Financial innovations and sustainable financing models for the creative sector of the economy

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Abstract: *This article analyzes the transformation of financing mechanisms for the creative economy under conditions of digitalization. The limitations of traditional bank lending in working with intangible assets of creative industries are demonstrated. The role of fintech instruments - blockchain, intellectual property tokenization, and crowdfunding - is substantiated as alternative mechanisms for attracting capital and reducing investment risks. The possibilities of Big Data for the valuation of intangible assets and forecasting the profitability of creative projects are examined. The study concludes that there is a need to establish an integrated digital financial infrastructure to ensure the sustainable development of creative entrepreneurship.*

Keywords: *fintech, digital transformation, blockchain, tokenization, Big Data, creative economy, venture financing, digital platforms*

INTRODUCTION

In the context of digital transformation, the creative economy is becoming one of the key drivers of global economic growth. Assets based on intellectual property, brand capital, design, media content, and cultural heritage generate high added value and enhance the competitiveness of national economies. At the same time, the main characteristic of the creative sector - the predominance of intangible assets - makes it more sensitive and vulnerable compared to traditional financing mechanisms.

The traditional banking lending system relies primarily on tangible collateral and stable cash flows. In creative projects, assets are most often represented by intellectual property, whose market valuation is complex and associated with a high level of risk. As a result, creative entrepreneurs face systemic barriers in accessing financial resources.

Within the framework of the national development strategy, institutional support for creative industries and the digital transformation of the economy has gained particular importance. In the Address of the President of the Republic of Uzbekistan to the Oliy Majlis and the people on December 26, 2025, several key priorities for development in 2026 were highlighted, including the active promotion of the digital economy, the development of the startup ecosystem, the introduction of advanced technologies, and the strengthening of financial infrastructure aimed at enhancing economic competitiveness and improving the quality of public services. The Address emphasized that digital technologies directly contribute to increasing the competitiveness of economic sectors, improving the efficiency of public administration, and enhancing the quality of life. It also outlined strategic directions for the implementation of innovative financing instruments and the expansion of entrepreneurs' access to capital. These provisions establish a regulatory and institutional foundation for the further development of financing mechanisms for the creative sector and for stimulating investment in creative and innovative projects.

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Today, the creative economy is often referred to as the "new oil." According to United Nations estimates, approximately 50 million people were employed in the creative economy in 2025. For every job created in the creative sector, an additional 1.7 jobs are generated throughout the broader economy. According to the International Finance Corporation (IFC), creative industries could account for up to 10% of global GDP by 2030. In monetary terms, this represents approximately USD 15 trillion. According to a study conducted by Dubai Design District (d3) and Dubai Media City, the global digital creative economy is expected to reach approximately USD 7.35 trillion by 2030, with an average annual growth rate of around 11% (PwC) [1]. In New Uzbekistan, the "Digital Uzbekistan–2030" Strategy, the "Youth - Our Future" program, and the introduction of financial and infrastructural support mechanisms for creative industries have resulted in significant practical progress in this area. The share of the creative economy in Uzbekistan's GDP has reached 4.5%. The number of creative economy projects tripled between 2020 and 2024. The volume of financial support increased from UZS 112 billion in 2020 to UZS 915 billion by 2024. On the one hand, this demonstrates the strategic importance attached by the state to creative industries; on the other hand, it highlights the substantial economic potential of the sector. Employment indicators have also shown positive dynamics, increasing from more than 14,000 jobs in 2020 to over 46,000 jobs in 2024 [2]. Government funding and grants play a crucial role in supporting creative projects, often providing substantial financial assistance to initiatives that may face difficulties in obtaining commercial financing. Programs such as the European Union's Creative Europe and the Canada Council for the Arts are examples of large-scale public funding initiatives designed to support cultural and creative sectors [3]. These programs not only provide direct financial assistance but also help attract additional private investment. UNESCO reports indicate that public expenditure on culture varies significantly across countries, ranging from less than 0.2% to more than 1% of GDP in some cases [4]. For example, the U.S. National Endowment for the Arts reported that its grants totaling USD 84 million in 2019 leveraged more than USD 700 million in matching support [5]. Public funding often focuses on supporting diverse and experimental creative works, preserving cultural heritage, and promoting access to culture. The effectiveness of government funding in stimulating creative industries remains a subject of debate: some studies suggest that it may crowd out private investment, while others emphasize its role in addressing market failures within the creative sector.

