POLICY RECOMMENDATIONS FOR STATE INCENTIVES AND REGULATORY FRAMEWORKS TO EXPAND GREEN SME FINANCING

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Annotatsiya.

Kichik va o'rta biznes (KOB) subyektlari kam uglerodli iqtisodiyotga o'tishda muhim o'rin tutadi, biroq ular bu jarayon uchun zarur bo'lgan uskuna va texnologiyalarni ko'pincha moliyalashtira olmaydi. "Yashil" investitsiyalar odatda yuqori boshlang'ich xarajatlar va uzoq qoplanish muddatini talab qiladi, tijorat kreditorlari esa ularni an'anaviy kreditlarga nisbatan xatarliroq deb baholaydi. Ushbu maqolada moliyalashtirishdagi mazkur uzilishni qisqartirishga xizmat qiladigan uch guruh vositalar – soliq imtiyozlari, davlat kredit kafolati tizimlari hamda tijorat banklari va lizing kompaniyalarini institutsional qo'llab-quvvatlash mexanizmlari – ilmiy adabiyotlar va xalqaro tashkilotlar tavsiyalari asosida tahlil qilinadi. Tahlil natijalari birorta vosita alohida holda yetarli emasligini ko'rsatadi. Fiskal imtiyozlar qarz oluvchilar uchun "yashil" investitsiyalar qiymatini pasaytiradi, xatarlarni taqsimlash vositalari kreditorlarni yangi bozor segmentiga kirishga undaydi, milliy "yashil" taksonomiya esa qaysi loyihalar "yashil" hisoblanishi borasidagi noaniqlikni kamaytiradi. Birgalikda qo'llanilganda, ushbu choralar KOB subyektlarining "yashil" transformatsiyasi uchun xususiy kapitalni jalb etishga yordam beruvchi yaxlit siyosat majmuasini tashkil etadi.

Kalit so'zlar: "yashil" moliyalashtirish; kichik va o'rta biznes; soliq imtiyozlari; kredit kafolatlari; "yashil" lizing; tartibga solish; "yashil" taksonomiya.

Abstract.

Small and medium-sized enterprises (SMEs) are expected to play a large part in the low-carbon transition, yet they often cannot finance the equipment and technologies that such a transition requires. Green investments usually involve high upfront costs and long payback periods, and commercial lenders tend to regard them as riskier than conventional loans. This paper reviews the academic literature and international policy guidance on three groups of instruments that can narrow this financing gap: tax incentives, public credit guarantee schemes, and institutional support for commercial banks and leasing companies. The review suggests that no single instrument is sufficient on its own. Fiscal incentives lower the cost of green investment for borrowers, risk-sharing instruments make lenders more willing to enter an unfamiliar market segment, and a national green taxonomy reduces uncertainty about which projects qualify as green. Taken together, these measures form a policy package that can help mobilise private capital for the green transition of SMEs.

Keywords: green finance; SMEs; tax incentives; credit guarantee schemes; green leasing; regulatory framework; green taxonomy.

1. Introduction

SMEs account for the vast majority of firms and a large share of employment in both advanced and emerging economies (OECD, 2022a). Individually, their environmental impact is small; collectively, it is considerable, and national climate targets are difficult to reach without them. Cutting emissions in this

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sector usually means replacing outdated machinery, installing energy-efficient equipment or on-site renewable generation, and changing how waste and resources are managed. All of this requires investment, and investment requires access to finance.

This is where the difficulty lies. Banks and leasing companies often view green projects proposed by SMEs as unattractive: payback periods are long, borrowers typically lack sufficient collateral, and environmental benefits are hard to verify because small firms rarely report on sustainability (OECD, 2022b). Financial barriers have been shown to hold back environmental innovation even among EU manufacturing firms (Ghisetti et al., 2017), and the problem tends to be more acute in emerging and transition economies, where financial markets are less developed.

Markets alone are unlikely to close this gap. The environmental benefits of a green investment accrue largely to society rather than to the firm or its lender, so private returns understate the social value of the project (Sachs et al., 2019). This provides a rationale for public intervention through fiscal incentives, risk sharing and regulation. Central banks and financial regulators have also become more active in this area, as climate-related risks are increasingly recognised as relevant to financial stability (Campiglio et al., 2018). The aim of this paper is to set out policy recommendations in three areas – tax instruments, credit guarantee mechanisms, and institutional support for banks and leasing companies – that could create more favourable conditions for green SME finance.

