WAYS TO IMPROVE THE MARKET OF GREEN AGRICULTURAL PRODUCTS IN UKRAINE

Human has been influencing the environment since ancient times, but never has this impact been as intense as in the last century. The use of natural resources is currently occurring at such a large scale and at such a rapid rate that the natural reproduction of the environments used is not ensured. As a result, the multifaceted centuries-old human activity has left deep traces on the modern soil and vegetation, air and water environment, wildlife. Today, more and more consumers in the world are aware of the benefits and prefer products that have a positive impact on the environment and human health. The environmental safety of agri-food products, whether it is finished products, crop products or livestock products, is a global issue, as it covers not only human health but also the country's economy. The standard of living of citizens, social activity of the person depend on quality of production, and also there is an influence on demographic aspect of his existence. Therefore, to ensure a high standard of living, the state must pay more attention to the environmental safety of finished products. The scientific work investigates and highlights the features and current state of the market for clean products in Ukraine, determines the level of populations attitude to organic products, outlines ways to improve the market for organic products in Ukraine.

Key words: market of ecological products, environmentally safe products, sustainable product, environmental protection.

Statement of the problem and its connection with important scientific and practical tasks. The issue of improving the market of environmentally friendly products in Ukraine is still relevant, because despite the active work towards the implementation of the concept of green production of finished products, it should be noted that under the influence of climate change and chemicals in the environment, economic crisis in the country, the process of implementing environmentally friendly technologies in Ukraine is very slow. Recent research shows that environmental problems are now one of the most important in the world. Now everyone is worried about everything being environmentally friendly. One way out of this situation is to produce green products.

The analysis of the latest publications on the problem. Environmental entrepreneurship is an important part of activities aimed at restoring the damaged state of the environment. Recently, a lot of attention has been paid to these problems by domestic and foreign scientists. Such domestic and foreign scientists and specialists as V. Artish, Y. Bakun, R. Bezus, A. Galvas, M. Grund, A. Dudar, O. Orlenko, O. Rudnytska, V. Shlapak, B. Shuvar, E. Milovanov, E. Kalinichenko, P. Skripachuk, et al. were engaged in and made a significant contribution to their solution. However, the problems of development of the market of ecologically clean food products and prospects of development of the market of organic products in the transformational economy of Ukraine require further systematic research.

Forming of the aims of the research. The object of scientific work is the process of improving the market for organically pure finished products. The subject of scientific work is the motivation for the introduction of organic production, its prospects. To solve the problems general scientific methods were used in the work, in particular: the method of generalization, which is to highlight the main aspects of the topic, the graphical analysis (to assess the structure of organic production in Ukraine and in the world) and the economic and statistical method of studying mass phenomena and processes.
Giving an account of the main results and their substantiation. The current state of production of green products in the world is characterized by a balanced system approach to solving multifaceted environmental, economic and social problems. And this approach has already provided significant results. Vdovichenko A.V., Bunzyak N.Y. and Sukharevska D.D. emphasize that "the production of environmentally friendly products is a practical implementation in the field of agricultural production, the concept of sustainable development, which combines economic growth, social development and environmental protection as interdependent and complementary elements of strategic development, which will guarantee high quality food as an important component of food security" [3]. The main stages of development of the market of organic products in the world are shown in Table 1.

The agri-food sector is a segment of the national economy that can become the main driving force of economic development of our state. The general success of economic reforms today, guaranteeing the food security of the state depend on the efficiency of the agri-food sector. The current geopolitical environment of Ukraine and the existing shifts in the definition of priority vectors of development significantly transform the range of current administrative attention to the development of the agri-food sector in the direction of the introduction of environmentally friendly technologies.

| Stage | The main characteristics of the stage |
|-------|--------------------------------------|
| 60-70-ies of XX-th century | 1. Concern for the environment and a healthy lifestyle give rise to the idea of a "green movement".  
2. Initiative groups are beginning to form, which practice the cultivation and consumption of products that are grown without use of chemical fertilizers.  
3. The market is not yet formed. |
| 80-90-ies of XX-th century | 1. The popularity of environmental ideas among the population is growing.  
2. There is a demand for organic products.  
3. The specialized market of organic products is spontaneously formed.  
4. Organic stores are opening.  
5. The number of eco-producers is increasing. |
| 90s of the XX-th century - beginning of the XXI-st century | 1. There is a growing interest in the organic market from governments and businesses.  
2. The system of state regulation of the market of organic products is being established.  
3. National standards and certification systems are being created.  
4. The market for organic products is developing dynamically. |

