

LEGAL PROBLEMS OF DIGITAL PLATFORM REGULATION: A CIVIL LAW APPROACH

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ABSTRACT: Digital platforms have transformed commercial relationships, but existing civil law struggles to address their unique characteristics. This study examines how platforms operate as multi-sided intermediaries while controlling transactions without ownership, creating fundamental questions about their legal status and liability. Through comparative analysis of the European Union, United States, and Uzbekistan, the article identifies key problems: ambiguous legal characterization, unclear liability boundaries, unequal contractual relationships, and inadequate data protection frameworks. The EU pursues comprehensive regulation with graduated obligations, the US maintains broad platform immunity, while Uzbekistan balances territorial control with consumer protection. The research demonstrates that general civil law frameworks require substantial adaptation through platform-specific regulations that clarify legal status, establish conditional liability, enhance contractual fairness, and develop data governance while balancing innovation with user protection. Uzbekistan's evolving regulatory framework, particularly through recent e-commerce and data protection legislation, reflects these emerging challenges.

KEYWORDS: digital platforms, civil law regulation, platform liability, consumer protection, data protection, e-commerce law, comparative law

1. INTRODUCTION

The contemporary digital economy has fundamentally transformed traditional commercial relationships through platform-based business models that challenge established legal frameworks. Digital platforms, serving as intermediaries between multiple user groups, have become dominant actors across various economic sectors while creating significant legal uncertainty regarding their status, obligations, and liability within civil law systems.

The relevance of this study stems from platforms' unprecedented economic power, novel legal challenges that existing civil law categories inadequately address, and jurisdictional complexities created by platforms' global nature. This article examines key civil law problems arising from platform operations and analyzes regulatory approaches across the European Union, United States, and Uzbekistan.

The research employs dogmatic analysis of existing civil law norms, comparative legal method across different jurisdictions, and functional assessment of legal instruments' effectiveness. The analysis reveals that platforms occupy an ambiguous position within civil law, requiring substantial framework adaptation while preserving fundamental principles of contract freedom, good faith, and protection of weaker parties.

2. CONCEPT AND TYPES OF DIGITAL PLATFORMS

2.1. Legal Definition

A digital platform constitutes digital infrastructure enabling interactions between two or more distinct but interdependent user groups, facilitating transactions, communications, or content sharing while extracting value from these interactions. The EU's Digital Services Act (2022)

defines platforms as hosting service providers storing and disseminating information to the public at users' request.

In Uzbekistan, Resolution No. 885 (December 26, 2024) established specific conditions for recognizing e-commerce operators, including electronic trading platforms, order aggregators, and digital streaming providers. Only legal entities resident in Uzbekistan can qualify as e-commerce operators, reflecting a territorial regulatory approach.

Essential platform characteristics include network effects, multi-sided market structure, algorithmic intermediation, and data-driven operations. These distinguish platforms from traditional civil law participants who buy and sell goods on their own account or act as agents for single principals.

2.2. Platform Types and Distinctive Features

Digital platforms include marketplace platforms connecting buyers and sellers, social networking platforms facilitating communication, aggregator platforms collecting information, financial technology platforms providing financial services, and content distribution platforms enabling creator monetization. Each type raises distinct legal issues regarding liability, consumer protection, and regulatory compliance.

The platform model differs fundamentally through multi-sided markets, control without ownership, standard form contracts with unilateral modification rights, algorithmic decision-making, and data as core asset. These features create ambiguity about platforms' rights and responsibilities under traditional civil law.

3. KEY CIVIL LAW PROBLEMS

3.1. Legal Status of Platforms

A fundamental challenge concerns platforms' legal characterization: are they mere intermediaries or active participants with commercial responsibilities? This distinction significantly affects rights and obligations allocation. The EU's Digital Services Act employs a tiered approach, distinguishing between basic intermediary services, hosting services, online platforms, and very large online platforms, with graduated obligations.

In Uzbekistan, the Law on E-Commerce (2022) distinguishes between e-commerce operators assuming contractual obligations and those merely providing information. Resolution No. 885 (2024) clarifies that electronic trading platforms must comply with retail trade regulations and integrate with state tax and customs systems, treating platforms as active commerce participants with specific obligations.

