Challenges in accessing export financing among small and medium enterprises (SMEs) in Uzbekistan

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Abstract: *Small and medium enterprises (SMEs) are central to Uzbekistan's transition toward a more diversified, private-sector-led, and export-oriented economy. However, although the country has expanded trade turnover, modernized parts of its financial system, and introduced several exporter-support measures, many SMEs still face serious constraints when attempting to obtain export financing. This article examines the main challenges in accessing export financing among SMEs in Uzbekistan using an IMRaD structure and a desk-based qualitative methodology. The study uses recent policy documents, international development reports, national statistics and financial-sector evidence published between 2020 and 2026. The results indicate that export-finance constraints are not caused by any single problem but are the result of the interactions between the high cost of borrowing, collateral requirements, short maturity of loans, limited credit history, weak financial reporting, foreign-exchange and payment risks, underutilisation of trade-finance instruments, regional and gender gaps, and the uneven implementation of support programmes. The article also concludes that recent reforms such as the creation of new classifications of SMES, lines of credit, trade-development institutions, insurance support and finance initiatives underpinned by the World Bank/IFC/ADB are important but still not enough unless backed by more robust risk-sharing mechanisms, digital credit infrastructure, expansion of export-credit insurance, factoring and supply-chain finance and practical training for SME exporters. This study contributes to the literature by linking general SME finance barriers to the specific working-capital needs of Uzbek exporters. It concludes with policy recommendations for banks, government agencies and development partners to improve inclusive export financing.*

Keywords: *export financing, SMEs, Uzbekistan, trade finance, access to finance, collateral, export competitiveness*

1. Introduction

The financing of exports is one of the most important conditions for the internationalisation of small and medium-sized enterprises Selling overseas, however, means companies have to finance production before shipping, wait for payment from foreign customers, satisfy documentation and certification requirements, deal with foreign exchange rate risk and often absorb logistics costs before being paid. Generally large companies have no problem meeting these requirements since they have existing banking relationships, audited financial statements, collateral and professional finance departments. On the other hand, the same requirements may be a great obstacle for SMEs for entering

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foreign markets. The problem is particularly acute in Uzbekistan, where the development of the private sector, diversification of exports and growth of SMEs are strategic priorities for the government.

Uzbekistan has made great progress in trade. In 2025, the foreign trade turnover made USD 81.2 billion, and the exports made USD 33.8 billion, which is 24.0 percent higher than in 2024 (National Statistics Committee of Uzbekistan, 2026). Such growth is explained by the increasing openness of the economy, as well as the opportunities for Uzbek companies to enter foreign markets. Meanwhile, the country will still run a trade deficit in 2025, and exports will continue to be concentrated in a few products and sectors. This means that Uzbekistan's long-term competitiveness will depend not only on big exporters, but also on the capacity of SMEs to upgrade production, meet international standards and enter regional and global value chains.

The problem is mostly cash. Exporting firms need working capital to buy inputs, pay wages, for packaging, transport and sometimes for the provision of deferred payment terms to foreign customers. Letters of credit, guarantees, export credit insurance, factoring, invoice discounting or pre-shipment loans may also be required. In many developing and transition economies these instruments are either not available to small firms or on terms beyond the reach of SMEs. The Asian Development Bank said the gap in world trade finance has widened to $2.5 trillion. Rejections and unmet demand are not equitably spread across SMEs (Beck 2023). But the Uzbek example has to be seen in a wider international context: when financial institutions are unable to properly assess the risk of SMEs, trade opportunities are lost.

The borrowing ability of SMEs is also influenced by the domestic financial environment in Uzbekistan. The lending interest rate in Uzbekistan was 23.1 percent in 2024, according to the World Bank's data (World Bank, 2026a). In December 2024, the average interest rate on loans in national currency to business entities was about 22.4 percent (Central Bank of Uzbekistan, 2025). Exporters with long cash-conversion cycles in their export production are especially burdened by high nominal borrowing costs. A loan may be cheap for a small domestic trade venture, but costly when the firm has to wait months for shipping, customs clearance, buyer acceptance and payment.

These are obstacles well known to the policy makers, as recent reforms of institutions show. Uzbekistan has instituted new forms of micro, small, medium and large businesses based on annual income, while development partners have assisted in financial inclusion, credit lines and financing for the private sector. For example, the World Bank approved the Access to Finance for Jobs and Growth Project in 2025 to provide credit and equity financing to capital-constrained MSMEs, and the IFC has helped partner banks improve finance to smaller businesses and women entrepreneurs (IFC, 2025; World Bank, 2025a). Big changes are coming. But why does it remain so difficult for many SME exporters to access the right export finance ?

