

# THEORETICAL AND APPLIED ASPECTS OF ECONOMIC PROCESSES IN UKRAINE AND IN THE WORLD ECONOMY

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## LAND MARKET INFRASTRUCTURE

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land market infrastructure,  
support mechanisms,  
stimulation mechanisms,  
investments, institutions

This article is dedicated to the search for an effective model of environmentally friendly agricultural land use and the agricultural economy in Ukraine, taking into account the rating assessment of the investment attractiveness of administrative-territorial features of land resources and directions aimed at stimulating investment activities. The article conducts an analysis and researches the directions of utilization, development trends, and mechanisms of state support for stimulating the investment attractiveness of land resources. In the course of the research, a list of measures dedicated to the development of directions and mechanisms of support for stimulation, formed through investment attractiveness, is examined, considering the nature of their distribution and efficiency, taking into account eco-friendly technologies. The study explores the goals and objectives of eco-economic land use through the formation of investment attractiveness of land resource potential as a scientific prerequisite for the development of land relations in Ukraine. Priority sectors of the economy are highlighted, through which the potential of land use, land resources, and investment attractiveness is revealed. The article analyzes and outlines land relations and land use problems, proposing ways to address them. It identifies and proposes several significant mechanisms for supporting state incentives for investment attractiveness. A list of measures is proposed for the environmentally safe and dynamic development of market land relations in Ukraine. The directions for regulating environmental land use are identified as one of the most important and positive platforms for regional investment attractiveness development.

## ІНФРАСТРУКТУРА РИНКУ ЗЕМЛІ

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### Ключові слова:

земельні відносини,  
земельна реформа,  
земельні ресурси,  
земельно-ресурсний потенціал,  
раціональне землекористування,  
інвестиційна привабливість,  
інвестиційно привабливі землі,  
інвестиційно привабливі галузі,  
прогнозування,  
інвестиційна діяльність,  
інфраструктура ринку землі  
механізми підтримки,  
механізми стимулювання,  
інвестиції, інституції

Стаття присвячена пошуку ефективної моделі функціонування екологічнобезпечного сільськогосподарського землекористування та економіки сільського господарства України з урахуванням рейтингової оцінки інвестиційної привабливості адміністративно-територіальних особливостей земельних ресурсів та напрямів, направлених на стимулювання інвестиційної діяльності. В статті проведено аналіз та дослідження напрямів використання, тенденцій розвитку та механізмів підтримки державного стимулювання інвестиційної привабливості земельних ресурсів. В процесі дослідження розглянуто перелік заходів, які присвячені розвитку напрямів та механізмів підтримки стимулювання, які сформовані за рахунок інвестиційної привабливості, характеру їх розподілу та ефективності використання з урахуванням екологічнобезпечних технологій. Досліджено цілі та завдання еколого-економічного природокористування за рахунок формування інвестиційної привабливості земельно-ресурсного потенціалу як наукової передумови розвитку земельних відносин в Україні. Висвітлено пріоритетні галузі економіки, за рахунок яких розкривається потенціал природокористування, земельних ресурсів та стимулювання інвестиційної привабливості. Проведено аналіз та окреслено проблеми земельних відносин

і землекористування, запропоновано шляхи їх вирішення. Визначено та запропоновано декілька суттєвих механізмів підтримки державного стимулювання інвестиційної привабливості. Запропоновано перелік заходів для екологічнобезпечного динамічного розвитку ринкових земельних відносин в Україні. Визначено напрями регулювання екологічного землекористування, які є одними з найбільш важливих та найбільш позитивних платформ розвитку інвестиційної привабливості регіону.

### Statement of the problem

The purpose of an investor's activities is essentially to ensure economic balance during its development and functioning, its financial stability, as well as to provide the most effective ways of implementing its own investment strategy. For generations, economists have proven the fact that the attractiveness of land resource potential for investment contributes significantly to the initiation of investment processes at the regional level in the conditions of regulatory, managerial, and financial decentralization. A high level of investment attractiveness guarantees a stable inflow of investments into the country, additional revenues to the state budget, and the development and improvement of the social environment in the country [14]. Scientifically substantiated, attracting investments into the regional economy is a key task in modern economic conditions. The most rational way to solve it is to increase the investment attractiveness of Ukraine's regions for potential investors, so the main task should be the optimization of regulatory, financial, and managerial conditions for investment, which determine the investor's choice regarding a specific investment object, which can be a city, region, country, individual project, or corporation.

