Enhancement of institutional support of land reform in Ukraine

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The agricultural sector reform contributed to the development of the mixed economy in rural areas through a combination of new agricultural enterprises and other market oriented business patterns based on private land and estate ownership, ensuring the functioning of individual, family and collective forms of labour organization.

At the same time, the new organizational forms of agricultural business were mostly created in 2000 on a much weakened industrial base without any public financial support, mortgaging and agricultural market infrastructure. The organizational structure changes were made without any consideration to keeping the existing concentration of agricultural production and implementing measures for land consolidation where needed. No adjustments were made to the policy of unconditional segmentation of agrarian structure, in order to support the development of individual peasant farms. Neither there was any ecological and economic expertise of redistribution of territorial land resources in the country basing on relevant national and regional forecasts. The imperfect practice of reform deepened the ecological imbalance of the land fund, provoked decrease in efficiency of land use and protection, as well as natural ability of soil to build up. The market turnover of privatized lands was not provided with due economical and infrastructural support.

The land and agrarian reform remain institutionally incomplete because of inability of landowners to fully realize their ownership rights to land which is the consequence of the absence of market circulation of agricultural land, permanent extension of the moratorium on its sale and thus keeping these lands out of economic turnover.

The conservation of this problem not only hinders the complete realization of potential of the Ukrainian lands, but also leads to substantial economic pressure and deterioration of the quality of soil cover, neglect of environmental issues of land utilization. Therefore, the further implementation of public agrarian policy should be carried out not only in the direction of increasing agricultural production and exporting products with greater added value, improving food security but also with focusing on the mechanisms of sustainable agricultural land use, preservation and restoration of lands and ensuring rural development.