

ENVIRONMENTAL INSURANCE AS A TOOL FOR FINANCIAL SUPPORT OF SUMY REGION SUSTAINABLE DEVELOPMENT

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Humanity for its existence is constantly in contact with environment. Anthropogenic influence on environment has both positive and negative effects. Among the negative effects of recent decades, atmospheric and water pollution, soil cover degradation, destruction of stockpiles of biological resources, violation of the stability of ecological systems and many others become more and more widespread.

The tools introduced by the government to comply with environmental safety entities are not completely effective in conditions of contemporary globalization.

Currently on the road to sustainable development of our region, there are two main obstacles. Specifically they are:

1. Eco - destructive impact on the environment that causes by the production activity of business entities.
2. Imperfect financial mechanism of environmental protection activities.

Let us examine the quality of the environment in Sumy region in 2013. The main polluters of air and water resources were: Branch management of main gas pipelines "Naftogaz Ukraine" that produced 8529,1 tons of pollutants (28,2% of the total), Kachanivskiy "UkrNafta" - 4420,3 tons (14,6%), "Sumyteploenerho" - 4648,9 tons (15,4%), "Sumyhimprom" - 3353,7 tons (11,1%), "Okhtyrkanaftogas" "Ukrnafta" - 2398,1 tons (7,9%), "Poltavanaftogas" - 1123,1 tons (3,7%)

Current state of surface water area was also characterized by businesses' anthropogenic pressure. In 2012, the total wastewater discharge at surface water bodies in comparison with 2011 increased to 5.93 million m³ (from 51.84 to 57.77 million m³)[3].

Because of extensive development of agriculture, water and chemical meliorations, take place intensive development erosion, compaction of the arable soil, reducing its fertility, weakening the stability of the natural landscape take place.

Thus, we see that the quality of the environment is not satisfactory. It is therefore advisable to consider a financial mechanism that provides environmental protection operation field in Sumy region. The basic elements of this mechanism are:

- fees for the use of natural resources;
- payments for environmental pollution;
- the system of financing environmental activities;
- auction trade permits pollution;
- system of environmental insurance;

If we compare the revenues of the regional budget in this area with expenditures,

we can define, for example, that in 2012 revenues amounted to 116 438 thousand UAH, and the costs of environmental protection - 189,1 thousand UAH. In 2013 the expenditures for environment protection were absent.

Thus, under conditions of uneven amount of payments paid by entities to the regional budget and expenditures for environmental protection, public sector must work in the direction that is related to the development of environmental insurance. Environmental insurance refers to a type of compulsory insurance, which provides responsibility insurance for business whose activity is highly hazardous in case of causing by them harm to third parties as a result of accidental pollution. The purpose of environmental insurance system is the establishment of additional environmental insurance funds to compensate losses arising from third parties and the insured person as a result of an emergency or sudden environmental pollution and promoting measures to help accidents' prevention for the insured person.

In addition to task of damage compensation, environmental insurance encourages to conduct preventive environmental measures. And the motivation for both sides of the insurance process is profit insurer: the smaller emergency (sudden, unintended) pollution of the environment, the greater profit of the insurer.

Thus, environmental insurance is designed to address two particularly important environmental problems: create additional sources of funding for environmental protection activities and provide partial compensation of accidental pollution of the environment, without applying budget means and using market mechanisms to attract commercial ones.

Literature:

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