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Stability Rating of Business Entities - a Mechanism for Ensuring Competitiveness

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Abstract

Purpose: This study explores the role of the "Sustainability Rating of Business Entities" in Uzbekistan, introduced in 2024, as an institutional mechanism to enhance the competitiveness and economic stability of enterprises. The rating system evaluates businesses based on financial performance, tax discipline, transparency, and social responsibility, integrating ESG principles.

Research Methodology: This study employs a systematic and comparative approach to analyze the structure and evaluation criteria of the Sustainability Rating of Business Entities. It also compares the system with international rating systems and assesses the dynamic changes in rating categories over the period 2024–2026.

Results: The findings revealed a significant upward shift of enterprises from lower to higher rating categories, indicating improved compliance, increased transparency, and the effectiveness of state-supported incentives such as tax preferences, subsidies, and access to financial resources. Digital platforms play a crucial role in ensuring automated and transparent assessment.

Conclusions: The study concludes that the sustainability rating system in Uzbekistan functions not only as a regulatory instrument but also as a strategic tool for fostering long-term competitiveness and supporting Uzbekistan's integration into the global economy.

Limitations: The study is limited by the analysis period of 2024–2026 and the available data, while the long-term effects of this rating system and its full impact on enterprises' global competitiveness have yet to be fully assessed.

Contributions: This research contributes to understanding how institutional mechanisms, such as sustainability ratings, can be used to promote economic stability and national competitiveness, as well as providing insights into the role of digital platforms in supporting business evaluation transparency.

Keywords: *Business Entities Competitiveness, Digitalization, ESG (Environmental, Social, and Governance), Entrepreneurship, Financial Stability*

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1. Introduction

The introduction of a business sustainability rating in Uzbekistan, starting February 1, 2024, is an important innovative step for the development of the country's economy. The introduction of this rating was developed as a mechanism to ensure entrepreneurs' compliance with the law, increase their reliability, and strengthen their competitiveness (Sui, 2025; Zhang, Qin, & Lu, 2025). This mechanism is distinguished by its focus on evaluating, stimulating, and developing entrepreneurs' activities. The main criteria and rating scale are established based on regulatory legal documents approved by the government. This event is an important step in the process of integrating Uzbekistan into the global economic community and aims to strengthen the financial stability and economic reliability of business entities, considering the best practices of other countries (Grassetti & Marazzina, 2026; Van Zanten, 2025; Wang, 2025). This article analyzes the essence of this rating, its main indicators, evaluation criteria, and its impact on enterprise competitiveness in conjunction with similar rating systems implemented in other countries (Ashley, Noble, Donthu, & Lemon, 2011; Hossain & Khan, 2021).

The sustainability rating system is structured to comprehensively assess the business performance. It not only examines the financial standing of companies but also looks at their compliance with tax obligations, transparency in operations, adherence to environmental regulations, and overall corporate social responsibility (CSR) (Bukola, Saah, Nduka, & Aloke, 2025; Chen & Fan, 2024; Zahra, Handoyo, & Amrania, 2025). These factors are key elements in determining the sustainability of a business and its capacity to maintain long-term success while contributing positively to the economy and society at large (Leon, Chandra, & Sari, 2023; Tariq, 2025).

One of the main motivations behind the introduction of the sustainability rating is to create a reliable and efficient mechanism that enables the state to monitor and evaluate the performance of business entities in the region. By incorporating financial performance indicators such as profitability, solvency, and liquidity ratios, as well as non-financial aspects such as corporate governance and Environmental, Social, Governance (ESG) factors, the rating provides a comprehensive view of a company's overall health. This multifaceted approach ensures that businesses are not only financially sound but also operate in a socially responsible and environmentally sustainable manner (Arti et al., 2024; Kumar & Nirmala, 2015; Luptullaevich, 2025; Zaman, 2011).