In this article, we try to answer this question by studying the challenges faced by SMEs in Uzbekistan in accessing finance for export activities. The rest of the study is structured according to the IMRaD format. Introduction Background Research Gap Objectives and research questions. The Methodology describes the process of desk research and the process of source identification. The main categories of challenges and supporting evidence are

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presented in the Results section. Discussion The discussion interprets the findings and connects them to policy and institutional reform. The paper ends with practical recommendations to develop SME export financing in Uzbekistan.

1.1 Identification of Research Gap and Problem Statement

Existing studies and policy reports often speak of SME finance in general, but few of them address export finance in particular. This distinction is important because export finance is not a standard bank loan. This includes pre-shipment and post-shipment finance, payment-risk mitigation, guarantees, buyer credit, trade documentation and, sometimes, insurance against commercial and political risks. An SME may be able to get a small domestic loan but still fail to get an export loan or a letter of credit confirmation because the bank finds the transaction too complex or risky.

A gap is that much of the discussion of export growth in Uzbekistan focuses on trade statistics, industrial policy or market access, while the role of financing conditions in shaping the export capacity of SMEs is less discussed. The problem statement of this study is thus: "Despite recent reforms and growing export potential, SMEs in Uzbekistan continue facing multi-dimensional barriers in export financing, and these barriers limit their capacity to enter foreign markets, diversify exports and scale production."

1.2 Research Goal and Questions

The main purpose of this article is to highlight and analyse the main challenges faced by SMEs in Uzbekistan in getting export financing. Specifically, the objectives are to:

- review the current policy and financial environment of SME export financing in Uzbekistan;

- identify the key demand-side and supply-side constraints limiting access to export finance for SMEs;

- to assess the responses of recent reforms and development partner programmes to these barriers; and

- develop practical recommendations for improving inclusive export financing for SMEs in Uzbekistan.

This article is guided by three research questions:

1. What are the main challenges for SMEs in Uzbekistan to access export finance ?

2. What is the interaction between financial-sector conditions, firm-level characteristics and trade-related risks in producing these challenges ?

3. What policy and institutional solutions can improve access of SMEs to export financing in Uzbekistan ?

2. Literature Review

The literature on SME access to finance suggests two broad categories of constraints: demand-side constraints and supply-side constraints. The demand-side constraints are related to the characteristics of firms like weak accounting records, informality, limited collateral, low financial literacy and lack of awareness of available financial products. On the supply side, constraints are: high risk perception of banks and other financial institutions; limited ability to assess creditworthiness of SMEs; lack of long term funding; high operating costs for small loans; and limited use of alternative collateral. In transition economies, these constraints are often aggravated by the prevalence of bank financing and the lack of development of capital markets, leasing, factoring and venture finance.

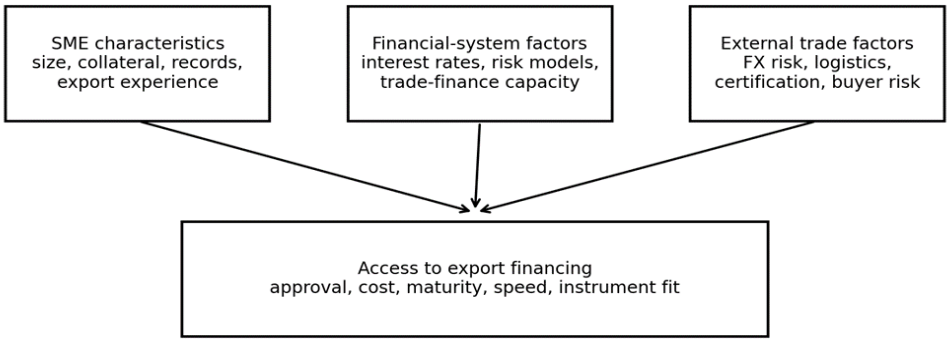
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There's another dimension to the problem, and that's export finance. In general, a firm selling in its own country deals with domestic payment systems and with customers it knows. An exporter faces cross-border payment risks, foreign-currency exposure, customs procedures, international standards, logistic delays and legal uncertainty in buyer countries. Trade finance instruments, such as letters of credit, bank guarantees, documentary collections, export credit insurance and supply-chain finance, are designed to mitigate these risks. But these instruments require specialised trade finance capacity in banks and quality documentation from firms. Without audited statements, formal contracts or collateral, banks may refuse applications or offer finance only at a high cost.

