> Farid Khanbaba Khankishiyev, Ph.D. student, Odlar Yurdu University, E-mail: ferid_khan@mail.ru © Khankishiyev F.K., 2021

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WAYS TO INCREASE THE ECONOMIC EFFICIENCY OF INDIVIDUAL ENTREPRENEURSHIP IN THE PETROCHEMICAL INDUSTRY

ABSTRACT

The purpose of the research - is to develop scientifically sound theoretical and practical recommendations for the efficient usage of available resources in order to increase the production capacity of the chemical industry, increase the share of this sector in the country's economy. The main purpose of choosing the topic is to analyze and study the current state and development of individual entrepreneurship in the chemical industry in Azerbaijan, to study its economic efficiency, to develop a set of scientifically based proposals to stimulate entities, in short, to increase efficiency.

The methodology of the research - is the distinctive features of individual entrepreneurship from other types of entrepreneurship, the analysis of the current situation of individual entrepreneurship entities operating in the chemical industry in our country, the assessment of their perspective opportunities..

The practical importance of the research - the materials mentioned in the research can be used to assess the current state of individual entrepreneurship in the chemical industry in our country, to improve the mechanisms for attracting individual entrepreneurship in this area.

The results of the research - the information on the involvement of individual entrepreneurs in the chemical industry, the organization of their activities, the improvement of regulatory activities carried out by the state can be considered as information of a recommendatory nature that may lead to an increase in quantitative indicators of individual entrepreneurship.

The originality and scientific novelty of the research - when we look through the analysis of imports and exports of the chemical industry in our country, we see the import of products produced in this industrial sector is three times more than the export of the country. This article contains recommended information on improving the mechanism of financing individual entrepreneurship, benefiting from international experience in the regulatory policy of the state and simplifying the tax system, reducing the tax burden. In this regard, the information presented in the article is important both in terms of promotion and stimulation of activity.

Keywords: individual entrepreneurship, chemical industry, stimulation, state regulation, development, import, export.

INTRODUCTION

When we look at the experience of the world's major powers, we see that the main reason for these countries to have a say in the global economy is to be able to achieve development in several areas of the economy at once, not just one sector. On this regard, if the Republic of Azerbaijan wants to achieve stable growth, it must further increase the role of the non-oil sector in the country economy.

The chemical industry has existed for a long time and provides access to production activities that benefit the world's sustainable living standards, as well as contribute to solving various global sustainability problems. The chemical industry is very important for the economy of any country. Thus, this industrial sector produces pesticides and fertilizers, food products, medicines, cosmetics, construction materials, etc., which are important for growing crops. directly or indirectly involved in the development of the chemical industry. More than 95% of the products are used in the chemical industry.

Almost all of the world's major countries play an important role in the production and export of chemical products. In 2019, the total world income of the chemical industry was 3.94 trillion US dollars [10].

Our country has rich chemical industry resources and was one of the leading countries in the region in the last century. All that is needed now is to restore the previous pace of development and increase it from year to year. In this regard, the chemical industry must move to higher levels. It is an important nuance to direct entrepreneurs to this industry, to create the necessary conditions for them, to provide them with state care, to make certain concessions on financing, taxes and customs, to train qualified personnel, to benefit from international experience in this field.

The Main Body of the Research

Recently, as a result of the attention and care of our President Ilham Aliyev, the volume of products produced in the chemical industry has increased, as well as the amount of investment in this area. The establishment of Sumgayit Chemical Industrial Park Limited Liability Company by the Decree No. 548 of the President of the Republic of Azerbaijan Mr. Ilham Aliyev dated December 21, 2011 is one of the most successful steps taken in this direction [11]. Thus, despite the fact that a short period of 8 years has passed, in 2019, the Sumgayit Chemical Industrial Park produced products worth 823 million manat, of which 276 million manat - about 33% were exported [12].

In order to analyze the activities of individual entrepreneurs operating in the chemical industry, let's first look at the list of individual entrepreneurs operating in some segments in the processing industry.

