

## Development Of The Real Sector Of The Economy In The Conditions Of The Coronavirus Pandemic

**Botirova Raxima<sup>1</sup>, Sirojiddinov Ikromiddin<sup>2</sup>, Isakov Musaxon<sup>3</sup>**

<sup>1</sup>Associate Professor, Namangan Engineering Construction Institute Republic of Uzbekistan, Namanagan city, 12 Islam Karimov street. E-mail: [nammqi\\_info@edu.uz](mailto:nammqi_info@edu.uz)

<sup>2</sup>Associate Professor, Namangan Engineering Construction Institute Republic of Uzbekistan, Namanagan city, 12 Islam Karimov street. E-mail: [nammqi\\_info@edu.uz](mailto:nammqi_info@edu.uz)

<sup>3</sup>Associate Professor, Namangan Engineering Construction Institute Republic of Uzbekistan, Namanagan city, 12 Islam Karimov street. E-mail: [nammqi\\_info@edu.uz](mailto:nammqi_info@edu.uz)

---

**Annotation.** The article examines the factors and measures taken to support and develop the real sector of the economy in the context of the coronavirus pandemic.

**Keywords:** economy, real sector of the economy business, investment processes, coronavirus pandemic, state support for economic entities, investment activities.

---

The coronavirus pandemic has had a negative impact on the development of the real sector of the economy in all countries of the world. Each country is taking appropriate measures based on the situation in its own economy. In Uzbekistan, they are characterized by the fact that they are primarily aimed at social protection of the population (health protection, countering coronavirus infection through quarantine measures, development of means of treatment and prevention of coronavirus, construction of modern medical complexes, purchase of medical equipment and medicines, and others). On the other hand, ultimately, these measures must have appropriate financial and economic sources, and they can only be created by the development of the real sector of the economy, corresponding to an increase in the gross domestic product (GDP). In Uzbekistan, small businesses are most active in the real sector. By regions, the largest share of small business in GRP falls on Jizzakh (84.1%), Namangan (79.2%), Surkhandarya (78.2%), Samarkand (77.5%) and Bukhara (75.7%) regions ... In 2019, the number of operating small enterprises and microfirms in the country amounted to 334,767 units, that is, 71,837 units more than in 2018. In 2019, 92.9 thousand new small enterprises and microfirms (excluding dekhkans and farms) were created in Uzbekistan again, which is 1.9 times more than in 2018.

Small businesses in Uzbekistan in 2019:

- manufactured industrial products for 115406.4 billion soums (34.9% of total industrial production);
- disbursed investments in the amount of 89352.0 billion soums (47.0% of the total volume of disbursed investments in the republic), or 166.1% to the level of 2018;
- completed construction work for 51,949.8 billion soums (75.4% of the total volume of construction work), or 122.8% to the level of 2018;
- Services produced (rendered) in the amount of 99139.3 billion soums (52.1% of the total volume of services), or 104.8% to the level of 2018;
- 84.3% of the total retail trade turnover was formed, which amounted to 138368.1 billion soums (growth rates increased by 105.4%);
- exported products (goods and services) for 5135.7 million US dollars (28.7% of total exports), which is 1324.8 million US dollars, or 34.8%, more than in 2018;
- The increase in freight turnover of road transport was ensured by 7.4% (77.4% of the total volume of freight turnover);
- ensured the growth of passenger turnover by 2.7% (94.9% of the total passenger turnover).

