

Buriak A.A.

PhD (Economics), Associate Professor

National University “Yuri Kondratyuk Poltava Polytechnic”

Poltava, Ukraine

**URGENCY OF USING GOVERNMENT INVESTMENT LENDING
SYSTEM IN UKRAINE IN THE CONTEXT OF EXACERBATION OF
THE GLOBAL THREATS**

Special place in the state investment policy is occupied by an investment loan. However, it is public credit, as a form of investment credit, directly serves economic interests of enterprises, mediating the links between the state and all economic entities. From these positions in modern conditions the role of the state credit in maintenance of investment and innovative development of economy and financial system as a whole grows.

The importance of a place and role of public credit in the financial system of the state has led to a constant attention of researchers to various aspects of its functioning. Public investment credit is a set of economic relations that arise between enterprises and the state as a result of providing the latter with loans for investment purposes. It is provided for capital investments for production purposes through budget loans directly to ministries and departments, other state executive bodies to finance enterprises, organizations and associations through banking institutions, the construction of which is just beginning on a competitive basis, as well as to finance previously started promising buildings.

The main feature of government investment lending is that it is direct and targeted, such loans are term, repayable, so they must be secured by collateral or guarantee. Today in Ukraine, state lending for construction and industrial facilities is carried out at the expense of the Investment Fund of Ukraine, formed

from the state budget. The volume of public lending and its directions are determined by public policy.

Regarding consumer government investment lending, it should be noted that it is carried out only in the national currency to individuals – residents of Ukraine for the purchase of real estate for investment purposes, consumer durables; the loan is repaid in installments, unless otherwise provided by the terms of the loan agreement.

The state can be both a creditor and a guarantee. Thus, state investment support is provided in the form of:

- state guarantees to ensure full or partial fulfillment of debt obligations on borrowings of economic entities of the public sector of the economy;
- direct budget financing and co-financing;
- reimbursement of interest rates on loans obtained by business entities in commercial banks;
- partial compensation for the cost of production;
- loans from the state budget;
- tax, customs and currency preferences.

Public investment credit plays an important role in the financial system of the state. Its use is especially relevant right now, in post-crisis period, when it is necessary to develop all sectors of the economy. The use of public investment lending at the present stage of development is important for the Ukrainian economy, as the priority areas of this type of loan are to expand production capacity in priority areas for investment in relevant sectors, economies, scientific and technical renewal of production with increasing technical and economic indicators and competitiveness. in the world market, which, of course, can be an impetus for the national production development.