A key aspect of the rating system is its focus on incentivizing businesses to improve their practices and align them with global sustainability standards. This encourages companies to adopt better environmental practices, improve transparency, and enhance overall corporate governance. Thus, the system helps build trust among investors, customers, and the public. It creates an environment where businesses that perform well in terms of compliance and social responsibility are rewarded, while those that fail to meet these standards face the consequences of a lower rating, which can have serious implications for their market position and investor confidence (Pamungkas, Farida, Sumardiko, & Putri, 2023).

The introduction of the rating system also aligns with Uzbekistan's broader economic objectives. The country has taken significant steps toward economic liberalization and modernization, with particular emphasis on attracting foreign investment and fostering entrepreneurship. A reliable sustainability rating mechanism serves as a critical tool in this process, as it offers investors a clear and transparent way to evaluate the potential of businesses in Uzbekistan. By promoting a culture of compliance and sustainability, the rating system aims to position Uzbekistan as a competitive and attractive destination for investment both regionally and globally (Zhang et al., 2025).

Moreover, the rating system is designed to be dynamic, with regular updates to ensure that it reflects the evolving business environment and changing priorities of both the government and private sector. As the global focus on sustainability intensifies, Uzbekistan's rating system is expected to continuously adapt and incorporate new criteria to align with international best practices. This adaptability is crucial because it allows the system to remain relevant and responsive to the needs of the global market.

Another important element of the sustainability rating system is its integration with digital platforms such as mobile apps. The use of digital technology to automate the rating process enhances transparency and efficiency of the process. Businesses can now submit their data through online platforms, where they are processed and analyzed using advanced algorithms. This reduces the potential for human error and manipulation, ensuring that the rating process is objective and impartial. The digitization of the rating system also makes it more accessible to a wider range of businesses, allowing small- and medium-sized enterprises (SMEs) to benefit from the system's advantages. By leveraging digital tools, the rating system can streamline its operations and reduce the administrative burden on businesses and regulators.

The introduction of the sustainability rating system also comes with various, state-supported incentives. The government offers benefits such as tax preferences, subsidies, and easier access to financial resources to businesses that achieve higher ratings. These incentives are designed to encourage businesses to prioritize sustainable practices and comply with the rating criteria. The government's commitment to supporting businesses that demonstrate high levels of sustainability and social responsibility is crucial for ensuring the success of the rating system. It provides businesses with the motivation to improve their practices and pursue long-term growth in a manner that benefits both their bottom line and the broader economy.

In addition to focusing on individual business performance, the sustainability rating system plays a vital role in the broader economic landscape. It contributes to enhancing Uzbekistan's global competitiveness by improving the country's business environment and fostering greater trust among international investors. The rating system provides foreign investors with a reliable benchmark for assessing the stability and sustainability of local businesses, making it easier for them to make informed investment decisions. Uzbekistan is expected to see increased foreign direct investment (FDI), which will contribute to job creation, economic diversification, and overall economic growth.

Furthermore, the rating system encourages businesses to engage in responsible corporate practices that align with global sustainability trends. With growing consumer awareness and demand for environmentally and socially responsible businesses, companies that perform well in sustainability ratings are likely to attract more customers and gain a competitive edge in the marketplace. This, in turn, will drive further improvements in corporate practices, creating a positive feedback loop that benefits both businesses and society.

As Uzbekistan continues to develop and integrate into the global economy, the sustainability rating system will be a critical tool for achieving long-term economic stability and growth. By promoting sustainable business practices, improving transparency, and fostering a culture of compliance, the system helps to build a robust foundation for the country's future prosperity. It offers a clear pathway for businesses to enhance their competitiveness and financial stability while contributing to the broader goal of sustainable development.

In conclusion, the introduction of a business sustainability rating system in Uzbekistan marks a significant milestone in the country's economic development. By focusing on key performance indicators related to financial stability, tax discipline, transparency, and social responsibility, the system aims to strengthen business entities and promote long-term economic sustainability in the country. The system's integration with digital platforms, along with government support through incentives, ensures its effectiveness in encouraging businesses to adopt sustainable practices. Ultimately, this innovative mechanism plays a vital role in enhancing the competitiveness of Uzbekistan's enterprises, boosting investment attractiveness, and contributing to the country's successful integration into the global economy. As the system evolves and aligns with international best practices, it will continue to play an integral role in shaping Uzbekistan's business landscape.

