

Development of Venture Business in Uzbekistan

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ABSTRACT

This scientific article analyzes the current state of venture business development in Uzbekistan and proposes a strategy to overcome these problems and open up all the possibilities of entrepreneurship and innovation in the country.

The development of venture business in Uzbekistan is becoming more and more important. As the country seeks to diversify its economy and reduce its reliance on traditional sectors such as agriculture and mining, the need to foster entrepreneurship and innovation is growing. Venture capital, which aims to finance and support start-up companies with high growth potential, has the potential to stimulate economic development and create jobs, but the venture capital ecosystem in Uzbekistan is still at a nascent stage. Limited capacity, lack of knowledge and experience, and the need for a strong legal and regulatory framework.

The historical foundations of venture business in Uzbekistan go back to the 1990s, the period of the country's transition from a planned market to a market. With the collapse of the Soviet Union, Uzbekistan faced many economic challenges, including the need to diversify its industries and attract foreign investment. In the initial stages of venture business development in Uzbekistan, special attention was paid to government-led initiatives, establishment of entrepreneurship and innovation support institutions. In 2003, the Law "On State Support of Small Business and Private Entrepreneurship" was introduced, which created a legal framework for the development of venture capital activities in the country. This Law is aimed at encouraging investments in small and medium-sized enterprises, developing cooperation between entrepreneurs and investors. Over the past years, Uzbekistan has taken further steps in

the development of venture business, such as the establishment of business incubators, technology parks and financing programs. These measures helped create a more favorable environment for venture capital investments, which led to the rapid and growing venture business sector in Uzbekistan.

The Government of Uzbekistan has recognized the importance of venture business in the development of economic growth and technological innovation and thus implemented several initiatives and policies to facilitate its development. One of the important initiatives is the establishment of innovation support centers across the country. These centers serve as hubs to foster collaboration between entrepreneurs, investors, and research institutions, providing them with the necessary resources, mentoring, and networking opportunities. In addition, the government has implemented various tax incentives and incentives to encourage investment in venture businesses. For example, the Taxes and Other Mandatory Payments Act significantly reduces the tax burden on start-ups, exempting them from corporate income tax for the first five years and offering reduced rates thereafter. In addition, the government has established specialized venture funds, such as the Entrepreneurship Support Fund, which provides financial support to start-ups and invests in promising enterprises. By implementing these initiatives and policies, the government of Uzbekistan is creating its own opportunities.

Although there are significant challenges for venture businesses in Uzbekistan, there are also significant opportunities to help them develop. One of the main challenges faced by venture businesses in the country is the lack of a well-developed ecosystem and support infrastructure. These include limited access to early-stage funding, a lack of angel investor networks, and a lack of business mentors and incubators. In addition, obstacles related to starting and running a venture business, such as complex regulations and lengthy administrative procedures, pose significant challenges, however, Uzbekistan's growing economy, strategic geographic location, and abundance of natural resources A venture is a significant business opportunity. The government's recent efforts to liberalize the economy and implement reforms, such as the establishment of a high-tech park and the launch of various economic zones, demonstrate the country's commitment to attracting foreign investment and promoting innovation. In addition, the country's young and increasingly educated population provides a large pool of potential entrepreneurs and talent. With the right reforms and support mechanisms, Uzbekistan can become a thriving center of venture business and contribute to the country's economic growth and technological development.

One of the successes of the venture business in Uzbekistan is the example of Ucell. Ucell, the country's leading telecommunications company, was established in 1996 as a joint venture between MTS (a Russian telecommunications company) and the Government of Uzbekistan. Over the past years, Ucell has successfully expanded its services and offers innovative solutions such as broadband internet, mobile banking and digital content. Focusing on customer satisfaction and continuous technological development, Ucell has achieved significant growth in subscriber base and revenue. Today, Ucell not only provides reliable communication services to millions of people, but also creates valuable jobs, contributes to the development of the country's digital economy, and continues to dominate the telecommunications market of Uzbekistan. Ucell's success story highlights the potential of venture business and serves as a source of inspiration for Uzbekistan and other local entrepreneurs to explore new opportunities and invest in innovative enterprises..

Conclusion In conclusion, the development of venture business in Uzbekistan is an important opportunity for economic growth and innovation. The government's efforts to create a favorable environment for startups and provide them with the necessary resources and benefits have shown promising results. Although there are still challenges to overcome, such as limited access to financing and a lack of skilled labor, the overall trend is positive. Enterprises have the opportunity to realize economic diversification, create valuable jobs and attract foreign

investments. In addition, the government's commitment to fostering entrepreneurship and innovation through various initiatives and programs demonstrates its dedication to fostering a thriving startup ecosystem. As Uzbekistan continues its journey towards becoming a knowledge-based economy, the success of venture businesses will play an important role in shaping its future. With the right policy, investments and cooperation, Uzbekistan can show itself as a regional center.

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