

## Kostiuk V.A.

Candidate of Economic Sciences,  
Senior Lecturer at Department of Banking,  
National University of Life and Environmental Sciences of Ukraine

## Sovych I.V.

Master,  
National University of Life and Environmental Sciences of Ukraine

# DEVELOPMENT TRENDS IN THE CONSUMER LENDING IN UKRAINE

Consumer lending is the best available type of lending that serves as a motivating factor for the economic development. Consumer lending development has its own specifics in current conditions. Its trends are influenced by, on the one hand, increased resource opportunities for financing of human needs and, on the other, increased consumer needs of a human of modern "consumer society" that is characterised by individual consumption, which runs far beyond the needs for being (survival).

The conducted analysis of the consumer credit market in Ukraine allowed revealing that Ukrainian banks put best leg foremost in order to keep high consumer credit margin and development of maximum marginal loan products. It is caused by the fact that lending remains their key focus area and earned interest and loan fees – the primary source of income (about 80%), in spite of Western banks where income from other types of activities amount to 30-40%. It is determined by different development level of the banking industry and banking culture. Practically, actual expenses for loan issue, which are increased by the margin, which the creditor plans to receive and which does not allow him to re-orient to other businesses, compose that price below which, in terms of increasing demand, consumer loans principally will not be granted. Under the margin increase, a bank's wish to disburse more loans increases too, thus under the pent-up demand for credit, there is no question of margin decrease.

Regardless of the fact that in the current banking practice in Ukraine, there is no any general model of lending to individuals, banks have different experience in the organization of this process and different quality of loan facilities as well as considerable differences in capital dimension, sizes and profile of assets and liabilities, quality of resources, features of credit policy, universal standards of lending to individuals should be immediately introduced in the Ukrainian banking practice. This is due to the fact that the solution of the problem of improving firmness of the coun-

try's banking system under the crisis requires developing new methodological approaches and wider use of lending process management tools. And it is standardization of lending that should become one of its most important components.

We consider that existence of procedures, which are secured in legislation, on the declaration of bankruptcy of individuals and collection of debts would allow creditors to act within the civilized methods of collecting overdue accounts.

In such a way, the development of standards for lending to individuals as a tool for consumer credit regulation in Ukraine under modern unstable conditions and for effective development is necessary in the long view and will allow both to improve lending process and create such a mechanism of the consumer credit market performance that will maximize positive effects and minimize risks.

## REFERENCES:

1. Zakon Ukrainy «Pro zakhyst prav spozhyvachiv» vid 12.051991 r. # 1023-XII/: [Elektronnyi resurs] – Rezhym dostupu: <http://www.zakon.rada.gov.ua>
2. Yevropeyskyi tsentralnyi bank: [Elektronnyi resurs]. – Rezhym dostupu: <http://www.ecb.europa.eu>.
3. Ivanenko L. M. Pravovi zasady spozhyvchoho kredytuvannia / L. M. Ivanenko // Visnyk KNTEU. – 2011. – # 1. – S. 103–110.
4. Ofitsiinyi sait derzhavnoho komitetu statystyky Ukrainy: [Elektronnyi resurs]. – Rezhym dostupu – <http://www.ukrstat.gov.ua>
5. Nahaievych M.V. Bankivskyi nahliad ta bankivske rehuliuвання: analiz teoretychnykh zasad / M.V. Nahaievych // Ekonomichni nauky. – 2012. – # 2. – S. 55-62.
6. Postanova Pravlinnia NBU «Metodychni rekomendatsii z orhanizatsii i funktsionuvannia system ryzyk-menedzhmentu v bankakh Ukrainy» za stanom na 02.08.2004 r. # 361: [Elektronnyi resurs]- Rezhym dostupu: <http://zakon4.rada.gov.ua>
7. Postanova Pravlinnia NBU «Metodychni vkazivky z inspektuvannia bankiv «Systema otsinky ryzykiv» za stanom na 15.03.2004 r. # 104: [Elektronnyi resurs] – Rezhym dostupu: <http://zakon4.rada.gov.ua>