There is international evidence that the trade finance gap is not just a banking problem, but a development problem. (Beck, 2023) The ADB trade-finance survey states that unmet trade finance results in reduced trade, employment and growth opportunities, particularly for SMEs. The World Trade Organization similarly argues that inclusive trade requires financial instruments that enable smaller firms to participate in markets, rather than being excluded by risk and documentation requirements (World Trade Organization, 2024). In the case of Uzbekistan, where the policy goal is to move from resource- and commodity-based exports towards more diversified and value-added exports, SME export finance is a strategic tool rather than a narrow banking product.

The latest work on the business climate in Uzbekistan also points to structural constraints. The OECD highlights that Uzbekistan has adopted significant reforms since 2017 but SMEs continue to struggle in finance, implementation of regulations, informality and competition (OECD, 2023, 2025). The UNDP's financing strategy for Uzbekistan states that high interest rates on bank loans and limited access to finance are barriers for SMEs, and alternative instruments such as leasing, factoring, and fintech should be promoted (UNDP, 2024). These results are in line with development-finance evidence that credit lines alone may not address SME constraints without risk-sharing, data infrastructure, advisory support and product innovation.

The conceptual framework that is used in this article connects three sets of factors. Bankability is firstly determined by the characteristics of the SME such as financial records, collateral, export history, management skills and sector. Second, financial-system factors affect the supply of finance: interest rates, risk assessment, collateral rules, liquidity and trade-finance expertise. Third, the external trade factors are determinants of transaction risk: exchange rates, buyer reliability, transport costs, certification and customs procedures. The outcome of the interplay of these factors is the access to export financing.



Source: Author synthesis based on 2020-2026 policy and finance literature.

Figure 1. Conceptual framework for SME access to export financing in Uzbekistan

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3. Methodology

This study uses a qualitative desk based research design. The approach is appropriate as the aim is to provide a synthesis of recent evidence on export-finance constraints and not to test a statistical hypothesis using primary survey data. Desk research also works well for policy-oriented topics, where such information is scattered between official statistics, international development reports, reforms in the legal field, institutional websites, and academic studies.

Three criteria were used to select sources. First, the sources had to be published between 2020 and 2026, as required for recent references. Secondly, sources had to be directly relevant to SME finance, export finance, trade development, the financial sector of Uzbekistan, or the trade performance of Uzbekistan. Third, preference was given to reliable institutions such as the World Bank, IFC, ADB, IMF, OECD, UNDP, National Statistics Committee of Uzbekistan, Central Bank of Uzbekistan and official institutions supporting exporters. Academic sources and professional legal updates were used only insofar as they helped to understand specific reforms or mechanisms.

The analysis was performed in four steps. This was preceded by a review of national trade and SME indicators to understand the economic context. Second, financial information was extracted such as interest rates, use of credit, policy programs, and development partner projects. Third, the barriers were coded into thematic categories: cost of finance, collateral, information asymmetry, trade documentation, foreign-exchange/payment risk, alternative finance, institutional coordination, and inclusion gaps. Fourth, the findings were contrasted with the international trade-finance literature to determine which challenges are shared by SMEs and which are specific to the Uzbek context.

The study has two limitations. First, the study uses secondary data and does not provide direct survey responses from the SMEs owners. Second, publicly available data on SME-specific export-finance applications, rejection rates and loan maturities in Uzbekistan remain limited. This article is an evidence-based synthesis and not fabricated primary data to avoid fabrication of results. Future research should complement the present study with interviews of SME exporters, banks, export-promotion officials and logistics providers.

Table 1.

Methodological Design

Element	Description
Research design	Qualitative desk-based IMRaD article using secondary evidence.
Period of evidence	2020-2026.
Main sources	National statistics, development-bank reports, IMF/OECD/UNDP documents, financial-sector data, and exporter-support information.
Analytical method	Thematic synthesis of demand-side, supply-side, and trade-specific constraints.
Unit of analysis	SMEs and MSMEs operating or intending to operate in export markets in Uzbekistan.
Main limitation	No primary survey was conducted; results are based on verified secondary sources.

