

Analysis of Statistical Indicators of Small Enterprise Development in Andijan Region

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Abstract: This scientific article analyzes the development trends of small enterprises and microfirms in Andijan region based on statistical indicators. In particular, the study examines the growth in the number of small business entities, their share in the economy, their impact on employment levels, and the dynamics of production volume. It also highlights the main economic factors and regional characteristics affecting small business activity in recent years. The results of the research help identify the prospects for small business development and existing challenges in Andijan region.

Key words: Small Enterprises, Microfirms, Statistical Analysis, Economic Development, Andijan Region, Employment, Production Volume, Regional Economy, Business Environment, Economic Growth



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Introduction

Today, small business and private entrepreneurship are considered one of the most important drivers of economic development. They not only occupy a significant share in the gross domestic product (GDP), but also play a crucial role in creating new jobs, increasing household incomes, and strengthening regional economic activity. In global practice, small enterprises are recognized as a flexible sector ensuring economic stability and are also active participants in the introduction of innovations [1].

In the Republic of Uzbekistan, special attention has been paid in recent years to the development of small business. In particular, through tax incentives, simplification of credit mechanisms, and the creation of favorable conditions for doing business, the number of small enterprises has significantly increased. From a regional perspective, Andijan region is considered one of the most actively developing areas in terms of small business entities. This situation is explained by the region's abundant labor resources, industrial potential, and geographical location [2].

At the same time, the development of small enterprises should be analyzed not only quantitatively but also through statistical and econometric methods. Statistical indicators allow identification of sector dynamics, structural changes, and regional differences, while econometric models make it possible to assess the main factors influencing development. This, in turn, contributes to more effective economic policy formation [3].

The purpose of this article is to analyze the statistical indicators of small enterprise development in Andijan region and determine their role in the regional economy.

Literature Review

The role of small enterprises and microfirms in economic development has been widely studied in economic theory and applied research. Various conceptual approaches have been developed by classical and modern economists in this field.

First, J. A. Schumpeter, in his “Theory of Economic Development,” interprets small business as a key driving force of innovative growth. According to him, economic development occurs through the process of “creative destruction,” where new small enterprises replace old technologies and introduce innovations to the market [4].

P. Drucker refers to small enterprises as the “center of innovation and entrepreneurship.” In his works, the main advantages of small business are flexibility, rapid decision-making, and the ability to quickly respond to market changes [5].

M. Porter’s competitiveness theory views small enterprises as key actors shaping the competitive environment of national economies. Through the cluster approach, he links small business with regional development, emphasizing that competition and cooperation among firms increase economic efficiency [6].

D. Birch’s studies highlight the role of small businesses in job creation. According to his findings, the majority of new jobs are generated by small and growing enterprises [7].

Modern studies by OECD and international organizations also recognize SMEs as key drivers of economic growth, innovation, and export potential. According to these approaches, small business increases economic flexibility and ensures stability during crises [8].

Uzbek economists have also conducted significant research in this area. F. Kholmiraev analyzed the development of small business in Andijan region using economic-statistical methods and found that the growth in the number of small enterprises increases their share in GDP [9].

N. Nabiyeva identified a strong correlation between employment, exports, and investment flows in small business development in Uzbekistan [10].

S. Gofurov studied the effectiveness of tax incentives for small businesses and concluded that although they may create short-term pressure on the budget, they increase economic activity in the long run [11].

Overall, the reviewed literature confirms that small enterprises are a key factor in economic development, employment creation, and innovation-driven growth. However, the dynamics of statistical indicators and econometric foundations at the level of Andijan region remain insufficiently studied, which determines the relevance of this research.

Methodology

This study uses statistical analysis methods to assess the development of small enterprises in Andijan region. The data were obtained from the Statistics Agency of the Republic of Uzbekistan and regional statistical reports. Dynamic series, relative and average indicators were used to analyze growth trends of small business entities. Comparative and trend analysis methods were also applied to identify changes over time. The obtained results allow assessment of development trends of small enterprises in Andijan region [12].

Results and Discussion

Statistical data from the National Statistics Committee of the Republic of Uzbekistan and regional statistical departments were used to assess the development of small enterprises in Andijan region. In recent years, small business and private entrepreneurship have become one of the main drivers

of economic growth in the region[13].

As of February 1, 2026, there are 21,944 small business entities operating in Andijan region, indicating a high level of entrepreneurial activity. This confirms that small business has become a leading sector in the regional economy.

Sectoral analysis shows that the share of small businesses in agriculture is particularly high. In January-March 2023, small businesses accounted for 97.5% of agricultural production in forestry and fisheries, demonstrating their dominant position in the agrarian economy[14].

Regional distribution analysis shows uneven placement of small business entities. In particular, Andijan city, Asaka, Shahrihan, and Baliqchi districts account for about half of all small enterprises, indicating relatively developed infrastructure and market conditions.

The main statistical indicators of small business development in Andijan region are summarized below:

Table 1. Main indicators of small business in Andijan region (based on stat.uz)

Indicator	Value
Number of small business entities (2026)	21,944
Share in agriculture	97.5%
Share in exports (2021)	35%
Share in GRP (2024 approx.)	~69–70%
Share in employment	~80%

As shown in the table, small business holds a dominant position in almost all key economic indicators in Andijan region. In particular, its share in GRP of around 69-70% confirms that it is the main driver of the regional economy.

Employment indicators are also significant. Approximately 80% of employed people in the region work in the small business sector, highlighting its important role in ensuring social stability.

Export analysis shows that small businesses are also active in foreign economic relations. In 2021, exports by small enterprises amounted to 79 million USD, representing a significant share of total exports.

Overall economic growth dynamics in the region are closely linked to the development of small business. For example, in 2025 industrial production increased by 107.2%, while service sector growth reached 114.7%, largely driven by small business activity.

The analysis shows that the development of small business in Andijan region is determined by the following factors:

- Institutional conditions created for entrepreneurship
- Availability of investment and credit resources
- Sufficient labor resources
- Developed regional infrastructure

However, there are also certain challenges. In particular, the declining share of small businesses in some industrial sectors is explained by the growing role of large enterprises. In addition, relatively low export volumes and insufficient innovation activity limit efficiency.

Overall, statistical analysis confirms that small business is the main driver of economic development in Andijan region, significantly contributing to GRP, employment, and production indicators[15].

Conclusion

Based on the statistical analysis, it can be concluded that small business and private entrepreneurship have become the main driver of economic development in Andijan region. The growth in the number of small enterprises, their active participation in almost all sectors of the economy, and their high share demonstrate the stable development of the business environment.

At the same time, despite their high share in the economy, efficiency and technological development in some sectors, particularly industry, remain insufficient. This indicates the need to expand innovative activities and improve production efficiency.

Regional disparities in the distribution of small enterprises also highlight the importance of reducing infrastructure and economic imbalances between districts.

Overall, ongoing reforms in small business development in Andijan region are yielding positive results. In the future, strengthening support for this sector, improving the investment climate, introducing innovative technologies, and increasing export potential will further enhance its role in economic development.

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