3.2. Platform Liability

3.2.1. Consumer Protection

Consumer protection presents significant challenges when consumers purchase through platforms from third-party sellers. Questions arise about platforms' responsibility for product quality, accurate information, and remedies for defects.

Uzbekistan's amended Law on Protection of Consumer Rights (2022) specifically addresses e-commerce consumer protection, establishing detailed provisions for returns and replacements,

requiring product information in Uzbek language, and prohibiting price discrimination based on payment methods. The law expressly prohibits contract terms infringing consumer rights and establishes consumers' preemptive right to satisfy legal requirements. The Civil Code provides general principles including good faith requirements and protection for weaker parties (Articles 1 and 10).

3.2.2. Content Liability

Liability for user-generated content differs across jurisdictions. U.S. Section 230 (1996) provides broad immunity, while the EU's Digital Services Act maintains conditional exemptions requiring expeditious content removal upon knowledge of illegality.

Uzbekistan's framework includes the Law on Personal Data No. ZRU-547 (2019), Law on Informatization No. 560-II (2003), and Law on Cybersecurity No. ZRU-764 (2022). Article 12-1 of the Informatization Law restricts content calling for violent government changes, inciting violence, or promoting extremism. The Blockage Regulation allows the Center for Mass Communications to restrict access to violating resources through expert review and Registry addition. The Law on Telecommunications No. ZRU-1015 (2024) establishes an independent regulatory authority for licensing and user rights protection.

3.3. Contractual Issues

Platforms operate through standard form contracts (Terms of Service) presenting challenges regarding fairness and enforceability. Users lack meaningful negotiation opportunity and face high switching costs due to network effects. The structural inequality between platforms and users challenges traditional contract law assumptions of equal parties engaging in voluntary exchange.

Uzbekistan's Civil Code establishes contract freedom while recognizing limits protecting weaker parties. Article 1 provides contractual freedom for any terms not contradicting law, balanced by good faith requirements. Consumer protection legislation prohibits terms infringing consumer rights and requires providing legal benefits to consumers, limiting platforms' ability to reduce obligations through standard contracts.

3.4. Personal Data and Privacy

Platforms operate through intensive user data collection for personalization, algorithmic decision-making, targeted advertising, and monetization. Traditional civil law concepts of property and consent inadequately address data relationships.

Uzbekistan's Law on Personal Data No. ZRU-547 (2019) establishes comprehensive data protection defining personal data, outlining data subjects' rights, setting controller and processor requirements, mandating data localization, and introducing consent, security, and registration obligations. Presidential Decree No. PP-153 (April 30, 2025) introduced mandatory breach notifications and legal liability for financial sector data incidents, signaling enforcement mechanism development.

Uzbekistan adopted ISO/IEC 27000 series standards including O'zDSt ISO/IEC 27002:2024 (security controls) and O'zDSt ISO/IEC 27005:2024 (risk management). Sector-specific regulations include the Law on Bank Secrecy No. 530-II (2003), Law on Protection of Citizens'

Health No. 265-I (1996), Law on Insurance Activities No. ZRU-730 (2021), and Law on Telecommunications No. ZRU-1015 (2024).

Data localization requirements, introduced through 2021 amendments, mandate website owners store data in Uzbekistan with registered servers. This territorial approach reflects sovereignty concerns while creating challenges for international platforms and cross-border data flows.

Platforms' sophisticated profiling and algorithmic decision-making raise fairness and discrimination concerns. The EU's Digital Services Act addresses these through transparency requirements and risk assessments for Very Large Online Platforms. In Uzbekistan, specific algorithmic accountability regulations remain limited, though general data protection requirements apply.

4. COMPARATIVE REGULATORY APPROACHES

4.1. European Union

The EU leads through the Digital Services Act (2022) and Digital Markets Act (2022). The DSA establishes graduated obligations: basic requirements for all intermediaries, enhanced duties for platforms, and stringent requirements for Very Large Online Platforms serving over 45 million EU monthly users. Key innovations include mandatory notice-and-action mechanisms, transparency requirements, targeted advertising restrictions, independent audits, and researcher data access. The Digital Markets Act addresses competition through ex-ante regulation prohibiting gatekeeper self-preferencing and data combination without consent.