To create conditions for the development of rational land use and the stimulation of investment attractiveness in a region, country, or specific project, it is necessary to carry out relevant natural-agricultural zoning. The goal of natural-agricultural zoning is to identify specific regional units, which are represented by natural-agricultural regions that determine the directions of soil-forming processes. Depending on them, zonal types of agricultural production are formed, which constitute the natural-scientific basis aimed primarily at implementing the state's land relations policy.

In the search for an effective model of agricultural land use and the agricultural economy in Ukraine, there are no contradictions regarding their development's particularly important and strategic role for investments. However, the flow of investment capital into the agricultural sector is characterized by very low dynamics, despite the potential of resources being significantly higher compared to the potential of most European countries. Therefore, during the limited investment resources period, investment attractiveness of agricultural land use, as a category, becomes the main criterion on the basis of which an investment strategy and a mechanism for stimulating investments by both the investor and the state's investment agricultural policy are formed. In this regard, the issue of determining the rating assessment of the investment attractiveness of administrative-territorial features of land resources and stimulating investment activities becomes particularly relevant.

### Analysis of recent studies and publications

Land relations, land reform, the concept of an effective model for the functioning of agricultural land use and agriculture in Ukraine, as well as a wide range of issues related to land resources, are significant subjects of scientific discussions, research, and improvement among scholars, land managers, and land users. The creation of a land market is a strategic issue for Ukraine, which sparks many debates among scientists and experts in the field of land use. Among Ukrainian scientists, significant attention to this issue is given by researchers such as D.S. Dobryak, D.I. Babmindra, O.P. Kanash, I.A. Rozumny, and A.M. Tretyak. Through their works, they shed light on various aspects, including land resources and their utilization, the classification of agricultural lands as a scientific prerequisite for their environmentally friendly use, with a substantial focus on ecological research and the classification of land resources.

This classification is primarily aimed at implementing environmentally friendly land use systems, which, in turn, serve as the foundation for rational, progressive, and comprehensive land resource utilization. This will create conditions for an investment-friendly climate.

### Objectives of the article

The main objectives of the article are as follows: to identify an effective model for the operation and development of environmentally friendly agricultural land use and the agricultural economy of Ukraine, taking into account the rating assessment of the investment attractiveness of administrative-territorial features of land resources and directions aimed at stimulating investment activities; to propose mechanisms and ways to support state incentives for investment attractiveness and address issues that require special attention.

### The main material of the research

When you open the Land Code of Ukraine, the first thing that catches your eye is the definition of the concept of "land": "Land is the primary national wealth under the special protection of the state." Firstly, land is the territory of the state, delineated by borders from other states. All lands within the territory of Ukraine, including islands and lands occupied by water bodies, belong to Ukrainian lands, which are categorized according to their primary purposes [7]. A common characteristic of all lands is that they serve as objects of social relations regulated by land law norms. The value of land lies in its status as a natural resource, and its protection creates favorable conditions for the preservation of natural objects, forests, water bodies, plant and animal life, subsoil resources, and

atmospheric air. Land is a unique natural object because it provides a conducive environment for the life of all living organisms, including humans. The unique properties of land testify to its exceptional value for human existence, for the creation of society, and for the development of the economy and economic relations as a whole. Being a means of production and a means of creating conditions for the development of society, both socially and economically, land is used for locating and constructing objects of social and economic purposes, for agricultural production, and for the development and support of the national economy. Considering the importance and significance of land resources as a whole, the issue of determining the rating assessment of the investment attractiveness of administrative and territorial features of land resources and the issue of determining the investment attractiveness of environmentally friendly agricultural land use are particularly relevant as a means of defining the most promising capital attraction directions.

Today, Ukraine has a direct impact on the land market, including agricultural land. Changes are taking place at the state level. The Law on the Circulation of Agricultural Land has been adopted, which, accordingly, brings changes to the market for agricultural land.

The implementation of land reform has facilitated the emergence of market mechanisms for regulating land relations. The radical nature of these reforms has led to a transformation of the entire system of land relations, resulting in various issues, including reduced efficiency in the use of agricultural land, decreased soil fertility, disruption of scientifically-based agricultural systems, and more. Consequently, questions related to state regulation and mechanisms for the functioning of land relations and environmentally friendly land use in agriculture have become exceptionally relevant.

