

ECOLOGICAL AND ECONOMIC OPTIMIZATION OF INVESTMENT ATTRACTIVENESS IN REGIONAL AGRICULTURE WITHIN SUSTAINABLE DEVELOPMENT FRAMEWORK

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The sources of risk in agriculture are numerous and diverse. These range from events related to climate and weather conditions to animal diseases; from changes in agricultural commodities prices to changes in fertilizer and other input prices; and from financial uncertainties to policy and regulatory risks. But there is still one environmental factor that can be served as a huge producer of risks, especially for investors which behavior and decision-making profile are of special concern from our point of view. Such environmental factor as irrational use of land recourses on the regional level generates additional risks for investors and reduces investment attractiveness of regional agriculture what is negatively reflected on its sustainable development because of lack of financing. In these conditions, the optimal choice of investment strategies to cope with such risks is of crucial importance.

We propose to optimize investors' choice in regional agriculture through making efficient portfolios which are all would have been adjusted for ecological factor for attaining sustainability in agriculture in such a way (Table 1).

Finally, it is important to point out that reaching toward the goal of sustainable agriculture is the responsibility of all participants in the system, including farmers, labourers, policymakers, researchers, retailers, and investors.

Table 1 – Ecological and Economic Optimization of Investment Attractiveness in Regional Agriculture

Ecological and economic indicators of investment quality	Agricultural crops (objects for investments)															
	wheat	barley	corn	sunflower	wheat	barley	corn	sunflower	wheat	barley	corn	sunflower	wheat	barley	corn	sunflower
Optimal investment structure adjusted for ecological factor	0,19	0,28	0,39	0,14	0,22	0,20	0,17	0,41	0,28	0,24	0,46	0,02	0,21	0,33	0,38	0,08
Portfolio investment risk adjusted for ecological factor	26,81				58,62				3,08				1,12			
Portfolio return adjusted for ecological factor	343,36				474,58				442,01				49,52			
Investment strategy	governmental				banking				self-investment				foreign investor			