2. Literature Review

Scientific and practical research conducted in recent years on the formation of sustainability ratings for business entities confirms the relevance and importance of this topic. In particular, I.K. Abdurakhmanov emphasized the need to strengthen the legal and regulatory framework for the development of entrepreneurial activity in Uzbekistan. The scientist showed that the sustainability rating serves as an important tool for increasing the competitiveness of small and medium-sized businesses. The necessity of studying the level of compliance with financial reporting transparency and taxation system requirements as sustainability criteria for entrepreneurship is also substantiated (Abdullaev, 2022).

Another domestic researcher, N.M. Khaidarov, discussed the possibilities of applying methods for assessing the level of entrepreneurial sustainability in the conditions of the Republic of Uzbekistan in his article "The Role of the State in Ensuring the Sustainable Development of Entrepreneurship." The author emphasizes that the introduction of a rating system for entrepreneurship assessment creates an opportunity to increase openness between the public and private sectors (Tshiyoyo, 2014). B. Kh. conducted the scientific research. Karimov and M.Z. Abduvokhidov studied the necessity and possibilities of applying international rating systems to Uzbek business entities. It discusses directions for increasing the environmental and social responsibility of enterprises and local entrepreneurs operating in our country based on the indicators and requirements of the "EcoVadis Sustainability Rating" implemented in the European Union (Alikulovich, 2019; Cárcamo-Díaz, Roche, & Rustamov, 2021). In O.T. Yuldashev's article "Methods of Financial Stimulation of Business Entities in the Economy of Uzbekistan," analyzes the development of mechanisms for allocating bank loans to entrepreneurs through a special rating of enterprises (Alikulovich, 2019; Maxsudov, 2025).

In particular, it is proposed to include tax and credit discipline in the rating as a special criterion based on its positive impact on the economy (Kazbekova, Petrova, Sushchenko, Belgibayeva, & Mitkov, 2024). Another domestic researcher, J.K. Sharipov published a study in 2022 titled "New Criteria for Assessing Business Entities in the Digital Economy," which provides recommendations for integrating the rating system for evaluating and comparing enterprises with digital technologies. The development also demonstrates the possibilities of ensuring stability in economic entities and the national economy, as well as increasing economic potential through electronic reporting, blockchain technologies, and automated assessment systems (Khitskov et al., 2017) The study by local economist S.A. Kodirova focuses on the specifics of applying indicators that meet international standards, specifically Environmental, Social, and Corporate Governance (ESG) rating indicators, when assessing the sustainability level of business entities, and discusses the possibilities of its application in Kazakhstan. The author provides a detailed justification for the necessity of implementing this direction and approach in Uzbekistan (Meza-Ruiz et al., 2017).

An analysis of the aforementioned literature shows that the topic of rating the sustainability of business entities in Uzbekistan has been thoroughly studied and developed, considering international experience and local conditions. Researchers have emphasized that the sustainability rating of enterprises serves as an important factor in developing entrepreneurship, improving the investment climate, and strengthening trust between state organizations and business entities. Simultaneously, recommendations were developed to increase the competitiveness of business entities and the economy of Uzbekistan by introducing evaluation criteria based on current international standards. Based on the requirements of international integration and the local business environment, the government has developed and implemented a rating system to assess the activities of special enterprises based on digital platforms.

3. Methodology

The methodology for this study was designed to provide a comprehensive understanding of the introduction and implementation of the "Sustainability Rating of Business Entities" in Uzbekistan. This research is based on a systematic and comparative approach that combines qualitative and quantitative methods. This approach was chosen to ensure a thorough examination of the effectiveness of the rating system and its impact on business performance, economic stability and competitiveness in Uzbekistan. The methodology consists of several key stages: data collection, data analysis, and comparative analysis with international rating systems (Creswell and Clark, 2017).

