between regions.

The participation of small businesses in the export of products, works and services is one of the most important indicators of the competitiveness of the country's economy, integration of entrepreneurial activities into foreign markets and export potential. The presented data show that the total volume of exports of small businesses in Uzbekistan in 2016-2025 increased significantly. During this period, the volume of exports increased from 3,139.2 million US dollars to 12,382.6 million US dollars. This reflects the growing role of small business in foreign trade.

The participation of small businesses in the export of products, works and services is important for increasing the country's foreign economic potential, diversifying the export structure and creating new jobs in the regions. The data for 2017–2025 show that the total volume of exports of small businesses in Uzbekistan has increased significantly. During this period, the volume of exports increased from 2,759.3 million US dollars to 12,382.6 million US dollars. This reflects the increasing activity and competitiveness of small business in foreign markets.

Table 2 The volume of export of products (works, services) of small businesses, millions of US dollars²

Classification	2017	2018	2019	2020	2021	2022	2023	2024	2025
Republic of Uzbekistan	2759,3	3810,8	4714,8	3100,9	3335,2	6157,5	6938,3	9302,5	12382,6
Republic of Karakalpakstan	40	46,8	88,4	78,2	84,6	57,7	79,3	110,4	191,5
Andijan Region	223,7	268,7	288,7	252,5	357,6	465,7	340,1	451,9	637,2
Bukhara Region	84,3	96,7	182,2	101	120,8	167,2	137,3	182,7	215,5
Jizzakh Region	88,2	68,8	80,7	76,5	90,6	98,4	76	135,4	215
Kashkadarya Region	86,5	103	145,3	110,7	139,1	118,3	96	106,7	188,8
Navoi Region	60,4	103,4	95,2	50,3	59,2	50,7	60,3	91,7	75,3
Namangan Region	177	209	291,2	197,8	246,8	259,6	244,7	315,2	390,3
Samarkand Region	214,8	251,1	305,5	191,8	243	323,5	315,2	409,5	516,5
Surkhandarya Region	109	168,5	176,9	134,8	141	145,6	157,4	237,4	348,4
Syrdarya Region	103,9	96,4	105	143,6	178,5	226,7	212	180,7	198,5
Tashkent Region	280,6	405,6	530,1	501,9	469,8	609,2	613,4	678,6	991,7
Fergana Region	227,4	221,5	306,5	319	393	428	466,1	514,7	703,8
Khorezm Region	61,6	76,9	131,1	119	119,7	143,8	193	286,9	352,1
Tashkent City	526	725,1	734,2	578,1	685,5	1020,2	1155,7	1588,8	1495,5

According to the table, in 2017-2025, the export volume of small businesses increased by 4.5 times in total terms. The export volume, which amounted to \$2,759.3 million in 2017, reached \$3,810.8 million in 2018 and \$4,714.8 million in 2019. However, in 2020, due to the pandemic, the volume of exports decreased to \$3,100.9 million. Since 2021, as a result of the recovery of foreign trade activity, the export volume has returned to a stable growth trajectory.

Especially in 2022–2025, there was a high growth rate. The export volume was \$6,157.5 million in 2022, \$6,938.3 million in 2023, \$9,302.5 million in 2024, and \$12,382.6 million in 2025. In 2025, compared to 2024, the volume of exports increased by 33.1%. This indicator shows that export-oriented activities of small businesses are developing rapidly.

The largest export volume in the context of regions is observed in Tashkent. Exports of small businesses of the capital reached \$1,495.5 million in 2025 from \$526.0 million in 2017. In 2025, Tashkent accounted for about 12.1% of the country's small business exports. This is explained by the developed transport, logistics, financial and trade infrastructure of the region.

The Tashkent region also had a high indicator, with the volume of exports increasing from \$ 280.6 million to \$ 991.7 million. In Fergana region it reached from \$ 227.4 million to \$ 703.8 million, in Andijan region from \$ 223.7 million to \$ 637.2 million, in Samarkand region from \$ 214.8 million to \$ 516.5 million. The development of industrial, agricultural and processing sectors in these regions contributes to the expansion of small business exports.

² <https://stat.uz/uz/rasmiy-statistika/small-business-and-entrepreneurship-2> compiled by the author based on the data.

There are also positive dynamics in regions with a relatively small volume. In particular, exports in the Republic of Karakalpakstan increased from 40.0 million dollars to 191.5 million dollars, in Surkhandarya from 109.0 million dollars to 348.4 million dollars, in Khorezm from 61.6 million dollars to 352.1 million dollars. Although the export volume in these regions was formed from a low base, it indicates that its growth rate is high.

At the same time, the volume of exports in the Navoi region increased from \$60.4 million in 2017 to \$75.3 million in 2025, while growth was lower than in some other regions. This indicates the need to assess the export activities of small businesses separately from the overall industrial potential of the territory.

In general, the growth in export volumes indicates that the opportunities of small businesses to enter international markets are expanding. However, the issues of reducing the gaps between regions, financial support for exporting enterprises, optimizing logistics costs and introducing international standards remain urgent.

In conclusion, in 2017-2025, the export volume of small businesses in Uzbekistan increased from 2,759.3 million dollars to 12,382.6 million dollars, that is, almost 4.5 times. The high recovery of exports after a temporary decline in 2020 strengthened the role of small business in foreign markets. In the future, the development of lending, insurance, logistics and marketing services to export entrepreneurs is an important condition for further increasing export potential.