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4. Results / Findings

4.1 Context: SMEs, Trade Growth, and Export-Finance Demand

Export financing demand and Uzbekistan's trade are expected to increase. Export growth offers opportunities for SMEs, but also increases the need for working capital, transaction finance and risk mitigation. In 2023 the exports are projected to increase from about USD 24.9 billion to USD 27.3 billion in 2024 and USD 33.8 billion in 2025 (National Statistics Committee of Uzbekistan, 2026). This growth was particularly marked from 2024 to 2025. But a growing export market does not guarantee benefits for SMEs. But if financing is not available then the additional export opportunities can be taken by larger firms that have better banking connections.

SMEs are the backbone of Uzbekistan's economy. Recently, small business as a share of GDP was greater than half. The official statistics show a high level of participation in such sectors as agriculture, construction, services and industry (National Statistics Committee of Uzbekistan, 2025). There are many potential new exporters in these sectors, particularly in textiles, agriculture, food processing, chemicals, light manufacturing and services. But the problem is that these sectors often need pre-export working capital and investment in quality standards before they can sell their products internationally.

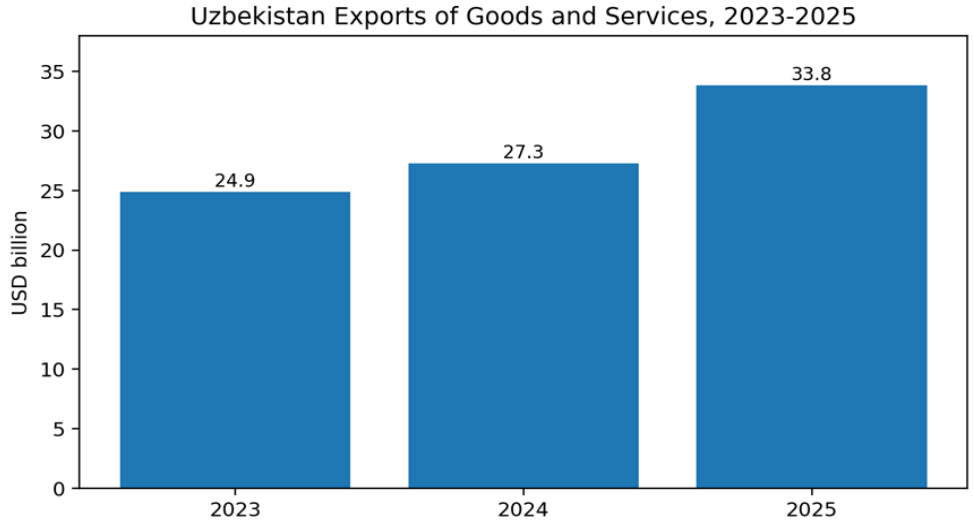


Figure 2. Uzbekistan exports of goods and services, 2023-2025. Source: National Statistics Committee of Uzbekistan (2026)

Table 2.

Selected Recent Indicators Relevant to SME Export Financing

Indicator	Recent value / statement	Interpretation for SME export finance
Foreign trade turnover	USD 81.2 billion in 2025	Trade expansion increases demand for working capital and trade-finance products.
Exports	USD 33.8 billion in 2025, up 24.0% from 2024	Export opportunities are rising, but SMEs need finance to participate.
Small-enterprise credit use	Only 19% of small enterprises use credit, according to IFC citing WBES 2024	Formal credit penetration among smaller firms remain limited.

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Lending interest rate	World Bank indicator: 23.1% in 2024	High borrowing costs reduce profitability of export orders.
Business loan rate	CBU: national-currency loans to businesses averaged around 22.4% in December 2024	Domestic-currency working capital can be expensive for exporters.
Global trade-finance gap	ADB estimate: USD 2.5 trillion	Uzbek SMEs face a local version of a global SME trade-finance problem.

One of the most visible barriers is the cost of financing. SME exporters have a choice of raising prices, cutting profit margins or turning away export orders that require pre-financing because of high interest rates. This is important particularly in export sectors where margins are thin and where international buyers compare suppliers from many countries. If an Uzbek SME is borrowing at a high nominal rate and its competitors have cheaper financing, the Uzbek firm may become less competitive even if its product quality is acceptable.

High borrowing costs are also associated with macroeconomic conditions. The Central Bank's policy stance is to contain inflation, but tight monetary conditions can increase the cost of commercial credit. This creates a difficult trade off for SMEs. On the one hand the importance of macroeconomic stability for long-term export competitiveness; Exporters, on the other hand, need cheap credit to fund production and fill orders. The policy challenge is to offer targeted export finance without generating unsustainable subsidies or distorting the banking system.