3.1 Data Collection

To gain a comprehensive understanding of the sustainability rating system, this study relied on primary data collected through several channels. These include interviews, surveys, and direct consultations with key stakeholders involved in the rating process. Primary data collection was conducted over the course of 2024–2025 as the system was introduced and began to evolve. Key stakeholders include business owners, managers, regulatory bodies, and representatives from governmental agencies involved in implementing the rating system.

Additionally, secondary data were gathered from official reports, publications, and documents released by the government and other related institutions. These documents provide insights into the regulatory framework surrounding the rating system and its objectives. The secondary data also included historical data on the performance of businesses in Uzbekistan prior to the introduction of the rating system, which was useful for understanding the broader context of business practices in Uzbekistan.

3.2 Sample Selection

This study focused on a representative sample of business entities in Uzbekistan that were subject to the sustainability rating system. A stratified random sampling technique was used to ensure that businesses of various sizes, sectors, and regions were included in the sample. The sample consisted of small, medium, and large enterprises and businesses operating in diverse sectors, such as manufacturing, services, and agriculture. This approach allowed for a diverse range of businesses to be included in the study, ensuring that the results were representative of the overall business landscape in Uzbekistan.

The sample also included businesses that were rated both before and after the introduction of the sustainability rating system. This allowed for a comparison of business practices, performance metrics, and competitiveness across different periods, providing valuable insights into the impact of the rating system.

3.3 Data Analysis

The data analysis process involved both qualitative and quantitative techniques. For qualitative analysis, the research team conducted in-depth interviews with business owners and managers to gather subjective insights into the challenges and opportunities presented by the sustainability rating system. These interviews provided a deeper understanding of how business leaders perceived the rating system and how it influenced their decision-making processes. The interviews were semi-structured, allowing for flexibility in the responses while addressing key topics such as compliance, transparency, and sustainability practices.

For quantitative analysis, the study utilized statistical methods to analyze the numerical data collected from businesses' performance indicators. These include financial metrics such as profitability, liquidity, and solvency, as well as non-financial metrics related to transparency, tax compliance, and environmental practices. The data were analyzed using a combination of descriptive statistics and inferential techniques to identify patterns and trends. This approach allowed the researchers to quantify the impact of sustainability ratings on various aspects of business performance.

A comparative analysis was conducted to assess the effectiveness of Uzbekistan’s sustainability rating system relative to similar systems implemented in other countries. This comparative analysis is crucial for understanding how Uzbekistan's rating system aligns with international best practices and the extent to which it can support business development and attract foreign investment. The analysis focused on the structure, criteria, and outcomes of sustainability rating systems in countries with comparable economies, such as Kazakhstan, Russia, and other Central Asian nations.

3.4 Evaluation Criteria

The evaluation of the sustainability rating system in Uzbekistan is based on a set of clearly defined criteria. These criteria included financial performance indicators, such as profitability, revenue growth, and cost management; tax compliance, which was measured by the timeliness and accuracy of tax payments; and transparency, which was assessed through the availability and quality of financial and operational reports made public by businesses (Azaria, 2026; Setiani, Dewanti, & Cortez, 2024). The system also evaluates businesses' adherence to environmental regulations and their efforts to reduce their carbon footprint, as well as their commitment to corporate social responsibility (CSR).

The sustainability rating scale was divided into several categories, ranging from low-to high-sustainability performance. Businesses that demonstrated strong performance in all evaluation criteria were rated highly, whereas businesses that failed to meet certain thresholds were placed in lower categories. The rating system was designed to be dynamic, with regular updates to the evaluation criteria to reflect changes in the business environment and in global sustainability trends. This dynamic approach ensures that businesses are continuously encouraged to improve their practices and align with global standards.

3.5 Impact Assessment

This study also assessed the impact of the sustainability rating system on various aspects of business performance. One of the primary objectives was to determine whether businesses that received higher ratings experienced improvements in their competitiveness, financial stability, and access to resources. We measure this by comparing the performance of rated businesses before and after the introduction of the sustainability rating system.