Table 1. Number of individual entrepreneurs operating in different areas of the processing industry by years.

Indicators	2015	2016	2017	2018	2019	The rate of change in 2019 compared to 2015			
Number of individual entrepreneurs									
Number of individual entrepreneurs in									
the processing industry	15711	16009	17154	17988	19842	+ 26,3%			
1. Number of individual entrepreneurs									
engaged in food production	4079	4290	4508	4754	5252	+ 28,8%			
2. Number of individual entrepreneurs									
engaged in clothing production	947	971	1502	1566	1442	+ 52,3%			
3. Number of individual entrepreneurs									
engaged in the chemical industry	105	111	115	131	157	+ 49,5%			
4. Number of individual entrepreneurs									
engaged in the production of rubber									
and plastic products	2659	2704	2722	2792	2983	+ 12,2%			
5. Number of individual entrepreneurs									
engaged in the production of									
construction materials	1795	1840	1900	1972	2114	+ 17,8%			
6. Number of individual entrepreneurs									
engaged in the production of finished									
metal products, except machinery and									
equipment	1292	1316	1385	1442	1638	+ 26,8%			
7. Number of individual entrepreneurs									
engaged in the production of furniture	920	890	923	960	1060	+ 15,2%			
8. Number of individual entrepreneurs									
engaged in the production of jewelry,									
musical instruments, sports goods and									
medical equipment	1179	1121	1255	1378	1559	+ 32,2%			
9. Number of individual entrepreneurs									
engaged in the installation and repair									
of machinery and equipment * Source: Compiled by the author on the bas	619	659	684	791	1144	+ 84,8%			

First of all, it should be noted that the total number of individual entrepreneurs operating in the processing industry has been growing steadily since 2015 compared to the previous year and the base year. Thus, the number of individual entrepreneurs operating in 2019 compared to the previous year 10.3% (1854 people), and increased by 26.3% (4131 people) compared to the base year of 2015.

When we examine the statistical results in various areas of the processing industry, we see that since 2015, the areas with a stable growth rate compared to the previous year are food production, rubber and plastic products, construction materials, etc. Compared to 2015, there is an increase in all the above-mentioned segments.

In general, if we compare 2015 with the number of individual entrepreneurs operating in 2019 in different areas, we can see that an increase was observed in 20 out of 24 processing industries. For comparison, in 2018, this growth was observed in 17 areas.

Finally, I would like to say that based on the comparison of individual entrepreneurs operating in the processing industry, we can say that in 2019, most individual entrepreneurs operate in the production of food, construction materials and finished metal products other than machinery and equipment.

As a result of the successful socio-economic development policy successfully implemented by President Ilham Aliyev, dynamic economic development has been ensured in our country, industrialization has become one of the main priorities of the economy, and Azerbaijan has become a reliable partner in the world. Over the past years, great attention has been paid to the development of industry as the main direction of the non-oil sector in our country, the policy of industrialization has been implemented on a large scale, hundreds of industrial enterprises have been built and strong potential has been created.

When we look at the indicators of individual entrepreneurship in the chemical industry and its areas related to the processing industry, we see that in recent years there has been a steady growth.

According to the statistical results of 2019, we can note that in the general ranking of individual entrepreneurs operating in the processing industry, the production of rubber and plastic products is in 2nd place, and the chemical industry is in 15th place. A total of 3146 individual entrepreneurs operated in both areas (Figure 2).

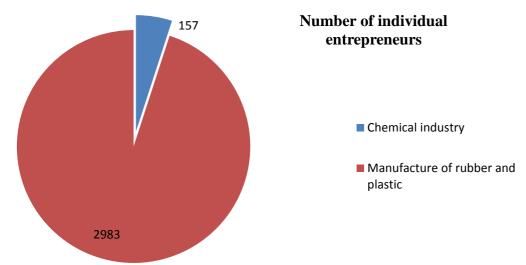


Figure 1. Number of individual entrepreneurs operating in the chemical industry, production of rubber and plastic products.

