

AGRARIAN RECEIPT AND PROMISSORY NOTE FORM AS AN ALTERNATIVE SOURCE OF LENDING OF AGRICULTURAL ENTERPRISES

Stender S.V.

Candidate of Economic Sciences,
Senior Lecturer at Department of Accounting and Taxation,
Podillia State Agricultural and Technical University

Agricultural sector occupies an important place in the national economy and greatly affects its overall condition. Despite the economic difficulties that occur in our country, agriculture is constantly strengthening its position. Nevertheless, domestic agriculture faces numerous challenges that impede its further development. Above all it is the lack of working capital, lack of credit, lack of attractive investment vehicles. Particularly acute lack of funds felt small and medium farmers who have little or no access to credit from commercial banks.

Today the issue of agricultural receipts and bills is very important because they encourage stability and positive dynamics in agribusiness. To meet the needs of farmers in finance, in the current legislation there are provided mechanisms of agricultural loans by issuing a receipt or bill.

Large companies use various financial instruments: they have taught their customers to credit, bills, receipts and use of agri-

cultural commodity price hedging, which allowed solving the problem with the loans for business. But SMEs are not fully using these tools. Agricultural enterprises have limited access to bank loans due to the lack of financial stability, the lack of liquid collateral, lack of real existing insurance coverage, insufficient state support for loans and low profitability. Given these problem areas, agricultural producers should have alternative financing.

In recent years, financial and credit support to agricultural producers is carried out at the expense of their business, attracting funds of commercial banks, suppliers of inputs, credit unions and state financial support. Unfortunately, the mechanism of commercial lending, especially the kind of bill and agrarian receipts, is yet little used in agriculture due to the lack of information system of creditworthiness of borrowers and insufficient training of managers and specialists of enterprises in financial relations.