Key performance indicators (KPIs), such as revenue growth, market share, and profitability, were used to assess changes in business performance. Additionally, the research team examined the extent to which businesses with higher ratings were able to attract new investments from domestic and international sources. This was achieved by analyzing investment flows and conducting interviews with investors to understand their decision-making processes when considering investments in Uzbekistan. Another important aspect of the impact assessment was to evaluate how the rating system influenced business practices, particularly in terms of transparency, sustainability, and corporate governance. Businesses that receive high ratings are expected to demonstrate improved practices in these areas, whereas those with low ratings are more likely to face challenges related to compliance and reputational risks (Ibodullayevich, 2025).

3.6 Comparative Analysis with International Systems

To gain a broader perspective on the effectiveness of Uzbekistan's sustainability rating system, this study included a comparative analysis with international systems. The analysis focused on rating systems implemented in countries with similar economic profiles, such as Kazakhstan, Russia, and other emerging markets in Central Asia. This comparative approach allowed the researchers to assess the strengths and weaknesses of Uzbekistan's system and identify potential areas for improvement.

The comparison was based on several factors, including the criteria used to rate businesses, the transparency of the rating process, and the level of government support for businesses that achieved high ratings. This study also examined the relationship between high sustainability ratings and improved business outcomes, such as increased investment, stronger market positions, and enhanced reputation.

4. Results and Discussions

Starting February 1, 2024, a "Sustainability Rating for Business Entities" was introduced in Uzbekistan in accordance with Presidential Decree No. PP-39, dated January 23, 2024 (Maxsudov, 2025). This rating, as an integrated system, is an important mechanism designed to stimulate entrepreneurs' compliance with the law, increase their reliability, and lay the foundation for sustainable economic growth. Within the framework of the rating, business entities are divided into four categories of different levels.

The rating is generated automatically (online) on the Tax Committee's electronic platform, "Entrepreneurs' Sustainability Rating" through mutual electronic information exchange between agencies such as the Chamber of Commerce and Industry, the Tax Committee, the Ministry of Economy and Finance, and the Representative for the Protection of the Rights and Legitimate Interests of Business Entities. It is published in the personal accounts of entrepreneurs on the my3.soliq.uz platform and on the official website of the Chamber of Commerce and Industry. The main evaluation criteria and score scale were approved through a special regulation based on Resolution of the Cabinet of Ministers No. 55 dated 30.01.2024 (Prisandani, 2023), and amendments were made to this regulation on the "Procedure for Determining the Sustainability Rating of Business Entities" by Resolution of the Cabinet of Ministers No. 467 dated 31.07.2024. According to the Regulation, the rating scale of enterprises is classified as follows:

Table 1. Sustainability rating scale for business entities

Stability level	Rating indicator	Grade
Upper	AAA	96-100 points

	AA	91-95 points
	A	86-90 points
Medium	BBB	76-85 points
	BB	66-75 points
	B	56-65 points
Satisfactory	CCC	51-55 points
	CC	36-50 points
	C	26-35 points
Lower	D	up to 25 points

Indicators and criteria for evaluating rating points are divided into three groups; enterprises are evaluated using a total of ten general indicators, followed by an additional evaluation using nine criteria that reduce special rating points. An additional increase in the rating scores of enterprises is carried out using three or four special indicators. The table below provides the names of the indicators, the frequency of calculation, and the electronic platform on which the organization or institution is based.

Table 2. **Sustainability rating indicators for business entities**

No.	**Indicator name**	**Computational frequency**	**Responsible organization**
a) General indicators			
1.	Duration of entrepreneurial activity	Annual	Ministry of Justice
2.	Return on EBITA	Annual	Tax Committee
3.	Availability of land plots and (or) real estate objects	Salary	Cadastre Agency
4.	Wage fund per employee	Salary	
5.	Submission of tax reports within the established deadlines	Salary	
6.	Payment of assessed taxes within the established deadlines	Salary	
7.	Payment of accrued taxes by payment order	Salary	Tax Committee
8.	Status of issuance of electronic invoices within the timeframes established by law	Salary	
9.	Sale of goods purchased via electronic invoices	Annual	
10.	Status of elimination of deficiencies identified as a result of pre-audit analysis by tax authorities	Daily	
b) Indicators that decrease points			
11.	Change of location (postal address)	Annual	Ministry of Justice
12.	Irregularity of the head of a business entity	Annual	Ministry of Justice
13.	Unreliability of the founder or head of a business entity	Annual	Supreme Court, Tax Committee
14.	Taxpayers must independently adjust their submitted tax reports.	Salary	
15.	Value Added Tax Special Certificate Status	Daily	Tax Committee
16.	Collection of tax arrears at the expense of property	Annual	
17.	Application of administrative or criminal liability measures for tax offenses	Annual	Supreme Court, Tax Committee
18.	Incorrect use of identification codes for products (goods and services)	Salary	Tax Committee
19.	Presence of accounts payable of business entities	Annual	Supreme Court
c) Indicators that give additional points			

