

FINANCIAL SUPPORT FOR DEVELOPMENT OF FOREST POTENTIAL OF TIMBER INDUSTRY IN TRANSCARPATHIAN REGION

Mykhalchynets H.T.

Senior Instructor of Department of Finances
Mukachevo State University

The article deals with the features of economic activity and financial support for forestry enterprises, particularly in the context of state ownership. The effect of financial resources precariousness of timber industry enterprises on the regional ecosystem development and the development of innovation in the transaction of rough timber and timber products on special commodity exchanges are under study.

It is proved that the pace of afforestation and reforestation due to lack of financial investments remains low. The search of revenue growth of reserves is an important task for forest management. All factors that provide profit growth of the company should be subdivided into two groups: factors of direct action and indirect action that must be considered when developing measures for the use of identified reserves.

Low level of credit and stock component in the financing of working capital and fixed assets of forest enterprises evidence of reliance on short-term financing as opposed to long term.

State forest enterprises investment in business activities from its own sources and barely use external sources of financing such as bank loans or funds of special funds and programs.

The current state of forests in Ukraine, including Transcarpathia, which is the result of numerous changes in regulatory and economic framework for forest management in timber industry can not be characterized as satisfactory. The main prerequisites for the development of financial, environmental and economic management and forestry management are the need to implement the principles of sustainable environmental reproduction and use of forest resources and ecosystem approach to forest management in a market sector reform.

It is necessarily to increase the share of financing for development and implementation of forest scientific approaches to managing financial and economic activities of forestry companies taking into account the possibility of combining the budgets of different levels and decentralization.