Literature Review

The concept of the creative economy emerged in the late twentieth century, reflecting the growing recognition of the economic value of creativity. Its emergence was not sudden; rather, it represented the culmination of decades of intellectual development in the fields of cultural economics, urban studies, and innovation theory. Early contributions to cultural economics laid the foundation for understanding the economic dimensions of creative activity, challenging traditional perceptions of culture as something separate from economic considerations.

In this context, it should be emphasized that academic definitions of the creative economy vary considerably in their scope and emphasis, reflecting different theoretical perspectives and disciplinary approaches. Some definitions primarily focus on the economic aspects of creativity, emphasizing the production and commercialization of creative goods and

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services. Others adopt a broader perspective, incorporating cultural, social, and even psychological dimensions of creativity and its economic manifestations.

One influential stream of academic thought centers on the concept of creative industries, often tracing its origins to the works of scholars associated with the Frankfurt School and their critique of the culture industry. These definitions typically emphasize the industrial organization of cultural production and the commercialization of creative expression. However, they have evolved over time to acknowledge the dynamic and often non-industrial nature of many forms of creative activity.

Consequently, debates within the academic literature reveal the complexity of defining and conceptualizing the creative economy. Some researchers advocate for narrow definitions focused on specific industries or professions, while others support more inclusive approaches that recognize the pervasive nature of creativity in modern economies. These diverse definitions contribute to a rich theoretical foundation for understanding the multifaceted character of the creative economy, but they also create challenges for empirical research and policy development.

UNESCO's approach to defining the creative economy is closely linked to its concept of cultural and creative industries. This definition emphasizes the role of creativity and cultural capital in promoting sustainable development and cultural diversity. UNESCO's framework encompasses a broad spectrum of activities, ranging from traditional cultural forms to new media, and highlights the interrelationship between creativity, culture, and economic development.

METHODS

The study employed a comprehensive methodological approach combining both qualitative and quantitative methods of analysis.

The methodological foundation of the research was based on systemic and institutional approaches, which made it possible to examine financing mechanisms for the creative sector as an integral component of the national financial and economic system under conditions of digital transformation.

The following research methods were applied:

- analysis and synthesis of scientific literature on the development of the creative economy and financial support models;
- comparative analysis of international experience (the European Union, Canada, and the United States) in public and private financing of creative industries;
- statistical analysis of macroeconomic indicators characterizing the development dynamics of the creative sector;
- institutional analysis of the regulatory and legal framework of the Republic of Uzbekistan in the fields of the digital economy and support for creative industries;
- the method of logical generalization to identify existing challenges and determine directions for improving financing mechanisms.

The information base of the study consisted of data from international organizations (United Nations, IFC, and UNESCO), official statistical materials, regulatory and legal acts of the Republic of Uzbekistan, as well as analytical reports prepared by international consulting organizations.

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A limitation of the study is the use of aggregated statistical data and the absence of detailed information on the financial structures of individual creative projects.

RESULTS

The findings of the study reveal quantitative and structural changes in the development of the creative sector of the economy of the Republic of Uzbekistan under conditions of digital transformation and the implementation of innovative financial mechanisms.

During the period 2020–2024, the share of the creative economy in the country's Gross Domestic Product (GDP) demonstrated a steady positive trend. By the end of 2024, the contribution of the creative sector amounted to approximately 3.7% of GDP, equivalent to UZS 56.8 trillion in value added generated. These indicators reflect the gradual institutional and economic strengthening of the sector within the structure of the national economy.

An analysis of the dynamics of creative economy projects revealed substantial growth over the study period. The number of implemented creative projects increased more than threefold compared to 2020, reflecting the expansion of entrepreneurial activity and growing interest in creative business ventures.

The volume of financial support for creative industries also increased significantly. While total financing amounted to UZS 112 billion in 2020, this figure reached UZS 915 billion by 2024. The increase in financial resources was accompanied by the diversification of funding sources and the gradual introduction of digital and alternative financial instruments.

Positive trends were also observed in employment. The number of people employed in the creative economy increased from more than 14 thousand in 2020 to over 46 thousand in 2024, while total employment in the sector exceeded 319 thousand people. This confirms the significant socio-economic impact of the development of creative industries.

