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PRIORITIES AND PROSPECTS OF THE FINANCING OF INVESTMENT AND INNOVATIVE ACTIVITY

Summary

It is stated in the article that under the current conditions of limited public funds and funds of economic entities, the issue of finding and expanding sources of credit for investment and innovation activities is being updated. The purpose of the article is to study the priority areas of lending for investment and innovation activity and to outline the prospects for its development. The following types of loans are allocated for financing investment-innovative projects: state credit; bank credit; commercial credit and foreign credit. Financial support for the implementation of innovative projects can also be provided by the state innovative financial and credit institution in the form of successive branches based on the results of monitoring the progress of projects. Bank investment credit is defined as a set of interrelated actions to provide the bank with credit, stock, and non-traditional banking services in order to finance the borrower's investment activities on conditions of payment, return, security and urgency. The main forms of investment loans can be bank credit, bond loan, project financing, bank guarantee, factoring, leasing. The position of bank investment lending in Ukraine today is significantly weakened by the unstable political situation, the slowing pace of economic development, the complication of attracting funds in external and interbank financial markets, the high inflation rate, the decrease in confidence in banks by depositors. Investment bank lending is accompanied by significant risks, especially in the context of the deterioration of the financial condition of most enterprises in the real sector of the economy. Funds from international financial institutions are considered the cheapest source of investment loans. Today Ukraine cooperates with many international financial institutions providing credit and grant resources to support its economy. In order to increase the efficiency of bank investment lending, it is necessary to ensure the coherence of monetary and currency policies, to improve the system of guarantee of deposits of the population, to create proper legislative regulation of relations between participants of the credit process.

Keywords: Investment innovation activity, lending, bank investment credit, financial and credit institution, interest rates, credit risks.

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