A second cost aspect is the presence of fees, documentation costs, insurance premiums and costs of collateral valuations. The headline interest rate may seem manageable but the total cost of an export-finance transaction could be higher. These fixed transaction costs are more burdensome for small firms because they are spread over smaller contract values. So cutting procedural and documentation costs can be almost as important as cutting interest rates.

4.3 Challenge 2: Collateral and Pledged Assets

Collateral is a major obstacle for SME access to finance in many economies and Uzbekistan is no exception. Banks would rather have real estate or other collateral that can easily be enforced, while SMEs often have assets that can be moved, inventory, purchase orders, receivables or informal business assets that are harder to pledge. Signed contracts or buyer's purchase orders may not be considered adequate security by banks unless the buyer is very credit worthy or the transaction is covered by a letter of credit or insurance.

The new exporter is in a worse shape. A company that has not exported before will not have a track record and the export order itself must be financed before the track record can be created. It's a circular problem that's common to SME finance - companies need credit to grow, but banks want to see signs of growth before they'll lend. The problem is more acute for women-led and rural SMEs where formal property ownership is difficult or assets are registered in the name of another family member.

Public guarantee schemes and export-credit insurance can solve the collateral problem, but only if they are fast, trusted by the banks and open to small firms. SMEs may not apply for a guarantee if the procedures for doing so are complicated. If the banks do not have full

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trust on the guarantee or the procedures to claim are not clear, they can still demand high collateral. Therefore, the existence of the scheme is as important as the design of guarantee and operational credibility.

4.4 Challenge 3: No Financial Records and Information Asymmetry

If the bank is unable to correctly assess the riskiness of a borrower it may be subject to information asymmetry. Small Business may have incomplete financial statements, limited tax history, cash transactions, informal supplier relationships, or weak internal accounting systems. These weaknesses do not mean that the firm is necessarily unprofitable, they mean that the firm is hard to value. In response, banks raise rates, demand more collateral, shorten maturities, or reject the application.

This is especially relevant for exporters with regard to the quality of their documentation. When considering an export-finance request, a bank needs to understand the contract, the buyer's risk, shipping terms, Incoterms, currency, payment schedule, insurance and legal obligations. Smaller businesses that don't have trained staff may not fully understand what banks want, or submit incomplete documentation. This results in a long and uncertain application process that the foreign purchaser might not be prepared to wait for.

If bank data, tax data, payment records, customs data and e-invoices are used responsibly in credit scoring, digitalisation can help reduce information asymmetries. Improvements in credit scoring and support for loan documentation to increase SME finance are mentioned in the World Bank's FINGROW project documentation (World Bank, 2025b). Such tools could be especially useful in export finance, where banks can look at cash flows and transaction histories, rather than just hard collateral.

4.5 Challenge 4: Short Maturities, Mismatch in Export Cycle

The loans offered do not match the firm's cash-conversion cycle. This is a typical problem in SME export finance. Exporters might need to import inputs months before they get paid. For example, agricultural and textile exporters have seasonal production, quality checks, transport delays and payment settlement periods. Even when the export contract is profitable, the firm may face liquidity stress if the bank loans are short or the repayment is due before the export revenue comes in.

The maturity mismatch stems from the funding structure of banks. Short-term deposits may cause banks to be reluctant to extend working capital or investment loans over longer periods. Development-bank credit lines can help, but they must be designed for real export cycles. Some exporters might be content with a twelve month loan but it might not be enough for firms needing to invest in certification, packaging equipment or new production capacity before going into a market.

This means that export finance should be tailored to the sector and the type of transaction. Pre-shipment finance, post-shipment finance, equipment finance and certification finance should be looked at as separate products. SMEs require a menu of instruments adapted to their working capital cycle.

4.6 Challenge 5: Payments and Buyer Risk (Foreign Exchange)

Foreign buyers may delay payment or not pay at all, leaving exporters with the risk of non-payment. Big companies can do this because they have a wide customer base, legal departments and insurance. SMEs are more vulnerable, as one unpaid invoice can upset cash flow. Another concern for banks is buyer risk, particularly when the overseas buyer is

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unknown or in a market that is considered higher risk. SMEs may therefore have to resort to letters of credit, advance payment or bank guarantees, which can complicate transactions.