It is quite obvious that in the context of the coronavirus pandemic, both the development of the real sector of the economy and the socio-economic development of not only the country as a whole depends on the implementation of investment projects. At the same time, new requirements are imposed on their technical and technological content, they must be innovative in nature. It is known that with extensive economic development, investments ensure the preservation and increase of production volumes to meet the existing demand, and, ultimately, the existing needs. When investments are aimed at creating and implementing innovations, then in such cases, new needs and corresponding demand are created. The coronavirus pandemic is changing the structure of existing needs, and new needs are also emerging. In the context of the crisis, the importance of the ability of the economy to function independently (economic security, food security, provision of medicines and medical equipment, preservation of jobs, and others) has especially increased. This is due to the fact that in the context of global crises, each country, one way or another, is forced to solve its problems with its own resources, although the importance of external sources - material, financial, scientific, etc. cannot be ignored. In this sense, business entities should also have more adaptability to adverse changes in the external environment. But this in no way diminishes the importance of state support. In the context of the coronavirus pandemic, the anti-crisis measures of the state in Uzbekistan are aimed at direct and indirect support of the financial and economic activities of almost all business entities. This was reflected in the easing of the tax burden (exemption from land and property tax for small businesses for 3 months and then for six months, postponing tax payments, reducing various tax payments), simplifying procedures and easing the terms of bank lending, expanding resource sources of bank lending ...

To mitigate and eliminate the negative impact of the coronavirus pandemic in 2020, the state implemented comprehensive measures for 82 trillion. soums. In particular, the Anti-Crisis Fund was created from it, to support enterprises and the population, budget funds in the amount of over 16 trillion was allocated. soums.

Enterprises, more than 500 thousand individual entrepreneurs and almost 8 million citizens received state support in the amount of 66 trillion. soums in the form of tax breaks, extension of loan maturities and government subsidies. In strengthening the financial capabilities of the state budget, the placement of state Eurobonds in national currency in the amount of 2 trillion was of significant importance. soums at low interest rates.

The measures taken made it possible to support investment processes in the real sector of the economy. In 2020, 197 large enterprises were created in the country, tens of thousands of small and medium-sized enterprises and infrastructure facilities began to function. The commissioned includes such large production facilities as a complex for the production of ammonia and carbamide and a plant for the production of nitric acid in Navoiazot JSC, installations for the production of liquefied gas at the oil and gas enterprises of Mubarek, Gazli and Shurtan, the Tashkent Metallurgical Plant.

Significant work has been done in the energy sector. In 2020, the construction of 6 new power plants began on the basis of public-private partnerships. Their total capacity is 2,700 megawatts and their total cost is US \$ 2 billion. 2 underground metro stations and 18 kilometers of the over ground metro line were introduced in Tashkent.

Agrarian transformations were continued. The transfer of land in cotton growing to private clusters and cooperatives ensured an increase in yields by 10 percent compared to the previous year. About 500 clusters and cooperatives have been organized in horticulture, grain growing and animal husbandry. And amid the coronavirus pandemic, the export of fruit and vegetable products did not decrease and amounted to 1 billion soums. 91 thousand hectares of land were put into circulation again; water-saving technologies were introduced on 133 thousand hectares. The coronavirus pandemic is known to have further tightened global competition. Accordingly, the need for the creation and implementation of advanced investment projects in the national economy has increased. This decisively determines its place in the world economy. The increase in the scale and types of investment activities in the real sector, the expansion and strengthening of its innovative focus, is very important. The crisis that began in connection with the coronavirus pandemic even more clearly showed the need and relevance of qualitative changes in the implementation of economic activities of economic entities.

Investments with a higher technical and technological content create higher labor productivity and contribute to an increase in real incomes of the population and, thus, create a reliable basis for accelerating socio-economic development. In Uzbekistan, the announcement of 2020 as the "Year of Science, Education and Development of the Digital Economy" and the efforts being made within its framework, its main

content refers to the further intensification of investment processes, meaning the widespread introduction of innovations, including in small business.

For the successful development of business, the coordination of investment activities on a national and regional scale is important, which makes it possible to achieve an increase in the complex nature and mutual coordination of investments, which inevitably leads to multiplier and accelerative effects on a macro scale. Therefore, in Uzbekistan, the State Investment Program is developed annually, covering the bulk of investment projects carried out in the country.

In the context of the coronavirus pandemic, in our opinion, the most pressing socio-economic objectives are set wider and deeper, including in the following areas:

- Production of the most important types of food, medical, sanitary and hygienic products in stable volumes, its steady increase;
- The competitiveness of products in the domestic and foreign markets, the preservation and strengthening of the export orientation;
- increasing the efficiency of production based on innovative development (new technologies and agricultural technology, variety change, introduction of the production of organic products, water and energy saving, higher culture of production);
- ensuring the harmonization of economic and business development with environmental requirements.