* Formed by the author on the basis [8]

According to the Research Institute of Organic Agriculture (FiBL) and International Federation of Organic Agricultural Movements (IFOAM) the total area of land used for organic agriculture in the world in 2016 was 57.82 million hectares, or 1.2% of the total area of the agricultural land. The largest share among the regions of the world (47%) falls on Oceania (27.35 million hectares), European countries - 23% (13.51 million hectares), Latin America - 12% (7.14 million hectares), Asia - 8 % (4.9 million hectares), North America - 5% (3.13 million hectares) and Africa - 3% (1.8 million hectares) (Fig. 1) [10].

![Fig. 1. World distribution of land used under organic agriculture in 2016*](image)
* formed by the author on the basis [8]
Approved by the order of the Cabinet of Ministers of Ukraine of October 17, 2013 № 806-r. the strategy for the development of the agricultural sector of the economy for the period up to 2020 notes the technological problems that accompany the agro-industrial complex, in particular the low rate of technical and technological renewal of production; predominant use of obsolete technologies, and emphasizes the need to create conditions for the introduction of the most productive, resource-intensive and energy efficient means of production and technology [1].

Under these circumstances, the search for potential tools that will contribute to transformational changes in the field of technological equipment of the agro-industrial sphere as a basis for the introduction of environmentally friendly production becomes especially important. Despite this, due to technological backwardness, high energy and material intensity of the agro-industrial sector of the economy, a low level of raw material processing, physical wear and tear of production facilities of many agro-industrial enterprises of Ukraine, the conditions are being created when excessive environmental pollution occurs and enterprises can’t provide a competitive level of the production due to its high cost and non-compliance with environmental criteria.

S.A.Apostolyuk emphasizes that “food industry enterprises significantly pollute wastewater. In the production cycle, various pollutants enter the water, among which waste products, raw materials and supplies predominate. These are mainly organic substances of animal origin. Feed residues, table salt, detergents, disinfectants, nitrates, phosphates, alkalis, acids, and pathogenic microorganisms get into sewage» [9].

The use of extensive management methods in the agro-industrial sector for many years to achieve high economic performance has negatively affected the state of the environment in Ukraine. Economic efficiency of agricultural land use in Ukraine is characterized by positive dynamics. However, focusing only on the technical and economic growth of agriculture, without a rational attitude to the environment, has led to depletion, exhaustion and degradation of natural resources, environmental degradation and negative social consequences. According to statistical information, the territory of Ukraine is 60,354.9 thousand ha The distribution by main types of land and economic activity of land resources of Ukraine as of 01.01.2017 is shown in Figure 2 [6].

Analysis of the problems of agricultural natural resource utilization in the market conditions shows the need to change the outdated economic concept to a more progressive concept of cleaner production in the agri-food sector, which provides maximum results with minimal losses and damage to the environment.

The strategic priorities of Ukraine's development today are to ensure the implementation of a systematic policy of greening the agri-food sector of the economy in Ukraine, which would be based on environmental protection. This requires the coordination of national policy in the field of restructuring, modernization and greening of the agri-food sector of the economy, as well as the introduction of greening policy in the agro-industrial sector on a market basis.

According to the monitoring data as

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**Fig2. Analysis of the structure of land resources of Ukraine as of 2017**

- Agricultural land - 42,726 thousand ha
- Forests and other wooded areas - 10,633.1 thousand ha
- Built-up land - 2,552.9 thousand ha
- Open wetlands - 982.3 thousand ha
- Open land without vegetation - 1,020.6 thousand ha
- Water - 2,426.4 thousand ha

* formed by the author on the basis [6]
of 31.12.2016, the total area of agricultural land under organic production in Ukraine is 381,172 hectares, including land with organic status - 289,552 hectares and land in transition - 91,620 hectares. In addition, 550,000 hectares of wildflowers (natural plantations of berries, mushrooms, nuts and medicinal herbs) have been certified in Ukraine. The analysis by regions shows that the four leaders (regions with an area of such lands from 30,000 hectares) include the following: Odessa with an area of land under organic agriculture 102,238 hectares, including lands with organic status - 88,888 hectares, Kherson - respectively 75,866 and 46,148 hectares, Dnipro - 42,290 and 37,750 hectares and Zhytomyr - 31,576 and 22,708 hectares [2].