"Another challenge is the foreign exchange risk. Many of the export revenues are in foreign currency, but some costs and loans are in soums. Exchange rate fluctuations may make a contract more or less profitable between the time of production and the time of payment. Although foreign currency borrowing may be cheaper in interest cost, the risk of repayment is higher if revenues are delayed or if the firm also has costs in the local currency. Smaller exporters are likely to be less exposed than larger ones, due to the absence of hedging instruments or expertise.

Export credit insurance and guarantee products can help mitigate these risks, but awareness and usage need to be increased. In the first nine months of 2025, Uzbekinvest insured the national exporter of goods and services for USD 2.4 billion (Uzbekinvest, 2025). This is a large institutional resource but for smaller exporters simplified procedures, outreach and bank co-ordination may be needed to use insurance effectively.

4.7 Challenge 6: No Alternative Financial Instruments

The main source of funding for exporters of Uzbek SMEs is bank loans. Export finance can also take the form of factoring, invoice discounting, leasing, warehouse receipt finance, supply chain finance and fintech-based working capital. These instruments are useful because they can be secured by receivables, purchase orders, inventory or transaction data, not just real estate collateral. For example, UNDP's financing strategy for Uzbekistan specifically advocates for the promotion of alternatives like leasing, factoring and fintech (UNDP, 2024).

Factor, especially for exporters selling on a deferred payment basis to reputable foreign buyers. Rather than waiting 30, 60 or 90 days to be paid, the exporter can sell the receivable to a factor and get cash immediately. It can also be useful for large buyers or anchor firms when they are validating the invoices from SME suppliers. But these products require legal clarity, digital documentation, bank capacity and trust between the participants. Without these conditions SMEs continue to look to traditional loans.

Leasing helps exporters to get machinery and packaging equipment without having to buy the assets out of their pockets. This is important for export sectors that add value where quality, packaging and standards are the determinants of market access. But leasing markets are often still smaller than bank lending and many SMEs may not know what the difference is between leasing and ordinary credit. So, the policy support should be training on financial literacy and practical products.

4.8 Challenge 7: Certification, Logistics and Non-Financial Costs

But not all export finance restrictions are financial. The non-financial costs of exporting are high, and SMEs often need finance for that reason. Certification, laboratory testing, design of packaging, marketing, participation in trade fairs, warehousing, transport and compliance with the standards of the buyer. The government has been providing some support, such as compensation of exporter expenses, support for international standards, and assistance with marketing and trade houses. However, these measures will be effective only if reimbursement is on time, eligibility criteria are clear and SMEs can prepare documents.

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Particularly high logistics costs characterise Uzbekistan, which is doubly landlocked. This geographical condition makes transport corridors, customs efficiency and reliable logistics services more important. If the production is bank-financed, the delays in transport can increase costs and reduce the SME's ability to repay on time. Therefore, export finance policy must be aligned with reforms in logistics, customs, certification and market access.

The suspension or adjustment of some direct export support measures in line with WTO-related harmonisation also points to the importance for Uzbekistan of carefully designing support instruments. In addition to direct subsidies, the country may need other WTO-compatible tools like risk-sharing guarantees, export-credit insurance, technical assistance, digital documentation and competitiveness upgrading.

4.9 Challenge 8: Regional, gender and sectoral inequality

Not all SMEs have equal access to export finance. Companies in Tashkent and other major urban centers are more likely to have access to banks, advisory services, logistics companies and export promotion institutions. Rural firms can be more cut off from trade finance experts within banks, have worse internet infrastructure and fewer consultants around to help with export paperwork. This regional imbalance is noteworthy, particularly as many potential exports, especially in the agricultural and food sectors, are from outside the capital.

Other barriers for women-led SMEs could be: lower asset ownership, weaker networks and lower access to formal credit. More attention is being paid by development partners to gender-sensitive finance. In 2025, IFC's support for small businesses in Uzbekistan included some funding directed to women-run businesses, recognising that women entrepreneurs may not have equal access to funding in traditional credit markets (IFC, 2025). Therefore, export-finance programs should include targeted outreach and gender-disaggregated monitoring.

There is also inequality by sector. It may be easier for exporters of standardised commodities to obtain finance, when the collateral and the buyers are well defined. But new value-added sectors may face greater difficulties, since banks are less familiar with their risk profiles. For example, digital services exporters may not have many physical assets but may have strong contract potential. Such firms may not fit the old collateral based lending.

