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WAYS TO IMPROVE THE INVESTMENT MECHANISMS OF FINANCIAL STABILITY IN SMALL BUSINESSES

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Annotation

In this scientific work, the need to improve investment mechanisms in ensuring financial stability in small businesses. The study stipulates the role of investments in stabilizing the financial condition of small businesses, effective methods of attracting them, as well as available problems. In the national economic situation, it will also offer ways to develop small businesses through the improvement of investment activity, foreign and local investors. As a result of the work, proposals and recommendations for small businesses have been developed.

Keywords: Small business, financial stability, investment, investment mechanics, economic development, attracting investment, innovative approach, business entities.

Today, small business and private entrepreneurship plays an important role in ensuring sustainable economic development in the country. In particular, it is increasing the need to increase their financial stability by strengthening their financial stability and expanding investment opportunities. Small businesses have become an important factor in economic development with their ability to flexible, active role in creating new jobs and the implementation of innovative ideas.

At the same time, the financial problems found in the activities of small businesses, limited access to investment resources, and adequate operation of existing mechanisms are obstructing their sustainable development. In this study, the issues of improving investment mechanisms in small businesses will be studied and practical proposals will be developed.

As small businesses and the role of the economy, the issue of ensuring their financial stability is urgent. Financial stability is the enterprise to maintain its activities



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consistently, to cover its expense and cover their expenditures. For small business, this stability depends on many factors, in particular, the level of investment support. Investment mechanisms serve as an important tool in financing small businesses. Through them, businesses can introduce new technologies, expand production and increase competitiveness. Meanwhile, existing investment mechanisms are not always able to fully meet the needs of small business. Factors such as limited access to access to financial resources, higher-interest loans, complexity requirements are problems that need to be addressed in this area.

In this regard, the improvement of investment mechanisms in the following areas is urgent:

The strengthening of the state support is to increase investment activity by promoting small businesses in the form of subsidies, grants, tax benefits.

Strengthening cooperation with financial institutions - creation of favorable loans for small enterprises, creation of microfinance programs is important.

Attracting foreign investment can be increased to invest in small business through creating a guaranteed and reliable environment for foreign investors.

The use of innovative and digital technologies is to attract investment through digital platforms, the use of the CRAFAFIDING mechanisms opens new opportunities for small businesses.

In the context of Uzbekistan, the reforms in these areas are yielding positive results, but they are still an important task yet to implement them in practice and implement the same in all regions.

The role of small business in economic development. Small businesses play an important role in the economy. They perform a number of positive features such as creating new jobs, increasing the incomes of the population, reducing regional inequality and development of a competitive environment. Various reforms are underway within the framework of public policy aimed at supporting small businesses in our country. However, the preservation of financial stability of these enterprises depends on many factors, especially investment supply.

Factors that provide financial stability and its provision. Financial stability is the maintenance of the possibility of profit and benefits its costs of the enterprise. Small businesses are often functioning under the influence of limited resources, non-



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eliminated financial risks and uncertain market conditions. This is a negative impact on their sustainable development. Therefore, investment support will become an important tool in addressing these issues.

Current state of investment mechanisms. Outer investment mechanisms are aimed at assistance through credit allocation, subsidies, tax benefits, state guarantees. But their efficiency in practice is not always high. There are problems such as high interest rates, the lack of collateral, the unacceptance of investment resources.

Ways to improve investment mechanisms. Improving investment mechanisms in small businesses can be done in the following areas:

- Improving the effectiveness of state programs by attracting projects on the state-private partnership - attracting private investors.
- Diversification of financial instruments - except for bank loans, expansion of the capabilities of the venafes, venean investments, joint financing opportunities.
- The use of digital technologies is the introduction of online platforms and artificial intelligent systems in attracting and monitoring investment.
- Strengthening a territorial and sectoral approach - development of investment programs, taking into account the specifics of each region and industry.

Practical examples and experiments. In some regions of Uzbekistan, investment centers have been established to develop small businesses. For example, infrastructure and soft loans have been created for small business through small industries through small industries in Andijan or Tashkent regions. These experiments can also be exemplary for other regions.

Conclusion

Ensuring the financial stability of small businesses is one of the important factors in economic growth. The results of the study show that it is possible to create a basis for the effective work of small businesses through improving investment mechanisms. Currently, a comprehensive approach is needed to address the problems encountered in the process of attracting investment.

The state plays an important role in ensuring the stability of small business, such as the state's financial support, convenient lending conditions, tax benefits, guarantees



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for foreign investors. In addition, new opportunities will be opened in this area through the introduction of digital technologies and innovative investment methods. Therefore, the revision of investment mechanisms on the basis of modern requirements, flexible and practical effective factor in strengthening small business development and strengthening financial stability.

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