The market of organic products is a promising segment of the agri-food market of developed countries. Currently, the production of environmentally friendly agricultural products is developing in 153 countries (according to experts of the International Federation of Organic Agriculture Movement (IFOAM)).

E.V. Milovanov emphasizes that "agricultural products obtained without the use of chemicals, mineral fertilizers, harmful feed additives without GMOs, are not only human health, but also maintaining a clean environment and restoring soil fertility. Global demand for organic food should be met by organic products. The world market for organic products has shown stable and high growth rates in recent years. In Europe, the share of land converted to organic farming is growing significantly. This was facilitated by the EU's common policy to support farmers in 1993, in the first years after the transition from conventional to organic farming" (Fig.3) [7].

Despite the fact that Ukraine has a sufficient amount of land suitable for organic farming, due to economic crises, underdeveloped legal framework and lack of information of consumers and producers, the process of introducing the production of organic products is very slow. The decision of Ukrainians to switch to organic food depends, first of all, on the financial ability to pay more for better quality products and on understanding the advantages of organic products over inorganic ones. The main problems of development of the market of organic products in Ukraine are given in table 2 [8].

Thus, the problems and risks of development of enterprises for the production of organic products in Ukraine relate to:

- high cost of certification services;
- unsuccessful marketing strategies in the domestic consumer market;
- distrust of buyers about the veracity of information about organicity;
- restrictions or deficits of own financial and investment means;
- risks of uncertainty of weather conditions.

Comprehensively implementing the above provisions of the program of measures to support organic production, it is possible to achieve a high level of competitiveness of the organic industry of the domestic agro-industrial complex. This will not only ensure the sustainable development of rural areas, but also meet the needs of the population of Ukraine in quality food.
### Problems of formation and development of the market of organic products in Ukraine*

| Category of problems | List of formation problems |
|----------------------|----------------------------|
| Economic             | Insufficient level of development of processing and infrastructure of the organic food market |
| Institutional        | Imperfect institutional support and lack of state support, as well as the national system of certification of organic products |
| Social               | Higher prices of organic products are acceptable for middle- and high-income people |
| Informational        | Weak awareness of producers about the specifics of organic production and the population about the usefulness of organic products |
| Foreign Economic     | The predominance of exports of organic raw materials over domestic production of finished products |

* formed by the author on the basis [6]

**Conclusions and prospects of the further investigations.** For the effective development of organic agriculture in Ukraine it is necessary:
- to provide state support to farmers engaged in organic production;
- to form institutes that will train, consult and control the activities of farmers at all stages of the production process;
- to develop and adopt normative-legal acts according to the norms provided by the EU Directives;
- to subsidize interest rates on loans provided for the implementation of relevant investment projects by commercial banks;
- to create a state certification system;
- to implement world experience and progressive achievements of science;
- to involve higher educational institutions in developing ways to improve the market for green agri-food products in Ukraine;
- to promote the brand of Ukrainian organic food products in industrialized European countries.

The implementation of these provisions will significantly accelerate the pace of development of the Ukrainian organic market, expand the range of environmentally friendly products and increase the competitiveness of Ukrainian producers in foreign markets.

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ПУТИ СОВЕРШЕНСТВОВАНИЯ РЫНКА ЭКОЛОГИЧЕСКИ ЧИСТОЙ АГРОПРОДОВОЛЬСТВЕННОЙ ПРОДУКЦИИ В УКРАИНЕ

Человек с давних времен влияет на окружающую среду, но никогда это влияние не было столь интенсивным, как в последнее столетие. Использование природных ресурсов в настоящее время происходит настолько масштабно и настолько быстрыми темпами, что при этом не обеспечивается естественное воспроизводство используемых сред. В результате этого разносторонняя многовековая деятельность человека наложила глубокие следы на современный почвенный и растительный покров, воздушную и водную среды, животный мир.

