

## *Annotation*

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### ***Alternative forms of financial support of agricultural enterprises***

*The urgency of searching instruments of financial support in the agricultural sector is increasing, if necessary, eliminating effects of the financial crisis and improving economic growth.*

*The purpose of this research is to study alternative sources of financial support of agricultural enterprises for their further use in the process of simple and expanded reproduction of activities.*

*During the study the following research methods are used: monographic – to review sources of the financial support of the agricultural sector; statistical and economic – to assess the current state and development tendencies of lending; abstract and logic – for theoretical generalizations and drawing conclusions.*

*It is proved that the financial support of agricultural enterprises provides for the use of all possible sources of financial resources.*

*It was revealed that its sources are the most suitable for agricultural enterprises but they are limited and insufficient to ensure effective process of management.*

*In studying it is determined that the largest external investor in national agriculture in 2014 was Cyprus (224.2 million USD), China has doubled its investments (2.4 million USD), Turkey (1.8 million USD or 35%) and Israel (1.8 million USD or 235.9%).*

*It is proposed taking into account current realities and mechanisms to encourage the production of agricultural enterprises to allocate some financial security instruments, especially bank loans, bill financing, agricultural receipts, leasing, public funding and external borrowings.*

*It is established that on 06.19.2015 1 443 agricultural enterprises have attracted loans totaling 7.6 billion USD, including: more than 5.4 billion USD – short-term, 1.2 billion USD – medium and 1.0 million USD – long-term loans. Bill form of crediting has a significant share of credit portfolio – from 20-25% in 2014 to 40% in 2015 (target level) in all major banks specializing in agro crediting. In this case the total amount of the bill portfolio is estimated at 6-7 billion USD. In September 2014 in Poltava region a pilot project started to simulate the input of technology in circulation of agricultural receipts subsequently enterprises of Vinnytsia, Cherkasy and Kharkiv regions joined to the project. Leasing as a bank loan operates on the principles of repayment, maturity and interest payment. At the end of the second quarter of 2014 farmers have entered into finance leases – 23% of the total amount of concluded contracts in different branches. According to the State Budget of Ukraine in 2015 compared with the previous year there was a significant reduction in budget programs aimed at developing the country's agriculture. Another way which farmers can choose is the attraction of cheap credit funds from foreign financial institutions including the European Bank for Reconstruction and Development.*

*It is proposed for the financial support of activities agricultural enterprises should involve a variety of forms and sources of financing which will enable qualitative changes in the agricultural sector.*

**Key words:** *financial support, bank lending, bill financing, agricultural receipts, leasing, public funding, external borrowings.*