The state's land policy is formulated in the sphere of land market regulation, land use, land protection, land management, maintaining a state land cadastre, land lease payments, and monitoring and state control over land use and protection. The land policy of the state, at any given stage of its development, has been significantly influenced by the overall socio-economic policy and directly depends on the rules for the distribution and use of the land fund, as well as incentives and constraints for development in various sectors.

Currently, environmentally friendly agricultural land use should be regarded as the cornerstone of societal development and eco-economic nature management, which is a guarantee for creating attractive conditions for investment projects and is one of the key and substantial factors in the development of rational land use. In this regard, important directions for the regulation of environmental land use should include contour-melioration systems of organic land use, organizational measures, the agro-technical complex for cultivating crops, forest melioration measures, and a hydraulic-mechanical complex for regulating surface runoff.

The regulation of property relations in the land sector is necessary to create conditions for the rational use of society's primary resource – agricultural land

for agricultural production in the interests of society. It is essential to ensure that land is not depleted and that ecological balance is maintained. The term of landowner's authority is theoretically unlimited, and the potential of land may tend to increase.

We consider it necessary to establish an objective mechanism for land relations that will establish certain rules of conduct with regard to land, on land, and concerning land. In the case of unsatisfactory conditions in this area, the reasons should be sought in the actual land relations created; also, in the mechanism of rights and responsibilities regarding land ownership, use, and disposal, and consequently, in the methods of implementing this mechanism. Land should not become an ordinary commodity resource. Back in the early 20th century, the Russian Social Democratic Labour Party (Bolsheviks), led by Lenin, believed that landownership, regardless of its form (private, state, communal), should be a national asset, a single state fund managed on behalf of the state by various levels of Soviet authorities [12]. Land, more than any other property, is relevant to the interests of other territorial entities, land users, and lessees. Therefore, land relations require special regulation. Considering the basis for classifying the interests of property users, owners, hired workers, and society as a whole, methods of property relations regulation can be divided into legal, economic, and administrative.

The improvement of the mechanisms of state regulation of land relations in Ukraine should be based on adjusting the state's agrarian policy and further developing the legal framework at the state and municipal levels. This will facilitate its implementation and the creation of an appropriate organizational mechanism with its inherent infrastructure for implementing land relations development policies.

While enhancing legal methods, we deem it necessary to create conditions to satisfy the rational personal interests of all participants in the production process: business owners, direct managers of these businesses, lessees, and other users, directing them towards activities beneficial to both society and ecological balance.

It is also worth noting that land legislation and the regulation of land relations, aimed at ensuring the right to land for citizens, legal entities, territorial communities, and the state, as well as the rational use and protection of land, are among the most critical issues for regulating the market of agricultural land use [13].

We believe that the creation of sectors of the economy specializing in the utilization of accumulated waste and economically and ecologically regulating harmful emissions is significant and incredibly important.

Regarding the sustainable development of rational land use and the stimulation of investment activities, an important step is the implementation and utilization of certain mechanisms of state incentives. Firstly, this includes tax incentives. It directs investments towards priority sectors of the national economy and stimulates investment activities of economic entities. This is achieved through: reducing tax rates or tax bases; tax exemptions; eliminating taxes on reinvestment; introducing tax credits; implementing differentiated tax rates. Secondly, it involves financial and credit incentives. It involves expanding budget financing and enhancing the availability

and demand for credit resources. This is implemented through: allocating targeted state loans; providing state loans; accelerated depreciation; offering preferential and interest-free loans; establishing state off-budget investment funds. Thirdly, it encompasses the stimulation of investment project implementation. This mechanism ensures the realization of the state's economic and social development goals, enhances the technical level of production and specialists, and contributes to the competitiveness of national production. It is implemented through supporting the technical and economic justification of projects, providing targeted funding for research and project design work, and assisting investors in resolving issues or disputes.

The mechanisms of stimulation and utilization of land resources in Ukraine as part of the resource potential indicate the need for the concentration of resources and the implementation of measures to stimulate an investment-friendly climate in the present and near future.

## Conclusions

For the effective and efficient model of agricultural land use and the development of Ukraine's national agricultural economy, there exists an objective mechanism that encompasses various directions formed in the sphere of land relations, including environmentally safe land use, land protection, land monitoring, and state control over land use and protection.

In the context of reforming Ukraine's eco-economic system and stimulating investment activities, land resources, as the basis of any economic system, have been and remain the fundamental and reliable resource for shaping and improving the economic situation that exists in the country today. The efficient utilization of land resources and the enhancement of land relations are a priority direction for the socio-economic development of Ukraine and for stimulating investment attractiveness.

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