



INTERNATIONAL CROP RECEIPTS

Crop Receipt is an alternative financing instrument for the Ukrainian farmers. The instrument allows to use future harvest as collateral to secure loans and provide extra access to credit resources for agricultural producers in the country. Crop Receipts are tailored for agriculture combining key features of the alternative instruments while providing extra benefits for its users.



New opportunities for international creditors and investors:



Enter Ukrainian agricultural market, a leading sector of the country's economy



Provide more secured financing by enabling future crop collateral and better creditors' rights protection



Reach new clients and develop long-term partnership with Ukrainian agricultural producers



International Crop Receipt can be issued to secure a loan, forward contract, import contract, or credit agreement



Crop Receipts are simple to document and easy to be negotiated between farmers and creditors



Financial Crop Receipts issued to the non-resident creditors can be issued in foreign currency

Crop Receipts as a financing instrument have a set of advantages. They are transparent, secured by future crop collateral, and easy to enforce in case of the farmer's default. These features ensure proper creditor's rights protection and enable a broad range of companies and individuals to provide financing to the farmers in Ukraine.



Ukrainian legislation allows foreign legal entities and private individuals to be creditors under Crop Receipts. Crop Receipts issued to non-residents are usually called 'International' Crop Receipts.

Access to International Financial Markets with Crop Receipts

Obligation within International Financial Crop Receipts can be specified in any currency. New currency regulations, adopted in Ukraine in February 2019, defined the procedure for the purchase and transfer of foreign currency to fulfill the obligations within an International Crop Receipt (including purchase and transfer of currency by bailiff within enforcement procedure in case of a farmer's default).



International Crop Receipts are regulated by Ukrainian legislation. In Ukraine private notaries, which are certified to work in the Crop Receipts Register, notarize international Crop Receipts and register them in the public electronic Crop Receipts Register. This procedure is quick and simple and does not differ from the issuing a 'local' Crop Receipt.

International Crop Receipts are issued in Ukrainian, but on the demand of the farmer and creditor the notary can notarize the translation of a Crop Receipt.



First international Crop Receipts were issued in summer 2019 to the European trading companies as an additional security for forward contracts.

First international commodity Crop Receipt was issued by the farmer from Chernihiv region as his obligation to deliver 10,000 tons of future harvest of corn.

The first International Financial Crop Receipt was issued by the farmer from Lviv region as his obligation to pay US\$ 50,000 pledging 140 tons of future harvest of rapeseed.