Note: Compiled by the author on the basis of the data of the SSCRA [9].

First of all, for comparison, the number of individual entrepreneurs working in the chemical industry and the production of rubber and plastic products increased by 7.5% (218 people) compared to 2018.95.0% of individual entrepreneurs working in the general chemical industry (95.5% in 2018) are engaged in the production of rubber and plastic products, and 5.0% (4.5% in 2018) are engaged in the chemical industry Compared to 2018, we can note that as a result of the growth of entities operating in the chemical industry, a decrease in the share of individual entrepreneurs engaged in the production of rubber and plastic products was observed.

The volume of products produced by individual entrepreneurs in the production of rubber and plastic products, which is one of the main driving forces of the chemical industry, is reflected in the table below.

Table 2. Quantitative composition of individual enterprises producing chemical industry, rubber and plastic products, their production volume.

	plastic products, their production volume. Illər							
Indicators	2015	2016	2017	2018	2019	The rate of change in 2019 compared to 2015		
Volume of products								
produced by individual								
entrepreneurs operating in								
the chemical industry,								
thous. man	200,2	300,1	1800,0	1563,8	3265,9	+1531,3%		
The share of the chemical								
industry in total output, in								
percent	0,08%	0,08%	0,35%	0,30%	0,55%			
Volume of products								
produced by individual								
entrepreneurs operating in								
the field of rubber and								
plastic products, thous.								
man	19900,0	16579,3	10762,8	18202,4	17025,1	- 14,4%		
Share in the total								
production of rubber and								
plastic products, as a								
percentage	12,64%	6,56%	3,55%	5,45%	4,35%			

In 2015, the volume of products produced by individual entrepreneurs operating in the chemical industry increased more than 15 times in 2019. The share of gross chemical product increased by 7 times compared to the base year.

When we look at the production of rubber and plastic products, we see that the volume of production in 2019 decreased by 14.4% compared to 2015, and by 6.5% compared to the previous year. Of course, this has led to a decrease in the share of individual entrepreneurs in the production of rubber and plastic products.

The production volumes of individual entrepreneurs in the chemical industry by economic regions are as follows.

Table 3. Volume of products produced by individual entrepreneurs operating in the chemical industry by economic regions, thous.

	Pro	The rate of change in					
Manufacture of chemical products		2019					
•	2015	2016	2017	2018	2019	compared	
						to 2015	
Baku city	141,7	15,9	80,0	57,0	37,9	- 73,2%	
Absheron economic region	58,5	284,2	1720,0	1467,6	2238,1	+ 3725,8%	
Ganja-Gazakh economic region	-	-	-	28,4	21,3	-	
Sheki-Zagatala economic region	-	-	-	7,8	646,8	-	
Lankaran economic region	-	-	-	3,0	300,0	-	
Guba-Khachmaz economic region	_	-	-	-	-	-	
Aran economic region	-	-	-	-	-	-	
Upper Karabakh economic region	-	-	-	-	-	-	
Kalbajar-Lachin economic region	-	-	-	-	-	-	
Mountainous Shirvan economic region	_	-	-	-	21,8	-	
Nakhchivan economic region	-	-	-	-	-	-	
*) Source: Compiled by the author on the basis of the data of the SSCRA.							

Based on the results of 2019, we can note that individual entrepreneurs operating in the chemical industry are distributed in 6 economic regions. Among these regions, Absheron economic region is in the leading position, 3.5 times more than the nearest economic region Sheki-Zagatala in terms of production. Compared to last year, the highest growth rate was recorded in Lankaran economic region.

The table below shows the volumes of products produced by individual entrepreneurs engaged in the production of rubber and plastic products over the years.

Table 4. Volume of products produced by individual entrepreneurs operating in the field of rubber and plastic products by economic regions, thous.

