

STATE ADMINISTRATION

AGRICULTURAL SECTOR IS A MAJOR FACTOR OF UKRAINIAN POSTWAR RECONSTRUCTION

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DOI: <https://doi.org/10.30525/978-9934-26-309-5-20>

Agriculture in the world occupies a rather important place in the development of any state, because thanks to agriculture, people are able to live on this land. Food is essential for every person's vitality, therefore, without this component, life on earth cannot exist. All countries of the world pay extremely high attention to the development of national agriculture. The development of this branch of the economy requires considerable labor effort and is extremely risky. Currently, it is extremely difficult for Ukrainian agricultural producers to work in completely uncertain war conditions, with high risks and lack of funding. Despite the extremely difficult times for economy, Ukrainian farmers and agricultural producers continue to engage in agricultural business at their own threat and risk, thereby feeding their own people, helping the army, and developing the economy.

But, despite the difficult conditions for our state, the authorities should support their own agricultural producers and farmers as much as possible, creating conditions for the normal work of agricultural producers, state support and stimulation of their activities, which the country currently lacks. In addition to financial and economic mechanisms for stimulating the agrarian sector of the economy, public-private partnership mechanisms should be used to develop high-cost infrastructure projects in agriculture, agricultural insurance should work, and most importantly, legislation should work, and the rights of agricultural producers and farmers to safe working conditions should be protected and guaranteed and the possibility to implement it.

The state should already create favorable conditions for the development of agriculture in the country, programs of national neo-protectionism should be implemented at all levels. The national composition of food products should be at least 70-90% of all products presented in all trade networks of the country. For example, in mass media, in accordance with the Law «On Amendments to Certain Laws of Ukraine Regarding the Language of Audiovisual (Electronic) Mass Media», language quotas for the state language on the air on nationwide

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channels are applied – at least 75% (especially in prime time), and on local ones – no less than 60%, rather large fines are imposed for violation of these quotas. And from July 2024, the quota should reach 90% [1]. In the same way, the protection of national interests should be carried out in all directions, in general, it is necessary to support national producers by introducing quotas in trade networks for food products. Also, the norm of markup in trade networks for food products should be introduced by law, because often manufacturers cannot sell their products in the network, because they significantly reduce purchase prices, while the markup is greater than the profit of the manufacturer, who incurred costs related to growing products, paying taxes, wages, rent payments and transportation costs. There cannot be a situation in the country, with the largest amount of fertile land, when foodstuffs, especially vegetables, fruits, and meat, are imported. In addition to the mentioned problem, imported food products are often more competitive for the most part in terms of prices, because they receive strong support from their states, in the form of subsidies, subventions and preferential long-term loans, which are simply not available to our producers. Thus price dumping occurs. For example, in the European Union, within the framework of the Common Agricultural Program (CSP) for 2021–2027, support in the amount of €387,530 trillion has been allocated from the total European budget of €1,210,894 trillion, which is about 32%, and this is a third of the entire budget [2]. In Ukraine, the state financial support for agriculture is UAH 2 billion, in general for the agricultural sector – UAH 4 billion, out of the total budget of UAH 1,324.3 trillion, which is 0.3% [3].

But in addition to the above problems, our producers, especially small, medium-sized and farmers, have another huge problem – this is the problem of selling their products and making a profit. After all, such a phenomenon as the guarantee of the lowest price by the state, when the price drops below the cost price, the state intervenes and at the legislative level guarantees a minimum profit for agricultural producers, compared to last year, such a price guarantee system operates in developed countries, so their producers are protected from the arbitrariness of traders, which can artificially lower domestic prices for their excess profits, and the result of which is the bankruptcy of producers. In general, problems related to the sale of agricultural goods, especially agricultural raw materials, are now acutely felt by farmers and agricultural producers more than ever. Military actions, blocked ports, occupied territories, as well as the ban on trade by some EU countries – all this makes the agricultural sector particularly vulnerable and unprofitable, therefore, without state support, Ukrainian producers will not be able to overcome this deep crisis.

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