Агропродовольственная сфера - это сегмент национальной экономики, который может стать главной движущей силой экономического развития государства. От эффективности функционирования агропродовольственной сферы зависит общий успех экономических реформ в настоящем, обеспечение продовольственной безопасности государства. Современное геополитическое окружение Украины и имеющиеся смещения в определении приоритетных векторов развития в значительной степени трансформируют спектр актуального административного внимания к развитию агропродовольственной сферы в направлении к внедрению экологически чистых технологий.

Сегодня в мире все больше потребителей осознают выгоды и отдают предпочтение товарам с улучшенными характеристиками по их влиянию на состояние окружающей среды и здоровье человека. Экологическая безопасность агропродовольственных изделий, будь то готовая продукция, продукция растениеводства, или животноводческая продукция, является глобальной проблемой, поскольку охватывает не только здоровье человека, но и влияет на экономику страны. От качества продукции зависит уровень жизни граждан, социальная активность человека, а также происходит воздействие на демографический аспект его существования. Поэтому для обеспечения высокого уровня жизни человека, в государстве необходимо уделять повышенное внимание экологической безопасности готовой продукции.

В статье исследованы и освещены особенности и современное состояние украинского рынка чистой продукции, определен уровень отношения населения к органической продукции, определены пути улучшения рынка органической продукции в Украине.

Ключевые слова: рынок экологических товаров, экологически безопасные товары, экологически чистые продукты, охрана окружающей среды.

ШЛЯХИ ВДОСКОНАЛЕННЯ РИНКУ ЕКОЛОГІЧНО ЧИСТОЇ АГРОПРОДОВОЛЬЧОЇ ПРОДУКЦІЇ В УКРАЇНІ

людина з давніх часів впливає на навколишнє середовище, але ніколи цей вплив не був настільки інтенсивним, як в останнє сторіччя. Використання природних ресурсів в даний час відбувається
настільки масштабно і настільки швидкими темпами, що при цьому не забезпечується природне відтворення використаних середовищ. В результаті цього різнобічна багатовікова діяльність людини накладала глибокі сліди на сучасний грунтовий та рослинний покрив, повітряне та водне середовище, та ринок світу.

Агропродовольча сфера – це сегмент національної економіки, який може стати головною рушійною силою економічного розвитку держави. Від ефективності функціонування агропродовольчої сфери залежить загальний успіх економічних реформ у сьогоденсі, гарантування продовольчої безпеки держави. Сучасне геополітичне оточення України та наявні зміщення у визначенні пріоритетних векторів розвитку в значній мірі трансформують спектр актуальної адміністративної уваги до розвитку агропродовольчої сфери у напрямку до запровадження екологічно чистих технологій.

Сьогодні у світі все більше споживачів усвідомлюють вигоди і віддають перевагу товарам з поліпшеними характеристиками щодо їх впливів на стан довкілля та здоров'я людини. Екологічна безпека агропродовольчих виробів, будь то готова продукція, продукція рослинництва, чи тваринницька продукція, є глобальною проблемою, оскільки охоплює не лише здоров'я людини, але й впливає на економіку країни. Від якості продукції залежить рівень життя громадян, соціальна активність людини, а також відбувається вплив на демографічний аспект його існування. Тому для забезпечення високого рівня життя людини, в державі необхідно приділяти підвищену увагу екологічній безпеці готової продукції.

В статті досліджено та висвітлено особливості та сучасний стан українського ринку чистої продукції, визначено рівень ставлення населення до органічної продукції, описані шляхи покращення ринку органічної продукції в Україні.

Ключові слова: ринок екологічних товарів, екологічно безпечні товари, екологічно чисті продукти, охорона навколишнього природного середовища.

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Стаття надійшла 11.05.2020
Стаття прийнята до друку 25.05.2020
Доступно в мережі Internet 11.07.2020

Цитування згідно ДСТУ 8302:2015
Yevtushevska O., Holovachenko L., Rudnichenko J. Ways to improve the market of green agricultural products in Ukraine // Food Industry Economics. 2020. Vol.12, Issue 2. P. 15-21. doi: 10.15673/fie.v12i1735
Cite as APA style citation
Yevtushevska, O., Holovachenko, L., & Rudnichenko J. (2020). Ways to improve the market of green agricultural products in Ukraine. Food Industry Economics, 12(2), 15-21. doi: 10.15673/fie.v12i1735