

## **MODERN DEVELOPMENT PROBLEMS OF SMALL ENTERPRISES IN TRADE**

### *Summary*

The scale of entrepreneurship, its role in the field of trade necessitates the search and implementation of modern forms of organization, innovative solutions, effective mechanisms of functioning. The modern functions of small business in the sphere of trade are revealed. The key problems of their realization in the conditions of macroeconomic instability, expansion of foreign trade capital and increased competition in the market of goods and services are formulated. In today's environment, small business performs complex organizational, economic, socio-economic and technological functions. The key problems in the implementation of these functions in the field of small business are narrowing its scope, especially in domestic trade, destabilizing its external environment, low level of competitiveness of business structures, low socio-economic efficiency of their functioning, and, as a consequence, significant shadow turnover of capital in trade, deconcentrating of turnover, etc. The low share of small business in the formation of gross value added and the loss of their activity over a long period was noted. The reasons for the ineffective functioning of small business entities were identified, the main ones being the concentration of capital in the sectors of large and medium-sized enterprises, the high level of costs of trade for the organization of trade and logistics, the low profitability of most of the range, unproductive costs of resources of various kinds. The ways of solving the existing problems are offered and the incentives for the development of small business in the sphere of trade are substantiated: optimization of the size of the enterprises, stimulation of their expansion, use of simplified modes of taxation and reporting, state support for available credit and investment resources, introduction of modern technologies, forms and methods of trade, reducing unproductive costs, and more. These and other proposed measures will set the prospects for small business development in the field of trade at a new level.

Keywords: trade, small enterprise, physical osobi- businessmen (FOP), simplified mode of taxation, progress, innovation trend.

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