Conclusion

As a result of the analysis of the development trends of entrepreneurship in Uzbekistan, it can be seen that the business sector remains an important component of the national economy. The participation of small business in the field of gross domestic product, employment, industry, construction, agriculture and services determines its importance in ensuring economic growth. In particular, the high number of operating enterprises and micro-firms indicates the formation of a broad institutional base of the private sector in the country.

Data from the Committee for National Statistics show that the share of small businesses in GDP decreased from 63.5% in 2018 to 52.2% in 2025. It is not correct to unilaterally assess this decline as a contraction of the business sector. Because during the same period, the activity of large manufacturing enterprises, industrial projects and other economic entities in the structure of the country's economy has also increased. Therefore, the decrease in the share of small businesses can also be attributed to the structural diversification of the economy and the expansion of large-scale production. However, the fact that the share of small businesses remains above 50% confirms its fundamental importance for the economy.

The fact that in 2025 the volume of GDP created by small businesses will reach 923.5 trillion soums indicates that the absolute economic volume of this sector is growing. At the same time, the participation of small business in the sectors of the economy differs significantly. In particular, the share of 93.1% in agriculture, forestry and fisheries, and 75.6% in construction indicate that small business is one of the main economic forces in these sectors. The share of 28.5% in industry means that there are great opportunities for the further development of small business in this sector.

In this context, in the future, the main attention in the policy of entrepreneurship development should be focused not only on its quantitative growth, but also on its qualitative development. That is, along with the creation of new enterprises, it is necessary to increase the labor productivity, financial stability,

innovative activity, export opportunities and competitiveness of existing business entities. In particular, increasing the share of small businesses in industry is of great importance in creating high added value and in the transition of the economy from a raw material direction to a diversified production model.

The results of the analysis also indicate the need to improve the mechanisms of financial support for entrepreneurship. It is desirable to expand access to bank loans, concessional lending, loan guarantees, interest subsidies and microfinance instruments for small businesses. At the same time, instead of providing financial assistance to all entrepreneurs in the same way, targeted support for newly established, innovative, export-oriented and highly value-added enterprises can yield a more effective result.

In addition, the development of digital entrepreneurship will allow the formation of a new stage of entrepreneurial activity in Uzbekistan. The development of e-commerce, digital payments, online services, IT and digital platforms is opening up new markets for small businesses. Therefore, it is necessary to increase the digital skills of entrepreneurs, develop e-commerce infrastructure and expand the use of digital financial services.

It is also important to ensure a balance in the regional development of entrepreneurial activities. Statistical data show that the number of enterprises is high in some regions and relatively low in some regions. Therefore, it is necessary to adapt the policy of regional entrepreneurship to local economic resources and specialization. It is desirable to develop agroclusters, processing enterprises and family entrepreneurship in rural areas, expand production cooperatives in areas with high industrial potential, support services and tourism business in areas with high industrial potential.

The issue of employment is also of particular importance in the development of entrepreneurship. The fact that the share of small business in total employment in 2025 was 74.9 percent indicates that small business is one of the main participants in the labor market. Therefore, it is one of the important tasks to financially and institutionally stimulate enterprises that create new jobs, to support the entry of youth and women into entrepreneurial activities, and to combine professional skills with business needs.

In general, at the next stage of development of entrepreneurship in Uzbekistan, it is advisable to focus on three priority areas: firstly, expanding access to financial resources; second, increasing the technological and innovative potential of entrepreneurship; and thirdly, integrating enterprises into domestic and foreign markets. The combination of these areas will ensure sustainable and high-quality development of entrepreneurship.

Also, when assessing the effectiveness of business development, it is necessary to take into account not only the number of enterprises, but also their viability, production volume, labor productivity, participation in exports, new jobs and contribution to the tax base. Because an increase in the number of business entities cannot be the only indicator of economic efficiency. The important thing is the long-term operation of established enterprises, the production of competitive products and the creation of high added value in the economy.

In conclusion, the development of entrepreneurship in Uzbekistan continues in a positive direction. The increase in the number of enterprises, the high share of small business in employment, the significant contribution to the formation of GDP, as well as activity in industry and services confirm the strategic importance of the private sector in the country's economic development. In the future, the integration of the policy of business support with financial, institutional, digital and innovative mechanisms will serve to increase the sustainable economic growth and competitiveness of Uzbekistan.

REFERENCES

1. Beck, Thorsten. 2013. "Bank Financing for SMEs—Lessons from the Literature." *National Institute Economic Review* 225 (1): R23-R38.
2. Beck, Demirgüç-and Maksimovic 2008, *Banking Services for Everyone? Barriers to Bank Access and Use around the World*, The World Bank Economic Review.
3. Kolmamatov F.K. Improving the lending practice of commercial banks. PhD science. Daraj. Diss. Authorref. – Tashkent, 2019. pp. 8-9,
4. Khusainov G.L. Opportunities for improving the mechanism of financing small business and private entrepreneurship. Scientific electronic journal "Economics and Innovative Technologies". – Tashkent, 2015. Issue 1 – p.18.
5. Gafurov U.V. Improvement of economic mechanisms of state regulation of small business. I.F.D. Science. Dar. Ol. Uch. Taqd. et. Diss. avtoref. – Tashkent, 2017. – 72 p.
6. Ergashev O.T. Master's abstract of the PhD thesis on Philosophy in Economics on Improving the Financial and Credit Mechanism for the Development of Small Business Entities in Uzbekistan. – Tashkent, 2022. – 60 p.