-	Production volume of individual entrepreneurs							
Manufacture of rubber and plastic products	2015	2016	2017	2018	2019	The rate of change in 2019 compare d to 2015		
Baku city	2203,3	2100,0	1050,0	3364,3	3975,7	+ 80,4%		
Absheron economic region	8892,3	6557,7	1354,1	1742,7	3014,3	- 66,1%		
Ganja-Gazakh economic region	681,0	461,7	1207,1	1102,0	1426.1	+ 109,4%		
Sheki-Zagatala economic region	1047,8	1292,7	911,7	1184,2	1582,8	+ 51,1%		
Lankaran economic region	502,7	455,2	901,0	882,2	1197,2	+ 138,2%		
Guba-Khachmaz economic region	985,2	698,9	500,0	720,3	1205,3	+ 22,3%		
Aran economic region	2862,6	1879,7	1229,4	2189,5	3203,7	+ 11,9%		
Upper Karabakh economic region	41,2	36,0	45,8	87,6	92,8	+ 125,2%		
Kalbajar-Lachin economic region	-	-	-	-	-	-		
Mountainous Shirvan economic region	983,9	937,4	827,5	789,5	1234,7	+ 25,5%		
Nakhchivan economic region	1700,0	2160,0	2736,2	6140,1	92,5	- 84,6%		
* Source: Compiled by the author on the basis of the data of the SSCRA.								

The productivity of individual entrepreneurs engaged in the production of rubber and plastic products varies by economic region. Thus, the highest production in 2019 belongs to the Baku, Absheron and Aran economic regions. The lowest production volumes are in the

Upper Karabakh and Nakhchivan economic regions.

While the largest increase compared to last year belongs to the Absheron economic region, the decline belongs to the Nakhchivan economic region. The largest increase in percentage compared to the base year falls on the Lankaran economic region, and the decline falls on the Nakhchivan economic region.

According to the table, the largest shareholder in the chemical industry in 2016-2019 is the Absheron economic region. Only in 2015, Baku was able to overtake the Absheron economic region on this indicator. Sheki-Zagatala is an economic region with an increase in the share of the chemical industry compared to last year, and Absheron is an economic region with a decline.

CONCLUSION

Despite the steps taken by the state and the positive statistics in the field, there are still negative developments in the chemical industry. Thus, the high rate of depreciation and low rate of renewal of fixed assets, innovation and diversification activities in individual enterprises operating in the chemical industry. Satisfactory organization does not allow to produce high quality and competitive, export-oriented products there. The share of chemical products in the composition of imported industrial products is high. All these facts urge the implementation of more effective measures for the innovative development of the industry.

At the same time, it is necessary to develop and implement a targeted innovation program in the field of chemistry. For this purpose, the following practical, scientific and methodological approaches should be preferred:

- -Priority areas should be selected among the non-oil sectors, the petrochemical industry should be included and targeted programs should be developed for the development of these areas:
- -Make more use of international experience, develop a mechanism to improve the development of individual entrepreneurship in the country in accordance with these practices;
- -Gaps related to the regulation of individual entrepreneurial activity should be filled with new laws, legislative acts, orders and decrees;
- -Establishing opportunities for people of retirement age working in the chemical sector to engage in individual entrepreneurship in the chemical industry, benefiting from their experience;
- -The producers of chemical products should be provided with necessary information on conjunctural changes in the domestic and foreign markets;
- -The process of delivery of chemical products from producers to consumers should be in a more advanced form that meets technological innovations;
- -High interest rates, heavy collateral requirements and a number of other difficulties in financing individual entrepreneurial activities should be eliminated;
- -The necessary infrastructure and institutional support should be formed in the regions for the development of individual entrepreneurship in the petrochemical industry;
- -Establishment of an authorized marketing structure in individual entrepreneurship enterprises and expansion of its functions and powers;
 - -Ensuring to increase the profit of enterprises from marketing activities;
- -Calculation of the processing process in the chemical industry enterprises in accordance with the internationally accepted methodology;
- -Study and justification of the application of advanced technological processes and equipment to the production process;
- -Increasing the opportunities to produce competitive and export-oriented products through the overhaul of the active part of the production equipment and the implementation of the evaluation of the results with the help of modern indicators, etc.