2. Literature review and problem statement

The sustainable finance literature broadly agrees that market forces alone do not channel enough capital into green investment, and that the shortfall is especially visible among SMEs. Several barriers operate on the supply side. Lenders commonly rely on conventional credit-scoring models that were not designed with green assets in mind, and when credit officers are unfamiliar with a technology, they tend to treat that uncertainty as additional risk (OECD, 2022b). Solar micro-generation, energy-efficient machinery and waste-reduction systems all involve capital outlays that often exceed what a small firm can finance from its own cash flow. At the same time, SMEs frequently do not own the kind of fixed assets that banks accept as collateral, which further limits how much they can borrow (OECD, 2022a).

Information asymmetry compounds these difficulties. Without common definitions and reporting standards, lenders find it hard to confirm that a project is genuinely green, and concerns about greenwashing make them more cautious (OECD, 2022b). Few institutions hold enough historical data to estimate default rates on green SME portfolios, so they are reluctant to commit long-term funds. Evidence from European SMEs indicates that public funding and fiscal incentives help firms overcome financial constraints on eco-innovation, although such support works best as a complement to, rather than a substitute for, private finance (Cecere, Corrocher and Mancusi, 2020). Public policy therefore needs to act on two fronts at once: strengthening demand through incentives for borrowers, and reducing risk for lenders so that the risk–return profile of green SME lending becomes acceptable. Without such intervention, the green transition of the SME sector is likely to remain slow, putting broader climate commitments at risk.

3. Policy mechanisms and instruments

3.1. Fiscal incentives

Tax policy can influence both the demand for green finance and the willingness of financial institutions to supply it. One option is accelerated depreciation for certified green equipment, available to SMEs and to the leasing companies that own such equipment. Faster write-offs improve after-tax cash flows and shorten the effective payback period. A second option targets lenders directly: reduced

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corporate income tax rates or tax credits for banks and leasing companies whose green SME portfolio exceeds a defined share of their total SME lending. Taghizadeh-Hesary and Yoshino (2019) propose a related mechanism in which part of the additional tax revenue generated by green projects is returned to investors to raise their returns. Finally, exempting eco-friendly equipment, whether imported or locally produced, from value added tax, or applying a reduced rate, would lower the initial cost of investment and encourage wider adoption of such technologies.

3.2. Credit guarantees and risk sharing

Risk-sharing instruments are needed to draw commercial banks into a lending segment with which they have little experience. National development banks or specialised state funds could establish dedicated green credit guarantee schemes in which the state covers a substantial part of the losses on eligible green SME loans. Such schemes can build on the established international principles for public credit guarantee schemes for SMEs (World Bank, 2015). More recent guidance recommends aligning eligibility criteria with a green taxonomy and calibrating coverage ratios, fees and tenors so as to favour climate-related investments (World Bank, 2022). Green credit guarantees are also central to the mechanism for mobilising private investment proposed by Taghizadeh-Hesary and Yoshino (2019).

3.3. Support for leasing and a national green taxonomy

Leasing is well suited to financing equipment-intensive green investments: the lessor retains ownership of the asset, which reduces the need for additional collateral, while the SME uses the equipment in its operations. State support could take the form of concessional refinancing lines for leasing companies, earmarked for electric commercial vehicles, solar installations and resource-efficient machinery (OECD, 2022b). In addition, a clear national green taxonomy that defines eligible assets and activities would reduce compliance costs and legal uncertainty for lenders and borrowers alike. It would also provide the common reference point on which both tax incentives and guarantee schemes depend (OECD, 2022b; World Bank, 2022).

4. Conclusion and recommendations

Expanding green finance for SMEs requires a coordinated approach that combines fiscal incentives, risk-sharing instruments and regulatory clarity. Commercial banks and leasing companies are unlikely to scale up their green portfolios unless part of the associated risk is shared with the state and the rules for identifying green assets are clear. Based on the review above, the following measures are recommended:

1) introducing accelerated depreciation for certified green equipment and performance-linked tax incentives for financial institutions with a high share of green SME lending (Cecere, Corrocher and Mancusi, 2020; Taghizadeh-Hesary and Yoshino, 2019);

2) establishing partial credit guarantees backed by public funds to absorb part of the credit risk on green SME loans (World Bank, 2015, 2022);

3) providing concessional refinancing lines for leasing companies that finance green equipment;

4) adopting a national green taxonomy adapted to the capacities of SMEs in order to reduce information asymmetry and compliance costs (OECD, 2022b).

If implemented together, these measures could accelerate industrial decarbonisation while strengthening the competitiveness of the SME sector. Future research should evaluate empirically how these instruments perform in emerging economies, including Uzbekistan, so that public funds can be directed to where they deliver the greatest environmental impact.

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