

# FEATURES OF SMALL BUSINESS LENDING IN FOREIGN COUNTRIES

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The small business plays an important role in ensuring the country's development. This can be traced to the example of the European Union, where on average small and medium-sized businesses account for 57% of the country's gross domestic product. This not only has a good economic effect on the sustainable development of countries, but also creates conditions for social well-being, as small and medium-sized businesses create a large number of jobs for professionals in various fields. Given the general foreign experience in lending to small and medium-sized businesses is diverse. For example, in some countries, both developed and developing. In Jordan, the World Bank Group's two credit lines aim to increase SMEs' access to finance and, ultimately, to promote job creation.

The first credit line worth \$ 70 million. The United States has contributed to the growth and development of new and existing businesses by expanding the reach of small and medium-sized businesses, 58% of which are located outside Amman and 73% are run by women. The second credit line sent 22% of the total funds to startups. According to this, the project funded 8,149 small and medium-sized businesses, which created 7,682 jobs, 79% of which were occupied by young people and 42% - by women [3].

It is worth noting that developed countries also spend a significant amount of financial resources to support small and medium-sized businesses. In the UK, the figure fell by a total of 1.44%, in Canada it rose by 3.15%, and in the Netherlands by 6.31%. However, it is important to understand that the method of calculating indicators is significantly different, so they can not be compared with each other. For small and medium-sized enterprises, it is even more important not so much to finance and lend directly, but to create favorable opportunities that allow them to compete on an equal

footing with other participants, including large companies that are able to take advantage of the "scale effect".

Therefore, Canada's small business lending conditions have been stable since 2011: the interest rate on small business loans in 2016 was at the level of 2011, and the default rate on small business loans for 90 days returned to pre-crisis levels. In the future in 2011-2019 there is a stable lending at low interest rates [4].

Lending to small and medium-sized businesses in the Netherlands has resumed, and fundraising is now above pre-crisis levels (2008). In 2017, venture capital investments reached the highest point of the decade and are at the median level of developed countries.

The government targets high-potential SMEs and supports Fintech initiatives. The Dutch Venture Initiative II (2016) is a venture capital fund with a capital of 200 million euros, which invests in sectors such as IT, clean or medical technology. The Dutch Mutual Investment Program for € 100 million (2017) aims to close the second capital gap (the second stage of attracting investment) that start-ups face when they intend to grow. In addition, the National Promotion Institute (Invest-NL) was established in 2017, which, among other things, finances and develops viable small and medium enterprises. In 2016, the Financial Markets Authority and the Central Bank of the Netherlands established the Innovation Center, which provides guidance on supervision and regulation related to innovative financial products.

Looking at the banking market and new bank loans to SMEs, the UK is in the top five developed countries at the bottom of the list. However, in recent years, SMEs have expanded access to alternative sources of financing, including asset-backed financing and peer-to-peer (P2P) lending. Measures have recently been taken to increase SMEs' access to credit, including the creation of British Patient Capital, a subsidiary of the British Business Bank. Building on the Bank's 5 years of Venture Capital Catalyst (VCC) program, the £ 2.5 billion program supports small and medium-sized businesses with high growth potential to gain access to the long-term financing needed to expand. The program, launched in 2018, provides investments totaling £ 7.5 billion and is an important element of the Government's industrial strategy. Paying attention to the small business administration, the United States provides a number of small business loan resources that are used in conducting their business [2]. As of 2020, the following conditions are relevant:

- the standard program offers a loan amount of up to \$ 5,000,000 and is a comprehensive lending program developed by lending partners for small businesses. The use of loans includes: working capital; expansion / update; new construction; acquisition of land or buildings; purchase of equipment; repair of rented premises; debt refinancing for good reasons; seasonal credit line; inventory; or starting a business;

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