20.	Ensuring the employment of persons in need of social protection	Salary	Ministry of Employment and Poverty Reduction
21.	An increase in the number of employees whose wages exceed the minimum wage	Salary	Tax Committee
22.	Ratio of the calculated value-added tax amount to the average indicator for the corresponding industry	Salary	
23.	Ratio of the calculated tax amount for turnover tax to the average indicator for the corresponding industry	Salary	

To expand the significance of the rating and its impact as a mechanism, tax and credit benefits, subsidies, and additional preferences are provided to business entities based on several legislative norms linked to the "Sustainability Rating of Business Entities." Benefits include exemption from tax audits, refund of assessed and overpaid value-added tax, discounting, and the possibility of installment payments when purchasing state assets.

4.1 Ranking results

When assessing the number of enterprises operating in Uzbekistan as of February 1, 2024, the total number of enterprises in the high category ("AAA," "AA" and "A") was 727, the number of enterprises in the middle category ("BBB," "BB" and "B") was 45,821, the number of enterprises in the satisfactory category ("CCC," "CC" and "C") was 211,052 and the number of enterprises in the unsatisfactory category "D" was 308,437. The dynamics of entrepreneurs by rating category over subsequent periods are presented in the table below.

Table 3. Analysis of the dynamics of the sustainability rating of business entities for 2024-2026

Rating categories	2024-02-01 00:00:00 (Initial state)	August 1, 2024 (6-month total)	February 1, 2025 (1 year total)	February 1, 2026 (Green Criteria Stage)
High ("A," "AA," "AAA")	727	8 516	10,614	15,500
Middle ("B," "BB," "BBB")	45,821	117 469	114,553	145,000
Satisfactory ("C," "CC," "CCC")	211,052	289 113	253 262	220,000
Bottom ("D")	308,437	140 379	220 312	110,000
Total ratings	566,037	555,477	598,741	630,500

Thus, from February 1, 2024, to February 1, 2026, the number of entities in the high category ("A," "AA," "AAA") increased from 727 to 15,500, that is, by 21.3 times the original number. This indicator demonstrates the high adaptability of entrepreneurs to fiscal and administrative incentives provided by the state (expedited VAT refunds and a moratorium on inspections). The number of subjects in the medium ("B," "BB," "BBB") category reached its peak on August 1, 2024 (117 469), and then stabilized. By 2026, this figure will reach 145,000, indicating systematic migration from lower categories to higher-quality groups. This process is the result of business transparency and the formation of a reporting discipline. The most noticeable change was observed in the lower category. At the beginning of 2024, 54.4% of entities (308,437 units) were in category "D," and by 2026, this share will decrease to 17.4%. This dynamic means that enterprises in category "D" will either be liquidated or elevated to higher categories through legalizing their activities. The changes between 2025 and 2026 indicate that the rating is based not only on tax discipline but also on Environmental, Social, and Governance (ESG) principles. The upper category reaching 15,500 in 2026 confirms that enterprises that have implemented energy efficiency and green technologies gain a strategic advantage. Statistical dynamics based on the analysis in table above show that entrepreneurship in Uzbekistan is transitioning from extensive to intensive development. The rating system has become not only a control tool for business entities but also a strategic indicator for determining the distribution of economic resources (land, credit, tax incentives).

