DIGITAL PLATFORMS AS A FOUNDATION FOR THE DEVELOPMENT OF ALTERNATIVE FINANCING FOR SMALL AND MEDIUM-SIZED ENTERPRISES IN UZBEKISTAN

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Abstract

This article examines the role of digital platforms in the development of alternative financing for small and medium-sized enterprises (SMEs) in Uzbekistan. It demonstrates that financial technologies are gradually transforming not only the delivery of traditional financial services but also the mechanisms for raising capital. Particular attention is paid to digital factoring as one of the most prominent trends in the platformization of the financial market. Based on data from the Central Bank of the Republic of Uzbekistan, the article analyzes the dynamics of factoring operations and the development of electronic platforms. It argues that the experience gained in digital factoring can serve as a technological and organizational foundation for the further development of crowdlending and investment crowdfunding.

Keywords: financial technologies, fintech, alternative financing, digital platforms, crowdfunding, crowdlending, factoring, small and medium-sized enterprises (SMEs), digital economy.

Introduction

Access to financial resources remains a crucial factor for the development of small and medium-sized enterprises. For businesses—especially those in the early stages of operation—securing a bank loan can be difficult due to requirements regarding collateral, credit history, and financial stability. This creates a demand for alternative methods of raising capital.

Alternative financing encompasses various instruments that allow funds to be raised outside the traditional bank lending model, such as crowdfunding, crowdlending, venture financing, factoring, and other forms. A distinctive feature of modern models is that their development is increasingly linked to digital platforms. In academic literature, crowdfunding is defined as a mechanism for raising relatively small amounts of capital from a broad range of participants via a specialized platform [1].

Financial technologies expand the capabilities of such mechanisms. A digital platform can integrate client identification, information processing, risk assessment, payment execution, and ongoing monitoring. Consequently, transaction costs are reduced, and interactions between financial market participants are accelerated. This area is of particular interest to Uzbekistan, as the digitalization of the financial sector is already accompanied by the emergence of new platform-based financing models.

1. Digital platforms in the alternative financing system

The traditional financial model relies on a limited number of financial intermediaries that independently assess the borrower and decide whether to provide financing. The digital model alters this mechanism by shifting some intermediary functions to a technological platform.

A platform enables an entrepreneur to post information about their financing needs, while allowing potential investors or financial institutions to access standardized data. Automated information processing can utilize data on financial flows, transaction history, and other business performance indicators.

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Thus, a digital platform performs several interconnected functions: it facilitates interaction among participants, structures information, reduces transaction costs, and creates a technological foundation for assessing financial risks.

This infrastructure is particularly significant for crowdfunding. Without a digital platform, an entrepreneur would have to independently seek out a large number of potential investors. Conversely, a platform unites participants within a single information space and provides a standardized mechanism for interaction [1; 2].

Consequently, fintech should be viewed not merely as a means of digitizing existing financial services, but also as a foundation for the emergence of new financial intermediation models.

2. Digital factoring as an example of alternative financing development in Uzbekistan

The development of digital factoring is one of the most illustrative examples of the platformization of Uzbekistan's financial market.

According to the Central Bank of the Republic of Uzbekistan, the volume of factoring services reached 9.5 trillion soums in 2025. Of this total, 46% of transactions—amounting to approximately 4.4 trillion soums—were executed via digital factoring platforms. Ozplanet and Finmakon emerged as the primary electronic platforms.

Trends in 2026 also indicate continued high levels of activity. In the first quarter, credit institutions provided factoring services totaling 2.3 trillion soums, a 75% increase compared to the same period last year. The share of transactions conducted via electronic platforms reached 53%.

These figures point to a gradual shift in the very mechanism used to finance corporate working capital. The digitalization of factoring reduces the number of intermediary steps and makes access to financing more technology-driven.

At the same time, factoring should not be equated with crowdfunding; the economic substance of these instruments differs. However, when examining the development of alternative finance, their shared digital foundation—specifically the use of platforms, data, and automated procedures—is of particular interest.

The development of an institutional framework is another positive factor. In 2025, a regulatory framework for the registration and supervision of factoring companies was established in Uzbekistan, and eight factoring companies commenced operations.

Thus, digital factoring can be viewed as a practical example of the development of modern alternative finance infrastructure in the country.

3. Prospects for Developing a Digital Ecosystem

The next stage could involve extending this digital infrastructure to other forms of alternative finance, primarily crowdlending and investment-based crowdfunding.

In our view, a digital alternative finance ecosystem should comprise four key elements.

The first is the entrepreneurial component, where a small or medium-sized enterprise (SME) submits an application and provides the necessary financial information.

The second is the platform component, which facilitates project listing, participant interaction, and the execution of core financing procedures.

The third is the analytical component, designed to assess a project's financial health and risk level. The application of artificial intelligence and transaction data analysis represents a promising avenue in this area.

The fourth is the financial component, bringing together potential investors, financial institutions, and other sources of capital.

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Building trust in digital platforms is crucial. Investors must be able to access sufficient information regarding the project, associated risks, and the intended use of funds. Therefore, the continued growth of alternative finance must be accompanied by requirements for information disclosure, the digital identification of participants, and the protection of their interests.

Uzbekistan's modern fintech landscape is already showing signs of progress in this direction. In March 2026, the Central Bank held discussions with fintech startups and commercial banks regarding solutions in digital factoring, transaction data analysis, artificial intelligence, and other digital financial services.

This paves the way for a transition from standalone digital financial products to a more comprehensive platform-based model.

Conclusion

Thus, digital platforms are gradually becoming a key element of the alternative finance infrastructure. Their significance lies not only in digitizing financial transactions but also in creating new mechanisms for interaction among entrepreneurs, investors, and financial institutions.

Uzbekistan's experience demonstrates that this process is already grounded in practice. Significant growth in the factoring market and an increasing share of transactions conducted via digital platforms indicate rising demand for technology-driven business financing methods. By 2025, nearly half of all factoring transactions were already being conducted digitally, and in the first quarter of 2026, this figure exceeded 50% of the market.

Looking ahead, the established digital infrastructure could be leveraged to develop a broader range of alternative financing options, including crowdlending and investment crowdfunding. However, success depends on creating a transparent regulatory environment, ensuring the quality of financial data, and protecting digital platform participants.

Consequently, a promising path for Uzbekistan is the gradual transition from the digitization of individual financial services to the creation of a unified digital ecosystem for alternative finance—one primarily focused on expanding access to capital for small and medium-sized enterprises.

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