

ECOLOGICAL AND ECONOMIC SANCTIONS IN THE SYSTEM OF CRISIS MANAGEMENT

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Environmental situation in Ukraine can be described as unsatisfactory. Technological environmental impact significantly exceeds similar figures in the developed countries.

One of the biggest sources of pollution is the environmentally unfriendly enterprises, activity of which, due to technological cycle of production, is objectively associated with damage to the environment. Based on the above, a legislator establishes the fees for the environmental pollution within legal established limits, and pollution charges for above-limit emissions. Thus, the legislator establishes legal liability of enterprises for violations in Ecology (ecological and economic sanctions).

Economic sanctions application makes both positive and negative impact on economic development of the state and its territory, and meanwhile, an interaction in the economy of Ukraine of a number of destabilizing factors determines a tendency of negative impact increase.

Failure to pay ecological and economic sanctions adversely affects the economic development of land area. As you know, certain funds investing in environmental measures can avoid infliction of economic damage, the value of which will be greater by several digits. Thus, for a very low cost to eliminate waste one can prevent economic damage that enormously exceeds the value of these costs. Consequently, underfunding of such measures over a definite period can cause economic damage, elimination of which will require great investment.

Amid the economic crisis the ecologically unfriendly enterprises are facing the problem of financial solvency. The sharp increase of bankruptcy amplifies the importance of problem solution associated with the procedure of bankruptcy to the environmentally unfriendly enterprises.

After application of a legal procedure of bankruptcy to the enterprise (which, due to the existing practice, may take years) a borrower uses a number of advantages, established by law, including a moratorium on payment of arrears to the creditors. However, bankruptcy does not stop production activity of a debtor, in other words, the environmentally unfriendly enterprises continue to function and implement technological pressure on the territory. But, at the same time, they do not pay charges for natural resources, environmental damage fees.

Renewal of enterprise solvency, which is involved in the procedure of bankruptcy, can arise from restructuring, debt forgiveness, including environmental charges. Besides, taking into account the importance of a number of economic enterprises, the legislator may impose a ban on payment of their debt (as expected, in particular, by the Law of Ukraine «On measures aimed at ensuring the sustainable operation of the fuel and energy complex» dated 23d of June, 2005).

It should be noted that in the crisis, the above-stated factors may significantly reduce the income to fund of the environmental purposes. Moreover, the deficit of investment and working capital causes expenses reduction of the environmentally unfriendly enterprises for modernization of production assets, deterioration of which has reached critical levels. This situation stimulates further escalation of wear of main enterprise production assets and the deterioration of their technical-economic indicators, resulting in increasing of technological impact on the environment.

Therefore, in the coming years the ecological situation in Ukraine is going to be marked by decrease in revenues to fund of environmental protection, with simultaneous cost reduction of the environmentally unfriendly enterprises in modernization of production assets. These issues require immediate action, which is impossible without government intervention and an appropriate legal settlement. Under these conditions, the role of state in solving the above-mentioned problems is of great importance. The state should assume the cost for implementation of the environmental activities.

In respect that only a small portion of funds of Conservation Foundation is directed for its own environmental measures (according to the calculations [4] in 2002 - 2004 years less than 10% of national and local environmental funds were actually used for environmental activities), there arises a problem to find money for environmental activities. Thus, in conditions of the economic crisis the burning issue is determination of the priority areas for the usage of environmental funds and increase of control over their targeted usage.

Consequently, in conditions of the economic crisis the solution of problems regarding the application of ecological and economic sanctions against the environmentally unfriendly enterprises is an urgent matter. These issues should be a subject of the relevant scientific research.

References

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