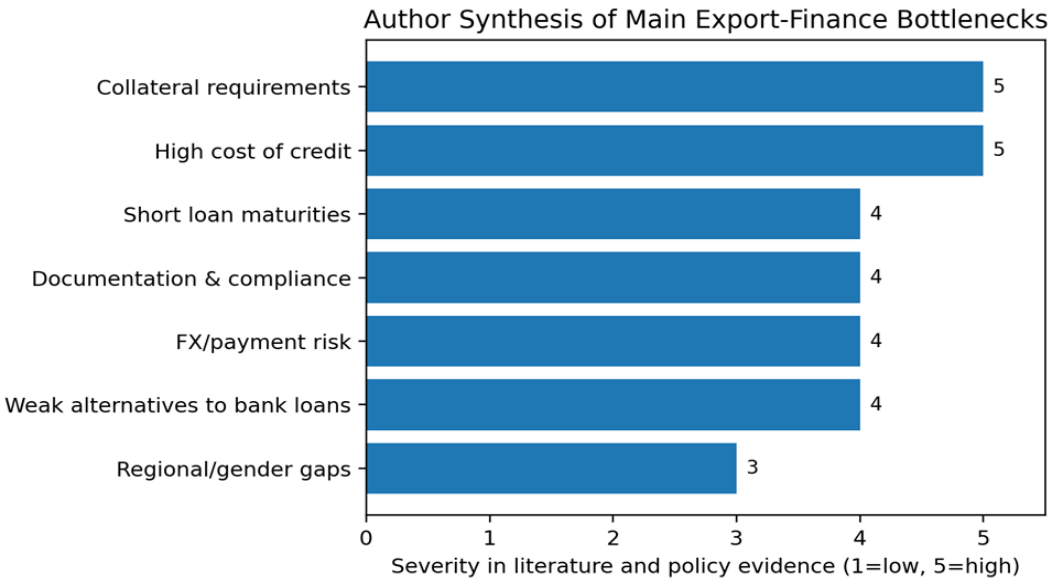


Figure 3. Severity of main SME export-finance barriers. Source: Author synthesis based on reviewed evidence

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Table 3.

Main Barriers and Possible Solutions

Barrier	How it affects SME exporters	Possible policy / market response
High interest rates	Raises production costs and reduces price competitiveness.	Targeted risk-sharing, better credit data, and concessional credit lines for eligible export transactions.
Collateral requirements	Excludes firms with limited real estate or formal assets.	Partial credit guarantees, movable collateral systems, receivables-based lending, and export insurance.
Weak documentation	Delays or prevents loan approval and trade-finance processing.	Loan-documentation assistance, SME accounting training, digital templates, and advisory centers.
Payment and FX risk	Creates uncertainty in repayment and contract profitability.	Export credit insurance, letters of credit, hedging education, and local-currency trade finance where possible.
Short maturities	Does not match production, shipment, and payment cycles.	Sector-specific pre-shipment and post-shipment finance products.
Limited alternatives	Over Dependence on standard bank loans.	Factoring, leasing, supply-chain finance, warehouse receipt finance, and fintech solutions.
Regional and gender gaps	Potential exporters outside major cities or women-led firms remain underserved.	Regional export-finance desks, mobile advisory teams, gender-sensitive credit lines, and monitoring.

The findings indicate systemic barriers to export finance for SMEs in Uzbekistan. They cannot be fixed by telling banks to lend more, or by creating one subsidy program. These constraints are a result of a mix of firm-level weaknesses, bank risk management, macro-economic conditions and external trade risks. This implies that policy responses must also be systemic. The credit line can increase the supply of funds but if the SMEs do not have documentation or collateral the funds may not reach the intended firms. While a guarantee program may reduce bank risk, banks may still act conservatively if claims are slow or uncertain. An export-promotion agency may identify markets, but market information alone will not generate exports if SMEs are not able to finance production.

The key issue is the difference between access to finance and access to appropriate finance. Some SMEs might technically be able to borrow but the loan might be too expensive, too short, too small or too collateralised to allow exporting. Export finance has to be tailored to the deal. For example, a company with a confirmed purchase order may require pre-shipment working capital. If a business has sent out goods and is still not getting paid, it may need invoice discounting or post-shipment finance. A new market could require a company to get certification and marketing finance. Treating all these needs as ordinary loans is not very effective.

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Banks are central, but their role must change. Many banks still rely on collateral-based lending, which is easier and safer than cash-flow-based lending. But export finance often needs to know about transaction risk, buyer risk and supply-chain relationships. Uzbek banks need more trade-finance skills, better data systems and partnerships with insurers and development agencies. International programs of IFC, ADB, MIGA and the World Bank can help in terms of capacity building, but institutional learning must come from within.

