

CAPITALIZATION OF LAND IN THE SYSTEM OF FINANCING OF AGRICULTURAL PROJECTS

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Introduction.

Decentralization of the power authorities in Ukraine will greatly bring science closer to the needs of production in its primary links, and will improve the use of agricultural potential in each region (Sabluk, 2017). Under these conditions, it is possible to practically implement the proposed improved model of management of agricultural projects, which is based on the coordination of efforts of agrarian producers with specialists of the relevant departments of regional state administrations (Prysiazhniuk and Plotnikova, 2017). Creation of innovative centers for the development of agricultural production and rural areas in the regions will contribute the activation of the development and implementation of innovative projects. It actualizes the problem of formation of sources of financing of agricultural projects.

Material and methods.

The purpose of the work is a scientific substantiation of the possibility of capitalization of agricultural lands as a potential source of project financing on the example of the regional level of management of agricultural production. The methodological and theoretical basis of the study is the modern works of Ukrainian and foreign scientists, as well as the results of own research. In the process of research the following methods were used: monographic, abstract-logical, statistical-economic analysis and synthesis.

Table 1. Evaluation of potential volumes of lending for projects of agricultural enterprises in the regions of Ukraine, depending on the value of land pledge

Region	Normative monetary valuation of arable land (1.01.17), thsd. UAH/ha	Area of arable land, thsd. ha	Normative value of arable land, bln UAH	Evaluation of potential volumes of lending depending on the pledge, bln UAH:		
				40 %	50 %	60 %
Ukraine	30.7	16528.7	507.4	203.0	253.7	304.5
Vinnitsya	33.1	889.8	29.5	11.8	14.7	17.7
Volyn	29.9	184.8	5.5	2.2	2.8	3.3
Dnipro	32.5	1024.7	33.3	13.3	16.7	20.0
Donetsk	34.9	603.0	21.0	8.4	10.5	12.6
Zhytomyr	20.6	449.6	9.3	3.7	4.6	5.6
Zakarpattia	26.4	21.9	0.6	0.2	0.3	0.3
Zaporizhya	33.8	968.2	32.7	13.1	16.4	19.6
Ivano-Frankivsk	28.6	166.3	4.8	1.9	2.4	2.9
Kyiv	32.0	939.7	30.1	12.0	15.0	18.0
Kirovohrad	32.1	944.0	30.3	12.1	15.2	18.2
Luhansk	26.5	660.7	17.5	7.0	8.8	10.5
Lviv	26.6	229.8	6.1	2.4	3.1	3.7
Mykolayiv	26.4	813.3	21.5	8.6	10.7	12.9
Odesa	28.1	1079.2	30.3	12.1	15.2	18.2
Poltava	34.3	1149.7	39.4	15.8	19.7	23.7
Rivne	31.4	233.1	7.3	2.9	3.7	4.4
Sumy	29.4	760.9	22.4	8.9	11.2	13.4
Ternopil	30.0	1021.1	30.6	12.3	15.3	18.4
Kharkiv	32.5	1073.1	34.9	14.0	17.4	20.9
Kherson	34.7	721.8	25.0	10.0	12.5	15.0
Khmelnytskyi	34.5	678.3	23.4	9.4	11.7	14.0
Cherkasy	39.8	779.9	31.0	12.4	15.5	18.6
Chernivtsi	34.0	93.2	3.2	1.3	1.6	1.9
Chernihiv	24.4	923.5	22.5	9.0	11.3	13.5

