The article is about the theoretical approaches to the study of the institutional environment of state adjustment of agrarian sector in Ukraine. It has been studied the main components of the institutional environment and the role of each element in the implementation of state adjustment of agriculture. It has been grounded the role of institutions in the ability to implement reforms that aim to develop the study areas.

A lot of scientists, M. Voynarenko, N. Dorosh, S. Zakharin, I. Karavaeva, V. Lysenko, A. Lysovyi, A. Makarenko paid attention to the issue of state adjustment of agrarian sector in Ukraine. However, the unanimous opinion on the matter does not exist, since most researches have been considered state adjustment in various angles: through the impact of external and internal environments of functioning, as a system or mechanism, as a set of relations concern to the adjustment of agrarian sphere. The study of the mechanism of state adjustment of the economy and despite the challenges became apparent need to include the institutional environment to its key components, the impact of which is still poorly understood. This will allow re-evaluating traditional role of market institutions in the model of state adjustment of any sector, including agriculture.

The article is aimed to fully study the system of institutional environment of the agricultural sector state adjustment mechanism. Also it is aimed to determine the role of institutions in the ability to implement reforms that aim to develop the study sphere.

The research of the theoretical aspects of state adjustment of the agricultural sector was allowed to argue that the measures of state adjustment at all times and in all countries where the vector of development aimed at progressive economic growth had always been being in a priority and it helped getting some positive results in this
area. Considering that in the external environment, particularly at the present time, quickly traced the changes in industrial and economic markets, changing demands on the quality of social services in rural areas, there is a need for constant modernization of state adjustment of the agricultural sector in terms of institutional arrangements for its functioning.

The institutional environment is clear ordered set of institutions that define and frame conditions of economic agents [1]. That’s why the construction of the institutional environment for the purpose of state adjustment of the agricultural sector should be carried out through public mechanisms for regulating agricultural commodity mutual interests among agricultural producers themselves, state, investors and other entities. Therefore to get the benefits from the actions of members of the institutional environment, which aims outlined above, it is necessary to build the state standards of operation of business entities and state regulators in issues of interaction between them. However it should be noted there are standards that must be adhere to, because they are prescribed by laws and regulations. Also there are standards that need to consider in the course of business, because their performance depends on social development of rural areas and indirectly, but significantly affects the achievement of economic and financial results of the representatives in the agricultural sector.

In the scientific study has been outlined the institutional sphere of state adjustment of the agricultural sector, which is a set of institutions and agencies whose function is intended to carry out the process of regulation of business entities. Each of the elements of the institutional environment impacts differently on the functioning of farmers and it is as a mini system of institutions that has been presented as a block system of state adjustment of the agricultural sector.

Considering the institutional environment of state adjustment of the agricultural sector it is possible to distinguish its three components: external environment, internal environment and entourage. The external environment includes the possibility of entering by the local farmers to international markets, gross investment and its share in total investment, barriers are created by institutions, financing of new technologies, political and other factors.
It should be noted that the mechanism of state adjustment of the agricultural sector should be considered as part of the economic model of society. However, if this mechanism is viewed in the narrow sense, we can define it as legal and normative documents regulating relations arising in the process of financing, loans, investments, subsidies, taxation and others. Through direct and indirect methods to influence the functioning of the mechanism the certain results should be achieved.

If the path to achieve a goal is clearly defined will be taken into account some risks that are constantly taking place in any society, there is an opportunity to get a quality outcome, or at least correcting the negative intermediate results. Develop a clear course of action in achieving a particular result in the agricultural sector through state adjustment helps to objective legal system, specialized institutions that shape agricultural policy in symbiosis with financial, investment, pricing, fiscal policy and so on.

On the appointed above implies that the institutional framework have been forming the processes of state adjustment of development and revitalization the agricultural sector, regulated by legislation and regulations; also they have been establishing the rules of cooperation with institutions that are designed to ensure implementation of the mentioned conditions the state support or protect against the risk of certain agricultural producers; implementation of measures to improve the social services in rural areas that indirectly affect the efficiency of farmers.

Key words: state adjustment, agrarian sector of economy, the mechanism of state adjustment of the agrarian sector, institutional environment, institutional provision.