

## PROBLEMS OF FINANCIAL SUPPORT OF AGRICULTURAL SECTOR

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This article is devoted to the problems of financial providing of agricultural sector. It's proved that the development of efficient agriculture has great economic and social importance. However, problems of low credit availability for small farms, low efficiency of state financial support for the agricultural industry, implementation of innovative methods of raising funds for its needs are still unresolved.

The research showed that the volume and structure of agricultural sector financing in Ukraine are related to indicators of macroeconomic dynamics. There is a deterioration of the borrowed recourses structure, which includes current liabilities increasing. It's proved that instability in the socio-political and economic situation and deposition of implementing investment programs by enterprises and long-term loans attraction cause this problems.

It's identified that the main problem of credit resources attracting is extremely high cost because interest rates on loans for agricultural enterprises consistently exceed the level of credit cost in the economy. As a result, 75% of agricultural com-

panies noted the poor access to financial resources as a major obstacle to their development. The causes of high cost loans to agricultural enterprises are lack of collateral liquidity, difficulty of financial results forecasting and so on.

Reasons of low efficiency of budget support for agriculture are the development programs weaknesses; inadequate funding; irrational structure of expenditures, which mainly consists of maintaining of administrative structures and bureaucratic procedures. However, there aren't changes in targeted programs spending that provide direct financial support for agricultural development. The state support for small farmers is almost missing.

The necessity of improving the structure of expenditures on the development of the agricultural sector, the development of alternative funding mechanisms for the agricultural sector and the use of new forms of bank lending is substantiated. In this regard, the advantages of project finance, mezzanine-financing, pre- and post-export financing are given. The necessity of agricultural cooperatives stimulation is proved.