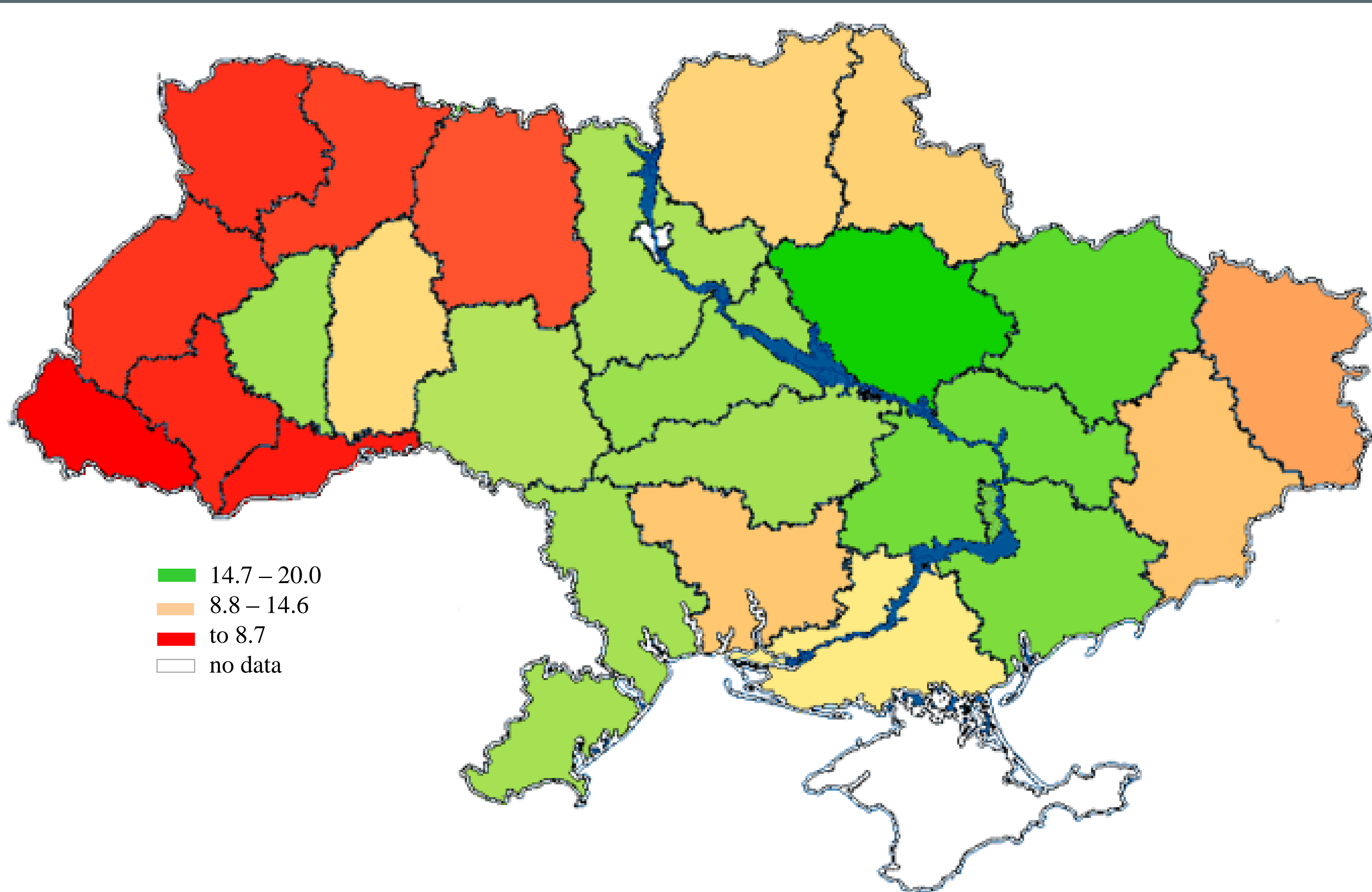


Fig. 1. Cartogram of potential volumes of lending for projects of agricultural enterprises in the regions of Ukraine, subject to a pledge of 50 % of land value, bln UAH

Results and discussion.

The possibility of capitalization of agricultural lands as a potential source of project financing on the example of the regional level of management of agricultural production in Ukraine is substantiated. The evaluation of potential volumes of crediting of projects of the agricultural enterprises of regions of Ukraine depending on size of the collateral value of the land and the rights of rent is executed. The investment potential of agricultural enterprises of the regions of Ukraine in the context of project financing, taking into account the collateral value of the land resource and investment profit (the sum of net profit and amortization of fixed assets) is calculated.

Table 2. Investment potential of the agricultural enterprises of Ukraine in the context of project financing, taking into account the pledge value of the land resource

Years	Profit, bln UAH	Amor-tization, bln UAH	Invest-ment profit, bln UAH	Evaluation of potential volumes of lending subject to the pledge 50 % of the value of land, bln UAH	Investment potential of project financing, bln UAH	Structure of investment potential of project financing, %:		
						profit	amor-tization	land capitalization
2010	17.2	4.0	21.1	102.0	123.1	14.0	3.2	82.8
2011	25.4	4.8	30.2	102.4	132.6	19.2	3.6	77.2
2012	26.8	6.5	33.3	181.6	214.9	12.5	3.0	84.5
2013	15.0	7.0	22.0	179.8	201.8	7.4	3.5	89.1
2014	21.5	8.3	29.8	176.7	206.5	10.4	4.0	85.6
2015	102.8	10.2	113.1	208.5	321.6	32.0	3.2	64.8
2016	90.6	14.2	104.8	255.4	360.2	25.2	3.9	70.9
2017	79.1	14.0	93.1	267.6	360.7	21.9	3.9	74.2

Table 3. Evaluation of the potential lending volumes of projects of agricultural enterprises of Ukraine, depending on the value of the pledge of land and the right to lease it

Years	Normative monetary valuation of arable land (1.01.17), thsd. UAH/ha	Area of arable lands, thsd ha	Normative value of arable land, bln UAH	Evaluation of potential volumes of lending subject to the pledge of the value of land, bln UAH:			Rent, UAH/ha	Evaluation of potential volumes of lending subject to a pledge land lease rights, bln UAH:		
				40 %	50 %	60 %		40 %	50 %	60 %
2011	11.7	17510.4	204.9	81.9	102.4	122.9	470	3.3	4.1	4.9
2012	20.6	17632.6	363.2	145.3	181.6	217.9	539	3.8	4.8	5.7
2013	20.3	17712.4	359.6	143.8	179.8	215.7	616	4.4	5.5	6.5
2014	20.6	17158.3	353.5	141.4	176.7	212.1	664	4.6	5.7	6.8
2015	25.8	16166.1	417.1	166.8	208.5	250.3	736	4.8	5.9	7.1
2016	30.9	16528.7	510.7	204.3	255.4	306.4	862	5.7	7.1	8.5
2017	30.9	17320.0	535.2	214.1	267.6	321.1	1093	7.6	9.5	11.4

Conclusion. Estimation of the potential volume of credit support for projects of agrarian enterprises in the regions of Ukraine, depending on size of the collateral value of the land and the rights of rent, indicates the important role of this potential source of financing. So, for example, the potential volume of credit financing for projects of agricultural enterprises in Ukraine subject to 50 % of the value of land mortgage is about 267.6 billion UAH. Involvement of these funds to finance innovative agricultural projects will contribute to the expansion of opportunities for the practical implementation of these projects and to ensure sustainable development.