The development of the chemical industry will give an impetus to the provision of the country's population with cheap local products, as well as the development of our sales

opportunities in foreign markets. Sending raw materials to any foreign country and reimporting them into the country in the form of finished products is a very costly process. In order to prevent this, the state should be directly interested in the development of individual entrepreneurship in the chemical industry, as evidenced by recent steps. If we can bring the chemical industry to a sufficient level, if we can develop it in terms of material and technical base, level of professionalism, state support, benefits and quality, we will have a direct impetus to the development of the non-oil sector.

If we can create an abundance of local products with the help of individual entrepreneurs in the country, if we can provide the population with at least a large amount of local chemical products, it will lead to lower prices in this market, as well as reduced dependence on foreign products. It is an important factor, but it is important to pay attention not only to quantity but also to quality.

Individual entrepreneurship is an important direction in the proper use of the country's resources, increasing productivity, creating a healthy competitive environment, implementing innovations and minimizing losses. Individual entrepreneurship frees large enterprises from harmful production, brings production closer to the consumer, allows better use of local sources, in short, has a positive impact on various socio-economic processes in the country.

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> Xankişiyev Fərid Xanbaba oğlu, doktorant, Odlar Yurdu Universiteti, E-mail:ferid_khan@mail.ru ©Xankişiyev F.X., 2021

NEFT-KİMYA SƏNAYESİNDƏ FƏRDİ SAHİBKARLIQ FƏALİYYƏTİNİN İQTİSADİ SƏMƏRƏLİLİYİNİN ARTIRILMASI YOLLARI

XÜLASƏ

Tədqiqatın məqsədi – tədqiqatın məqsədi kimya sənayesinin istehsal imkanlarının artırılması, ölkə iqtisadiyyatında bu sahənin pay faizinin yüksəldilməsi məqsədi ilə mövcud resurslardan səmərəli istifadə üçün elmi cəhətdən əsaslandırılmış nəzəri və praktiki əhəmiyyətli tövsiyələr işləyib hazırlamaqdan ibarətdir. Mövzunun seçilməsində də əsas məqsəd Azərbaycanda kimya sənayesində fərdi sahibkarlıq fəaliyyətinin müasir vəziyyətini və inkişaf xüsusiyyətlərinin təhlil edilib öyrənilməsi, iqtisadi səmərəliliyinin araşdırılması, subyektlərin stimullaşdırılmasına dair elmi cəhətdən əsaslandırılmış təkliflər kompleksini işləyib hazırlamaqdan, bir sözlə effektivliyin yüksəldilməsindən ibarətdir.

Tədqiqatın metodologiyası – fərdi sahibkarlığın digər sahibkarlıq növlərindən fərqləndirici cəhətləri, ölkəmizdə kimya sənayesində fəaliyyət göstərən fərdi sahibkarlıq subyektlərinin müasir vəziyyətinin təhlili, onların perspektiv imkanlarının dəyərləndirilməsindən ibarətdir.

Tədqiqatın tətbiqi əhəmiyyəti – tədqiqatda qeyd olunmuş materiallar ölkəmizdə kimya sənayesində fərdi sahibkarlıq fəaliyyətinin müasir vəziyyətinin qiymətləndirilməsində, fərdi sahibkarlıq subyektlərinin bu sahəyə cəlb edilməsi mexanizmlərinin təkmilləşdirilməsində istifadə oluna bilər.

Tədqiqatın nəticələri – kimya sənayesinə fərdi sahibkarların cəlb edilməsi, onların fəaliyyətinin təşkili, dövlət tərəfindən həyata keçirilən tənzimləmə fəaliyyətinin təkmilləş-dirilməsi istiqamətində qeyd edilən məlumatlar bu sahə üzrə fərdi sahibkarlıq subyektlərinin kəmiyyət göstəricilərinin artmasına səbəb ola biləcək tövsiyə xarakterli məlumatlar hesab edilə bilər.

