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A.M. Karimova
SamIES

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THEORETICAL AND METHODOLOGICAL FOUNDATIONS OF LENDING TO TOURISM ENTITIES

Karimova Aziza Mahomadrizoevna

1Senior Lecturer, PhD, SamIES

Abstract. This article discusses issues concerning the theoretical and methodological foundations of lending to tourism entities. The essence of bank lending and subjects of tourist services in need of credit support are considered. The sources of financing of the tourism sector and their importance in the development of tourism enterprises have been studied.

Keywords: bank lending, consumer, tourism products, economy, tourism, private business, tourism activity, small enterprises

Introduction

The development of bank lending for tourism enterprises is one of the current priorities in the economic development of the Republic of Uzbekistan. Currently, bank lending to tourist enterprises is not sufficiently developed, which is caused by various objective reasons - the lack of reliable borrowers, the low quality of investment projects, the lack of liquid and adequate collateral, high transaction costs associated with the individualization of borrowers, the lack of an adequate resource base for regional banks, etc.

The central place in the work of a commercial bank is its credit policy, the purpose of which is to create conditions for the effective placement of borrowed and own funds and to ensure, on this basis, the required level of profitability of the bank's activities. A high-quality credit policy of the bank contributes to the meaningful coordination of its efforts in the credit market, ensures the efficient operation of the units involved in the credit process.

A specific feature of the development of tourism enterprises is increased risk of functioning, low profitability due to impossibility of realizing economies of scale, and a certain life cycle. For banks, this serves as an objective prerequisite for classifying tourism enterprises as the most risky borrowers.

Literature review

However, despite the rather high level of development of the problem of lending to small business entities, as well as the development of entrepreneurial activity, the issues related to lending to the subjects of the tourism sector have not been studied deeply enough. Insufficient elaboration of the issue actualizes the topic of this research.

**Analysis and results**

In order to understand the essence of lending, first consider its concept and essence. One of the forms of movement of loan capital is a bank loan.

With bank lending, economic (monetary) relations arise, in the process of which temporarily free funds of the state, legal entities and individuals, accumulated by credit institutions, are provided to business entities (as well as citizens) on terms of repayment [1].

Bank lending creates the conditions through which it becomes possible to replenish your account, at the expense of other entities, when there is a lack of own funds for various needs that require additional investments.

Credit support is implemented within the framework of the developed bank lending programs. Accordingly, the specifics of any program depends on the financial capabilities of banks and lending purposes.

Credit is an essential category of economics. As mentioned above, the main type of loan is a bank loan, which means: 1) the form of transfer of value based on repayment, urgency and payment; 2) the form of accumulation and placement of temporarily free funds of business entities in order to stimulate the turnover of fixed and circulating assets and advance payments for the reproduction process; 3) the factor of production [2].

The unification of travel agencies and credit institutions in the form of a strategic alliance, the purpose of which is to stimulate consumers to purchase a package of services from participants, is the subject of research by NA Zaitseva [3]. The role of credit institutions in the process of investment activities in the field of tourism is reflected in the works of MA Krivuli [4], V. Fedorova [5].

Based on the analysis of foreign experience of investing in the tourism industry, A.A. Kozybagarov [6] identified a number of the most effective instruments, including lending to the subjects of the tourism industry, which, in combination with other instruments, will ensure the stable development of the tourism sector.

Credit support is an integral part of the infrastructure block of the travel market. Today, the consumer of tourist services as a subject of the tourist market has a significant impact on the development of the market due to the formation of the need for tourist services. But, at a certain stage, the subjects are faced with the problem of a shortage of financial resources, which can be solved by bank lending.
Today, the state recognizes tourism activities as strategically important and priority, which provides tremendous opportunities for the development of activities in this area. In the presence of great potential, there are all the prerequisites for the creation of a modern tourist complex as an intersectoral industry that really gives our country social, political and economic benefits. At the same time, it is obvious that on the scale of the entire economy, the activities of direct participants in the travel market cannot act as the main source of the formation of budget revenues at all levels. Now one of the most important problems in the development of tourism is both financing and crediting of this activity. It is the latter that can be decided by commercial banks or financial institutions adequate to them, whose activities are based on the principles of interest and repayment of credit resources.

Figure 1. Impact of tourism development to the financing and crediting process

When there is a lack of own funds and there is no government support, the organization can resort to using borrowed funds, that is, the bank's credit resources. Credit resources of a bank are understood as a form of financial security, in which expenses are covered by a loan from a lender provided within the framework of the current lending principles.

The principles of lending are provided within the framework of the developed bank lending programs. Taking out a loan is a risky business. Not everyone decides to take out a loan at interest to form start-up capital, rather than use their own capital for their own business activities. It is also difficult to get it, because the loan will have to pay interest and part of the loan at the expense of the profit (income) received from the business.

The analysis of the principles of lending foreign experience, small businesses in the tourism industry based on the data of the World Tourism Organization [7] revealed the following trends:

- providing government guarantees to banks that are ready to finance the activities of small businesses through special government funds.
Decrease in the cost of credit resources can be achieved by providing tax incentives to banks lending to small businesses on terms favorable to the latter;

Creation of an intercountry syndicate of commercial enterprises focused on supporting tourism industry enterprises, including banks (experience of the European Union countries).

Today, lending to banks of the Republic of Uzbekistan for consumers of tourist services is being implemented in two directions:

- consideration of the application and issuance of a loan directly at the bank;
- consideration of an application and sale of a tourism product on credit directly from a tour operator or travel agent (POS-crediting).

The stages of a lending operation for each participant in a credit operation are presented in (see: Fig. 1)

**BANK LOAN FOR THE PURCHASE OF A TOURPRODUCT**

**Figure 2. Stages of the lending operation**

As shown in the diagram (see Figure 1), lending operations include 3 stages. The advantage of providing loans in the second direction is convenience for the client, since the travel agency provides its services for the selection of a tourist product and options for its payment directly at the points of sale of the tourist product.

When conducting lending operations under the first direction, the list of benefits can include the following:

- there is a possibility for the client to independently choose a bank (credit institution) and, accordingly, the terms of lending;
- the bank (credit organization), when the borrower submits an application, can more objectively assess his creditworthiness and work out the most favorable conditions for both the client and the bank [8].
Unfortunately, when lending in the second direction, there are the following disadvantages:
- the emergence of credit risk, since there is no opportunity for the credit institution to check the objectivity of the data;
- the client does not have a choice of credit terms, the reason for the limited number of banks involved in this operation;
- setting high interest rates. (the presence of significant credit risk) [9].

**Conclusion and suggestions**

Having studied the basis of entrepreneurship and development in entrepreneurship in the field of tourism, we found that financial resources play a significant role for the development of entrepreneurial activity. That is, the development of any activity requires finance, or financial and credit support, by financing and crediting their activities. This problem can be solved by commercial banks or other types of financial institutions. The effectiveness of bank lending to tourism entities, as a source of financial resources for tourism enterprises, is the basis for the study of the problem.

And in conclusion, we can say that the activity of the tourism sector has an important role in the development of the country's economy. Consequently, a well-designed system of lending to tourism activities will, on the one hand, lead to additional receipts of funds in the country's budget revenues, increase the demand for purchasing loans for tourism activities, and, on the other hand, will create additional jobs and provide employment for the population.

**References**