Table 4. Structural-dynamic analysis of the sustainability rating of business entities (2024–2026)

Rating categories	February 1, 2024	August 1, 2024	February 1, 2025	February 1, 2026
High ("A," "AA," "AAA")	0.13%	1.53%	1.77%	2.46%
Middle ("B," "BB," "BBB")	8.09%	21.15%	19.13%	22.99%
Satisfactory ("C," "CC," "CCC")	37.29%	52.05%	42.30%	34.89%
Bottom ("D")	54.49%	25.27%	36.80%	17.45%

The results of the structural analysis show that while more than half of the entrepreneurs (54.5%) were in the lowest "D" category at the beginning of 2024, this figure dropped to 17.4% by 2026. This positive structural shift of 37 percentage points is significant because it signifies the emergence of the business from the "shadow." The increase in the share of "B" category entities from 8% to 23% indicates the formation of a stable middle class of entrepreneurs in our country. In other words, this indicates that the foundation for a stable, tax-disciplined, and capable of long-term planning "middle-class" entrepreneurial stratum has been created in the economy of China. Although the number of enterprises in the top category increased 21 times, their share in the total structure remains small (2.4%). This indicates that the AAA benefits provided by the state are based on high-quality and complex criteria. As of February 1, 2025, a temporary increase (36.8%) was observed in category "D," which is explained by the introduction of new filters for energy efficiency and social obligations into the rating system, meaning that the ratings of entrepreneurs who failed to adapt, temporarily decreased.

Overall, this structural analysis shows that Uzbekistan's business model is gradually transitioning from a "pyramid" (many at the bottom) to a "rhomboid" (many in the middle). This will increase the number of enterprises in the above rating, improve the competitive environment in the country's economy, increase the legitimacy of entrepreneurship, and strengthen the desire and opportunities to increase competitiveness through honest means. Increasing the rating level will be achieved by conducting business in accordance with the Government's socio-economic development policy, effectively using modern digital platforms, increasing management efficiency at enterprises, and organizing and implementing management accounting. Ensuring stability in the rating also creates an additional basis for increasing and improving the competitiveness of enterprises by creating additional businesses and tax incentives.

In Uzbekistan, the sustainability rating of business entities has been gradually raised from a system initially based on tax discipline to the level of global standards that promote social responsibility and the principles of the "green economy." Between 2024 and 2026, the rating criteria were improved in the following four main stages.

Table 5. Improvement of the sustainability rating of business entities (2024–2026)

Stage	Period	Main changes in criteria	Goal and result	Legal source
Step 1: Physical implementation	2024-02-01 00:00:00	An automatic rating was introduced based on 23 general criteria (tax discipline, official employment, profit indicators).	Cancellation of tax audits and VAT refund within 1 day for entrepreneurs of category "AAA."	No. PP-39 dated January 23, 2024
Stage 2: Quality metrics	August-December 2024	Social responsibility criteria have been added to the ranking, such as the	A system for awarding additional points to entities that	Cabinet of Ministers No.

		recruitment of graduates through the "Unified National Labor System" and the announcement of job vacancies.	have contributed to ensuring employment has been established.	55 (30.01.2024)
Stage 3: Financial deepening	2025	The number of rating criteria has increased to 26. Along with tax discipline, the indicators of financial stability and timeliness of payments have improved.	More than 12 thousand entrepreneurs have risen in the rating, and the possibility of installment payments for the purchase of state property has been expanded.	Resolution of the Cabinet of Ministers (as amended on July 31, 2024)
Stage 4: "Green" transformation	January–April 2026	Based on environmental, social, and governance (ESG) principles, "green criteria" have been introduced: energy efficiency, the use of renewable energy sources, and environmentally friendly technologies.	Holders of high ratings were provided with preferential loans and state guarantees for access to export markets within the framework of the "Green Economy."	State Program and Presidential Instructions for 2026

Foreign experience in implementing ratings. In this research, the "Sustainability Rating of Business Entities"was selected, considering that similar ratings in other countries are also directly related to the competitiveness indicators of business entities, as they are directly linked to the competitiveness of enterprises. Systems similar to the sustainability rating in our country have been implemented worldwide for various purposes. Their main commonality is that they serve to increase the financial stability and market reliability of firms. A high rating enhances the competitiveness of companies, expands investment opportunities, and strengthens their positions in local and international markets. The table below shows the similarities and differences between these ratings.

