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Summary (Vitaliy Storozhuk)

*ESSAYS ON THE REFORM OF THE STATE FOREST SECTOR OF UKRAINE: REGULATORY
FRAMEWORK FOR CREATION OF STATE FORESTRY CORPORATION*

There is practically no discussion of the forest sector development from the standpoint of state capitalism, but this debate is needed both in terms of competitive challenges in the system of global market and with a view to the domestic timber market development, provision of raw timber for domestic producers, and in the broader context of the sector contribution to the gross domestic product.

The study showed legislative capacities for the establishment of the state forestry corporation and its advantages over other schemes of a unified state economic entity. The establishment of state forest corporation is a way out of the facilities management crisis and state capital integration in the forestry sector, which should provide new opportunities for distribution of funds, attracting investment, innovation and advanced technology.

The study developed a general organizational chart of the state forest corporation operation that is presented in the form of proposals to the Corporation Charter; and suggested that an approximate procedure for the establishment of state forest corporation.

It is assumed that the preparation for the establishment of the corporation will include measures aimed at development of the Corporate Strategic Plan in close collaboration with measures of state targeted forest and forestry development programs. Another major task will be the development of the financial and economic mechanism of corporate operation, including the size and procedures for the deductions to corporate foundations, and the mechanism of using funds from the corporate foundations.

Establishment of the corporation inevitably necessitates changes to the powers of the State Forest Resources Agency of Ukraine as the central government authority implementing the state policy in the forestry sector, the expansion of these powers to all the forests of the country with the development of new regulations on its activities.

Separation of the state control functions from facilities management functions and timber trade is impossible without the development of a new concept of state forest protection.