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AGROLEASING AS A SOURCE OF AGRARIAN ENTERPRISES' FINANCIAL POTENTIAL

Lack of financial resources prevents the formation of strong financial capacity, which would be able to provide sufficient funding to purchase equipment and machinery.

Among the progressive methods of upgrading production and investment processes' financial support, leasing takes one of the main places. Leasing mechanism with a certain degree of risk helps to eliminate the root causes that hinder the development of agrarian enterprise and its innovative principles.

Despite the economic situation complexity, the agrarian sector of Ukraine, ensuring food security, requires a system of governmental support. One of such support types, which is burdensome for the state budget, is an efficient implementation of agroleasing mechanism with the help of special government programs. A sufficient level of information provision as for the mecha-

nism's practical implementation and its availability for agrarian producers gives an opportunity for technical and technological renewal of production and financial capacity.

Under the present conditions including insufficient protection of creditors' rights, the development of agroleasing pace had been slowed. This situation has a negative impact on the investment climate, which requires a systematic resolution of this issue at the state level. The connection between leasing activity and agrarian production upgrading is significant. It is confirmed by the experience of agrarian enterprises in the European Union, the USA, Canada and Australia. The agrarian production updating is closely related to the competitive position of farms, which is confirmed by the necessity of expansion of the agroleasing development, its scope and pace in order to intensify financial potential.