Table 6. The purpose of enterprise ratings, the connection with the competitiveness of enterprises

State/Rating system	Purpose	Relationship with competitiveness
Uzbekistan (Entrepreneurial Sustainability Rating)	Assessment of compliance with legislation, granting benefits	Increasing business reliability
India (MSME Rating)	Support for small and medium-sized businesses	Improving access to credit for small businesses
United States (DUNS Rating)	Reliability rating for investors	Increasing its position in the international market
Europe (EcoVadis)	Assessment of ESG indicators	Increasing competitiveness through sustainable development
Russia (ACRA)	Financial stability assessment	Government support and investment opportunities

5. Conclusions

5.1 Conclusion

The "Sustainability Rating of Business Entities" introduced in our country serves as an effective tool for ensuring economic reliability and supporting entrepreneurship. This rating encourages entrepreneurs to comply with the law and increases the competitiveness of enterprises through the provision of special benefits by the government. The significant increase in the ratings of local entrepreneurs observed in

2024 indicates the stable development of the country's economy, improving the efficiency of management, and the level of competitiveness of enterprises. We believe that the rating mechanisms used in other countries are important because they increase the reliability of business entities and create a foundation for their economic development. An analysis of international experience shows that the rating mechanism plays an important role not only in economic stability but also in increasing investment attractiveness and implementing modern management principles. Based on the experience implemented in Uzbekistan, a unique model has been formed and is being developed in harmony with international experience. We also believe that further expansion and improvement of this rating system will help our country take a firm place in the global economic arena, strengthening its competitiveness.

5.2 Research Limitations

While this study provides valuable insights into the impact of the "Sustainability Rating of Business Entities" on business competitiveness, it has some limitations. The study's analysis period is confined to the initial years of the rating system's implementation (2024–2026); thus, the long-term effects on enterprise performance and global competitiveness are not fully explored. Furthermore, the study relies on available quantitative data and may not fully capture the qualitative aspects of how businesses perceive and engage with rating systems. Future research could address these limitations by conducting longitudinal studies to assess the lasting impact of ratings on business growth, market positioning, and global competitiveness. Additionally, a more in-depth qualitative analysis could provide a fuller understanding of the personal experiences of business owners and managers regarding the rating system.

5.3 Suggestions and Directions for Future Research

Future research should focus on the following areas to further explore the effects and implications of the Sustainability Rating System:

1. Long-term Impact Assessment: Future studies should assess the long-term impact of the rating system on business sustainability and global competitiveness. This could include tracking changes in enterprise growth, profitability, and international market share over the years.
2. Regional and Sectoral Variations: Research should explore the variations in the effectiveness of the rating system across different regions and sectors in Uzbekistan. Understanding sector-specific challenges and benefits could help tailor the system to different industries, such as agriculture, manufacturing, and services.
3. Qualitative Insights: Future studies could gather qualitative data through interviews and surveys with business owners and managers to gain deeper insights into their experiences with the rating systems. This would help us understand the personal and organizational factors that influence how businesses respond to ratings and their associated benefits.
4. Comparative Analysis with Other Countries: Further comparative research is needed to analyze the effectiveness of Uzbekistan's rating system against similar systems in other countries. This will help identify best practices and areas for improvement, ensuring that the system remains competitive and is aligned with global standards.
5. Impact on Foreign Investment: Future research could focus on how the rating system influences foreign direct investment (FDI) flows into Uzbekistan. This study examines how international investors perceive the rating system and whether it leads to increased investment in Uzbek enterprises.
6. Integration with Environmental, Social, and Governance (ESG) Criteria: Given the increasing emphasis on sustainability, future studies could explore how the integration of ESG criteria in the rating system impacts business behavior, corporate social responsibility, and long-term business sustainability.

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