Exports of creative goods and services reached USD 770.6 million in 2024, indicating the emergence of the sector’s export potential and its integration into international markets. The growth in export performance has been accompanied by the expansion of digital promotion channels and increasing external demand for creative products.

In accordance with the strategic targets established for 2030, it is planned to increase the share of the creative economy in GDP to 5%, raise exports of creative goods and services to USD 1 billion, and create 500 thousand new jobs. These target indicators highlight the need for the further development of sustainable financing models and stronger institutional support for the creative sector.

DISCUSSION

The analysis conducted demonstrates that, until recently, the primary obstacles to the development of the creative sector in Uzbekistan were the complexity of statistical reporting and the cumbersome nature of financial procedures. However, the adoption of Resolution No. PP-64 of the President of the Republic of Uzbekistan on February 16, 2026, marks the transition to a new stage in the digital transformation of this sector.

The introduction of a simplified electronic system for submitting financial and statistical reports through a mobile application, scheduled for implementation in April 2026, addresses several strategic objectives simultaneously:

Reduction of Administrative Barriers.

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For representatives of creative industries, including freelancers, designers, and IT developers, time is a critical resource. The automation of reporting procedures minimizes bureaucratic costs and allows entrepreneurs to focus on the creation of intellectual products.

Transparency and Big Data.

Coordination among the Tax Committee, the Statistics Agency, and the Ministry of Digital Technologies will enable the formation of a real-time Big Data ecosystem. This will facilitate a more accurate assessment of the creative sector's contribution to GDP, which, according to projections, is expected to reach 5% by 2030.

Integration with Fintech Instruments.

The mobile reporting application may serve as a foundation for the further implementation of tokenization and crowdfunding mechanisms. The availability of a transparent digital track record enhances the investment attractiveness of creative entrepreneurs and projects for venture capital funds and other investors.

Therefore, the establishment of a specialized digital financial infrastructure, envisaged under the Action Program for 2026-2027, supports the hypothesis that the sustainable development of the creative economy is impossible without synergy between government regulation and advanced information technologies. This initiative represents not merely a simplification of administrative procedures but the creation of a comprehensive ecosystem in which intangible assets receive clear financial recognition, valuation, and support.

CONCLUSION AND RECOMMENDATIONS

The analysis conducted leads to the conclusion that, under contemporary conditions, the creative economy extends beyond the boundaries of the traditional cultural sphere and is increasingly emerging as an independent segment of high-tech entrepreneurship. Its distinctive characteristics include the predominance of intangible assets, high income uncertainty, and elevated levels of risk, which objectively limit the access of creative sector entities to conventional financial instruments. Under these circumstances, financial innovations become not merely supportive tools but fundamental components of sustainable financing models.

First, a key structural barrier to the development of the creative sector remains the absence of widely accepted mechanisms for the valuation of intellectual and creative capital. The reliance of traditional financial institutions on tangible collateral excludes a significant proportion of creative projects from formal financial markets, thereby increasing their dependence on government grants and internal sources of self-financing.

Second, digitalization serves as the primary catalyst for scaling creative industries. The expansion of digital platforms, online marketplaces, and remote forms of employment creates a favorable environment for the growth of creative entrepreneurship.

Third, the sustainability of financing models for the creative sector depends directly on the degree to which financial innovations are integrated into the institutional environment. The isolated implementation of fintech instruments, without adequate legal protection of intellectual property rights, improvements in financial literacy, and alignment with public policy objectives, significantly reduces their effectiveness.

Based on the findings of this study, it is reasonable to formulate several practical recommendations aimed at fostering sustainable financing models for the creative sector.

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First, the introduction of specialized fintech platforms for the creative sector on a pilot basis is recommended. Such digital ecosystems should integrate simplified financial reporting, statistical monitoring functions, and mechanisms for registering and protecting intellectual property rights.

Second, venture financing for creative industries should be encouraged through public–private partnership mechanisms. The government may act as a partial guarantor or participant in risk-sharing arrangements, thereby reducing entry barriers for private venture investors and facilitating the development of a long-term capital market for creative startups.

Third, a promising direction for future development is the integration of creative economy entities into global value chains. To achieve this objective, it is advisable to develop a unified digital export platform capable of automatically adapting financial reporting to simplified versions of international standards. Such a platform would facilitate the entry of creative producers into international markets and contribute to the growth of the sector's export potential.

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