

BANK LENDING TO INDIVIDUALS AND ITS FEATURES IN UKRAINE

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The article is dedicated to the analysis of loaning in Ukraine. A consumer credit is a debt that someone incurs for the purpose of purchasing a good or service. The object of a credit can be almost every commodity, housing, household appliances, automobiles, tuition, travel, treatment, repair of apartments and houses.

Banks provide loans only adult capable citizens of Ukraine who have permanent income. Banks thoroughly check the credit history of loan debtor with the help of the credit history bureau.

There have been defined the peculiarities of loans to individuals in Ukraine: the borrower independently and freely enters the bank, where he wants to get a loan; a physical person may take out loans in various banks; bank credit is given at the conclusion of the credit agreement; each subject of a credit has certain obligations.

Consumer lending is an important component of the economy and the financial sector of Ukraine. Consumer credit enhances the purchasing power and standard of living of consumers and encourages expansion of production for consumer goods and services. In recent years, lending to individuals

has become widely spread, because most of Ukraine's population are unable to buy goods. The amount of lending to individuals increased significantly in 2015. The reasons can be identified as impact of the crisis and war events.

Among the problems of lending to individuals in Ukraine points out the imperfections of the legal system of lending. There are 7 special principles of regulation of bank lending to individuals: creditors' protection; the solvency of the loan debtor; providing of bank credit; minimizing the credit risk of the bank; proper use of the bank credit; profitability of credit operations of the bank; responsibility of the loan debtor for repayment.

Having researched all these aspects it is possible to make some conclusions. The most necessary step is to widen organizational, legal, financial and economic basis of individuals lending. The new complex legislation is extremely essential. It will be an appropriate ground for development of banks' lending and increasing of state social and economic improvement. But all these steps will work only in case of banks following principles of fair competition and customers having whole documents aggregated.