4.2. United States

The U.S. approach features broad platform immunity through Section 230 of the Communications Decency Act (1996), stating providers shall not be treated as publishers of user-provided information. Section 230(c)(2) provides Good Samaritan protection for voluntary content moderation. This approach prioritizes platform autonomy and innovation, though controversy has grown regarding platforms' accountability. The Supreme Court considered Section 230's scope in *Gonzalez v. Google* (2023) but resolved the case without addressing immunity questions.

4.3. Uzbekistan

Uzbekistan combines territorial requirements, government system integration, and consumer protection emphasis under the Digital Uzbekistan 2030 strategy. The Law on E-Commerce (2022) distinguishes between operators assuming contractual obligations and information providers. Resolution No. 885 (2024) establishes notification procedures, creates an e-commerce entity register, requires state system integration, and imposes retail trade compliance.

Key characteristics include territorial requirements (resident legal entities, data localization), government system integration (tax and customs authorities), content regulation mechanisms (access restriction to prohibited content), consumer protection emphasis (language requirements, unfair term prohibition), and developing enforcement (from declarative norms to practical compliance).

The EU model emphasizes comprehensive harmonized regulation with graduated obligations and strong enforcement. The U.S. model prioritizes broad immunity and market self-regulation. Uzbekistan balances digital economy development with sovereignty concerns, consumer protection, and government oversight capacity.

5. REGULATORY IMPROVEMENT PROPOSALS

Current civil law frameworks inadequately address platform characteristics. Specific platform regulations should clarify legal status, distinguishing various platform roles with corresponding obligations; establish conditional liability exemptions balanced with due diligence requirements; enhance contractual fairness through mandatory disclosure and unfair term prohibition; and develop comprehensive data governance including user rights and algorithmic restrictions.

Civil law reform should recognize platforms as distinct civil law participants, develop nuanced liability frameworks considering control degree and harm prevention capacity, address digital contracts of adhesion with substantive fairness requirements, establish clear personal data rights and obligations, and implement effective remedies including collective redress and alternative dispute resolution.

Effective regulation must balance competing interests: user protection and service access, platform innovation and accountability, business competition fairness, government oversight and market development, and societal interests in democratic discourse and rights protection. Regulation should be proportionate to risks, graduated by platform size, flexible for technological change, and enforced through varied mechanisms.

Uzbekistan's evolving framework demonstrates balance attempts through market development support, consumer protection requirements, government system integration, and gradual enforcement capacity building from declarative norms to practical compliance mechanisms.

6. CONCLUSION

Digital platforms occupy an ambiguous position within civil law frameworks designed for traditional relationships. Their multi-sided market role, algorithmic decision-making, data-driven models, and private governance functions create challenges that existing civil law categories inadequately address.

Core problems concern legal status definition, liability allocation, contractual fairness, and data governance. Each area requires substantial legal development addressing platform distinctiveness while preserving fundamental civil law principles. Jurisdictions have adopted divergent approaches: the EU pursues comprehensive regulation with graduated obligations, the U.S. relies on broad immunity and market self-governance, and Uzbekistan combines territorial control with consumer protection and developing enforcement.

Effective regulation requires specific frameworks supplementing general civil law to clearly define platform status, establish conditional liability regimes, enhance contractual protections, develop data governance rules, and provide effective remedies. Regulatory approaches must balance user, platform, business, government, and societal interests, enabling innovation while preventing harms within boundaries set by fundamental rights, fair competition, consumer protection, and democratic governance.

Uzbekistan's rapid legal development, evidenced by the Law on E-Commerce (2022), Resolution No. 885 (2024), consumer protection amendments, enhanced data protection enforcement, and telecommunications reform, demonstrates recognition of these challenges and commitment to developing appropriate frameworks. The continuing challenge involves ensuring effective implementation while maintaining innovation flexibility.

Future research should examine liability model effectiveness, consent adequacy for data processing, civil law remedies for algorithmic discrimination, platform regulation and competition law interaction, international regulatory cooperation feasibility, and emerging technology impacts on platform regulation. As platforms become increasingly central to economic and social life, developing effective, balanced regulation represents a critical challenge for contemporary civil law systems, requiring both preservation of fundamental principles and development of novel legal instruments addressing platform-mediated relationships' unique characteristics.

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