Tədqiqatın orijinallığı və elmi yeniliyi - ölkəmizdə kimya sənayesi üzrə idxal və ixrac göstəricilərinin təhlilinə baxdığımız zaman görürük ki, bu sənaye sektorunda istehsal olunan məhsulların ölkəyə idxalı ixracından 3 dəfə çoxdur. Təbii ki, kimya sənayesi üzrə fəaliyyət göstərən fərdi sahibkarların sayının artması ilk növbədə ölkə əhalisinin bu istiqamətdə ehtiyacının ödənilməsi, eyni zamanda da ixrac potensialının artırılması baxımından böyük önəmə malikdir. Bu məqalədə fərdi sahibkarlıq fəaliyyətinin maliyyələşdirilmə mexanizminin təkmilləşdirilməsi, dövlətin həyata keçirdiyi tənzimləmə siyasətində beynəlxalq təcrübədən faydalanma və vergi sistemində sadələşdirmələrin, vergi yükünün yüngülləşdirilməsi ilə bağlı tövsiyə xarakterli məlumatlar öz əksini tapmışdır. Bu cəhətdən də məqalədə qeyd edilən məlumatlar istər təşviq, istərsə də fəaliyyətin stimullaşdırılması baxımından önəm kəsb etməkdədir.

Açar sözlər: fərdi sahibkarlıq, kimya sənayesi, stimullaşdırma, dövlət tənzimlənməsi, inkişaf, idxal-xrac.

> Ханкишиев Фарид Ханбаба оглы, докторант, Университет Одлар Юрду, Email: ferid_khan@mail.ru Ханкишиев Ф.Х.. 2021

ПУТИ ПОВЫШЕНИЯ ЭКОНОМИЧЕСКОЙ ЭФФЕКТИВНОСТИ ИНДИВИДУАЛЬНОГО ПРЕДПРИНИМАТЕЛЬСТВА В НЕФТЕХИМИЧЕСКОЙ ПРОМЫШЛЕННОСТИ

РЕЗЮМЕ

Цель исследования - разработать научно обоснованные теоретические и практические рекомендации по эффективному использованию имеющихся ресурсов с целью увеличения производственной мощности химической промышленности, увеличения доли этого сектора в экономике страны. Основная цель выбора темы – проанализировать и изучить текущее состояние и развитие индивидуального предпринимательства в химической отрасли в Азербайджане, изучить его экономическую эффективность, разработать комплекс научно обоснованных предложений по стимулированию субъектов.

Методология исследования - это изучение отличия индивидуального предпринимательства от других видов предпринимательства, анализ текущего состояния субъектов индивидуального предпринимательства, работающих в химической отрасли в нашей стране, оценка их перспективных возможностей.

Практическая значимость исследования - материалы, указанные в исследовании, могут быть использованы для оценки текущего состояния индивидуального предпринимательства в химической отрасли в нашей стране, для совершенствования механизмов привлечения индивидуального предпринимательства в этой сфере.

Результаты исследования - сведения об участии индивидуальных предпринимателей в химической отрасли, организации их деятельности, совершенствовании регулирующей деятельности, проводимой государством, можно рассматривать как информацию рекомендательного характера, которая может привести к увеличению в количественных показателях индивидуального предпринимательства.

Оригинальность и научная новизна исследования - когда мы смотрим на анализ импорта и экспорта химической промышленности в нашей стране, мы видим, что импорт продукции, произведенной в этом промышленном секторе, в 3 раза больше, чем экспорт страны. В данной статье содержится рекомендованная информация по совершенствованию механизма финансирования индивидуального предпринимательства, использованию международного опыта регуляторной политики государства и упрощению налоговой системы, снижению налоговой нагрузки. В связи с этим информация, представленная в статье, важна как с точки зрения продвижения, так и стимулирования активности.

Ключевые слова: индивидуальное предпринимательство, химическая промышленность, стимулирование, государственное регулирование, развитие, импорт-экспорт.

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