Equally important is the task of ensuring employment, increasing incomes of the population and overcoming poverty.

Thus, the measures taken in Uzbekistan to support the development of the real sector of the economy should contribute to a significant mitigation of the negative impact of the coronavirus pandemic.

## References

1. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan. On additional measures against the spread of the coronavirus pandemic. - The People's Word, March 24, 2020.
2. Uzbekiston Respubliki President Shavkat Mirziyoyevning Oliy Majlisga Murozhaatnomasi // <https://president.uz/uz/lists/view/4057>;
3. Botirova, R., Sirojiddinov, I., & Hakimov, A. Innovation as an important factor in the development of the agricultural sector of the region's economy Journal of Critical Reviews, 2020.
4. Sirojiddinov, I., & Khodjibaeva, I. (2020). Features of the investment process in the economy in the conditions of the pandemic coronavirus. - EPRA International Journal of Multidisciplinary Research-Peer Reviewed Journal, July 2020.
5. Sirozhiddinov I., Khodjiboeva I. Innovative processes in the regional economy in the context of the coronavirus pandemic Young Scientist". - 2020. - No. 20.
6. Sirojiddinov, I., & Khodjiboyeva, I. Features of investment processes in the

7. economy in the conditions of the coronavirus pandemic. - EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal, | July 2020.
8. Botirova, R., Sirojiddinov, I., & Soliyev, I. Formation and competitive environment in the production and sale of fruits and vegetables, - International journal of advanced research in science, November 2019.
9. Sirojiddinov, I., & Botirova, R. Liberation is a crucial condition for creating modern agriculture in Uzbekistan International Journal of Research and development, March 2020.
10. Sirozhiddinov I., Soliev I. Necessity and factors of enhancing the innovative orientation of economic development. - Topical issues of the development of modern society, economics and vocational education: Materials of the XVII International Youth Scientific and Practical Conference on March 25, 2020 V. 3. Yekaterinburg: RGPPU, 2020.
11. Bulturbayevich, M. B. (2021). Challenges of Digital Educational Environment. Academic Journal of Digital Economics and Stability, 4, 54-60.
12. Bulturbayevich, M. B. (2021). Development Of Innovative Activities Of Enterprises On The Basis Of Vertical Integration Processes. Turkish Journal of Computer and Mathematics Education (TURCOMAT), 12(10), 5020-5031.
13. Bulturbayevich, M. B. (2021). CHALLENGES IN DEVELOPING A DIGITAL EDUCATIONAL ENVIRONMENT. Academic Journal of Digital Economics and Stability, 2, 1-9.
14. Tursunalievich, A. Z., Bulturbayevich, M. B., Ismatullayevich, S. I., Urayimovich, B. O., & Yokubovna, Y. H. (2021). Use of Gravitation Models in the Development of Tourism and Recreation. Annals of the Romanian Society for Cell Biology, 3124-3143.
15. Bulturbayevich, M. B., & Qobuljon, T. (2021, February). THE STATUS OF DEVELOPMENT OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP DURING THE CORONAVIRUS PANDEMY. In Archive of Conferences (Vol. 15, No. 1, pp. 124-129).
16. Bulturbayevich, M. B. (2021, February). IMPROVING THE MECHANISMS OF STRATEGIC MANAGEMENT OF INNOVATION PROCESSES IN ENTERPRISES. In Archive of Conferences (Vol. 15, No. 1, pp. 130-136).
17. Bulturbayevich, M. B. (2021). FORMATION AND MANAGEMENT OF THE INVESTMENT PORTFOLIO OF A COMMERCIAL BANK. International Engineering Journal For Research & Development, 6(ICDSIIL), 5-5.
18. Bulturbayevich, M. B., & Ibrohim, E. (2021). EXPANDING EXPORT OPPORTUNITIES FOR SMALL BUSINESSES AND PRIVATE ENTREPRENEURSHIP. International Engineering Journal For Research & Development, 6(ICDSIIL), 6-6.