

Annotation

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Credit risks in the system of bank lending to farmers

This article deals with the minimization of credit risks in lending to agricultural enterprises of Ukraine. Minimizing the negative impact of credit risks on banking system activities is one of important problems in the period of overcoming consequences of the global financial crisis, total price increase of energy and resources. It is possible to solve these problems through the use of effective methods of credit risk management and minimizing their effect.

Concept of the essence of the credit risk is inherent to different economic systems. Theoretical substantiation of credit risk essence and its minimization is a cornerstone for the national economy while remaining the object of studies.

The aim of the research is theoretical generalization of the study of credit risk influence on the lending process.

With the increasing number of banking institutions there are questions concerning merger of existing credit bureaus in Ukraine and creation of a single center on their basis that would accumulate all the credit history of individuals and legal entities of the state. This will enable creditor banks to make a decision on granting a loan more quickly and with less risk for themselves as the information about a potential borrower will be formed according to many credit histories from various sources. Credit bureaus will contribute not only to prevention of risks in the lending process but will also promote simplification, acceleration of loans with minimal risks regarding their non-return.

The generalization of the issue of credit risks when lending farms by commercial banks made it possible to conclude that when crediting farmers there are a number of levers to help minimizing credit risks for commercial banks. The most significant one is the development of credit bureaus, bank monitoring of financial and economic activities of borrowers - farmers.

Key words: *agricultural production, credit, financial crisis, credit risks, credit bureau, minimization of credit risks.*