Digitalisation is a huge opportunity. If privacy and legal standards permit, banks could better assess SMEs by integrating customs records, tax payments, e-invoices, bank transactions and export contracts. Digital credit scoring can reduce reliance on collateral and accelerate loan decisions. An example of this is the World Bank's emphasis on improving SME credit scoring and documentation support (World Bank, 2025b). But digitalisation must be for everyone. In regions, small businesses need access to digital tools, training and reliable connectivity.

Another important issue is the design of export support in the rules of international trade. Uzbekistan's accession to the WTO and closer integration with the world may put limits on direct export subsidies. This does not mean that the government cannot help exporters. Instead, support should be focused on horizontal, WTO-compatible instruments: quality infrastructure, certification support, information services, risk-sharing guarantees, insurance, training, digital customs and financial-market development. The instruments increase competitiveness, not just pay firms to export.

Finally, export finance must be linked to industrial upgrading. Financing low value exports may increase volume but not necessarily long run competitiveness. SMEs require financing to upgrade technology, improve packaging, meet standards and access higher value segments. This requires coordination among banks, export promotion bodies, sector associations, training institutions and development partners. Therefore, export finance is not just about liquidity, it is also about productivity and market capability.

6. Recommendations

1. Set up dedicated SME export-finance windows in commercial banks. Banks should establish teams trained in export documentation, letters of credit, guarantees, buyer risk, Incoterms and export-credit insurance. Such teams should offer standardised checklists and pre-assessment services for SMEs.

2. Broaden the scope of operational sound and partial credit guarantees. "The guarantees should be straightforward, quick and trusted by the banks. The claim process needs to be transparent, so that banks can reduce collateral requirements for eligible SMEs.

3. Develop receivables and PO based finance. Exporters with confirmed orders or invoices from credible buyers should be able to access finance based on cash flows of transaction and not just real estate collateral.

4. Encouraging factoring and supply chain finance Legal and digital infrastructure: assignment of receivables, electronic invoices and anchor buyer confirmation This will help small and medium enterprises selling to bigger buyers locally or globally.

5. Broaden outreach on export credit insurance Insurance products should be simple, linked to bank lending decisions and available for small transactions.

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6. Practical training in financial literacy and documentation. Training should be orientated towards real life applications in export finance such as preparation of financial statements, contracts, invoices, customs documents, certificates and loan packages.

7. Digital data scoring. The application of tax, customs, payment and e-invoice data can improve credit assessment, if it is governed by clear legal and privacy rules. This can help to reduce information asymmetry and speed up decision making.

8. Concentrate on regional and women-led exporters. Export finance programs should have regional advice offices and mobile support teams and sex-disaggregated performance indicators.

9. Couple export finance with reforms on logistics and certification. Better access to testing laboratories, quality certification, packaging services and dependable transportation routes help small and medium-sized businesses gain better access to finance.

10. Measure results, don't just the money spent. Programmes should record the number of SMEs as recipients of export finance, the number of new markets entered, repayment performance, jobs created and export revenue generated.

7. Conclusion

The article considered the problems of the SME sector in Uzbekistan in terms of access to export finance on the basis of the latest data for 2020-2026. The analysis indicates that export finance is a key condition for SME internationalisation; however, Uzbek SMEs face various interconnected barriers. They include high costs of borrowing, collateral requirements, weak documentation, information asymmetries, short maturities of loans, payment and foreign exchange risk, limited alternative instruments for financing, certification and logistics costs and regional and gender inequalities. The study also finds that Uzbekistan has taken significant steps to overcome these barriers. Recent reforms have included more explicit enterprise classification, financial support institutions, exporter-support measures, credit programs of development banks, insurance initiatives, and projects to improve SME access to finance. However, the quality of implementation is crucial for the success of these reforms. Programs need to reach actual SME exporters, reduce the collateral burden, match export cash cycles and provide hands-on transaction-level support. The main conclusion is that Uzbekistan needs an integrated export-finance ecosystem, rather than isolated credit programs. Such an ecosystem must comprise commercial banks, guarantee institutions, export-credit insurance, digital credit data, factoring, leasing, supply-chain finance, export-promotion agencies and training providers. Uzbekistan can improve the supply of finance and the ability of SMEs to use it, leading to greater export diversification, boosting private sector growth and enabling more small and medium companies to participate in international trade.

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