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ДЕРЖАВНЕ СПРИЯННЯ УКРАЇНСЬКІЙ РЕГІОНАЛЬНІЙ ЕКОНОМІЦІ ЧЕРЕЗ РОЗВИТОК ДРІБНИХ СІЛЬСЬКОГОСПОДАРСЬКИХ ТОВАРОВИРОБНИКІВ

Представлено аналіз державних ініціатив, спрямованих на підтримку розвитку сільської місцевості як складової державної регіональної політики та розвитку продуктивних сил. Ринкова орієнтація особистих селянських господарств буде одним із шляхів їх інтеграції до ринкового середовища. Це вирішить питання підвищення концентрації фінансових ресурсів у бюджет місцевих громад, створить стабільні податкові умови для залучення інвестицій в сільське господарство України.

Ключові слова: продуктивні сили, аграрна економіка, регіональна політика.

1. Introduction

Agriculture traditionally plays an important role in Ukraine. In recent years households including personal village farm (OSG), played an important stabilizing role in the development of agriculture during its transition to a market economy. There are continuing to make an essential contribution to the performance of agriculture multifunctional mission. They provide almost half of the production the value of gross output of the industry and it is venue of labor for employment and it remains an important component of the rural economy and resources for local suppliers (especially situated into village) food markets.

Thus it can be concluded that state support and development of households can be useful for future fostering of regional economy and development of agrarian sector in Ukraine.

This is the basis of executed experiments and analytics.

2. Analyze of literature data and statement of the problem

Accordingly to statistical dates of recent years, agriculture comprises around 10 % of Ukraine's GDP and employs 23,1 % of the total work force or 3,3 million Ukrainians. Food processing sector accounts roughly for 8 % of GDP. If the industries related to agriculture (manufacturing – farm machinery chemical – fertilizer) are added, the agro-food sector's share in GDP approaches 25 % [1]. Deep analyses provided by Ukrainian and foreign scientists [2–7] displayed further details of SPHs distribution by types and incomes. In the period of market transformations, internal structuring took place in the environment of small holdings. More than 40 % of small holdings grow the produce for their own consumption, and one third of them sell some smaller amounts at markets.

As for future development of regional economy we would like to notice that the market oriented personal peasant farms are concentrated in one of the most active

social groups of rural families. Therefore, providing them support in increasing production of marketable produce and arranging for its profitable sales can be useful for their integration in the market environment of agrarian sector and provide positive results in the short term.

3. The object, goal and tasks of survey

The object of survey is state initiatives for rural development support as a part of regional policy fostering.

The goal of study is analytical surveys of current tendencies for national policy of revitalization of productive forces.

In such context it was need to analyze state statistical materials, international and national surveys, law initiatives concerning increasing of national agricultural competitiveness and promoting regional economy.

4. Analysis of the impact of regulation on the provision of agricultural production's financial resources

Taking into account that in all 31,2% of the Ukrainian population live in rural areas and 70% of households are involved in small scale agricultural production on small plots, in recent years in Ukraine formed dual structure of agricultural production with 2 opposite types of production:

1) corporate sector involved in massive production export oriented crops: wheat, sunflower seeds, corn, rape, etc. (agriholdings type). This sector operates a big massives of land, used modern techniques and inputs, own trained workforce;

2) private households (PH, SPH, OSG) sector with semi-commercial or natural type or production. This sector operates with small parcels of land, used old traditional technologies. Near 20% of this sector operates as small family farms.

The share of private households in 2014 comprised near 45% in gross agricultural production. After 2010 the share of private households is continuously decreasing

after decade of domination (in crop production this phenomena called as «corporate takeover» in sector, in livestock production positions of SPH are still strong).

Official statistics does not calculate shadow production, which potentially is higher in private households sector in comparison with corporate sector, but the general tendency is clear.

SPHs are traditionally involved in production labor consuming and less profitable crops, for instance vegetables – near 85 % of total production, milk – near 80 %, beef meat over 75 %, pig meat near 60 % [8]. Availability of sales channels for small private households' products sometimes is very problematic. Profitability greatly depends from proper selection of proper marketing channel. Approximately 20 % of private farms in Ukraine, having to use land, meet to international criteria belonging to commodity producers and agricultural products.

Investigation of current tendencies of national policy for regional economy's development shows following tendencies:

- on-going or planning decentralization and administrative reform, responsibility and division of power is not yet clear at the moment;
- general lack of state budget funding (balancing near default line) and dependence from international finance organizations due to decline in export oriented industry, so availability of funds for rural development greatly depends from international technical assistance programmes;
- political instability due to conflict in Eastern Ukraine, local elections campaign, competition between presidential and prime-minister power branches, and general low level of professionalism of majority of newly elected or appointed authorities.

The Ministry of Agrarian Policy and Food has prepared a draft of the Strategy for agriculture and rural development 2015–2020 that addresses the needs of the sector through an inclusive consultation process with stakeholders, civil society and international donors. It outlines short and medium-term deliverables and includes a detailed implementation plan. The Strategy and implementation plan lays out how the reform will be designed and implemented in ten main strategic priorities: business climate and fight against corruption; setting up of a stable legal framework in line with EU and international standards, in particular by implementing the EU-Ukraine association agreement; land reform; institutional reform of the MAPF and related state agencies and state-owned enterprises; food security; taxation; agri-food chain development, access to international markets, import and export management, import promotion and internal market management; environment and management of natural resources (including forestry and fishery). Especially we would like to notice initiatives concerning rural development as the revitalization of rural areas and research, education and advisory services as a tool for achieving of it.

New legal initiatives, for instance draft law 1599 «For introducing changes into Laws of Ukraine about stimulation of creation and activity of family farms» [9] are intending to support transformation of SPH into family farms using registration as legal entity of private entrepreneur. Proposed amendments nevertheless have positive and negative effects on the development of SPH. Positive moments are connected with possibility of governmental support in future and regulation of VAT credit system, negative – with increasing tax burden for SPH. Recently

draft laws submitted for consideration and approval by the Verkhovna Rada of Ukraine to address the needs and issues: Draft Law of Ukraine «On Amendments to the Law of Ukraine «About smallholders» (it will encourage smallholders (individual farmers) to land use, or their parts, inappropriately or introduce legal mechanism by which the local government will have a real tool of alienation of land for subsidiary farming, which is not used for the intended appointment and transfer it without changing the purpose, individuals ownership or lease for subsidiary farming in the manner prescribed by law); The draft Law of Ukraine «On Amendments to the Budget Code of Ukraine» (concerning directing funds received by local budgets from land tax on certain categories of land).

In connection with the above seen, it needs to create conditions for increasing the concentration of financial resources in the budgets of local communities and ensuring their sustainable replenishment.

Along with this bill recorded two legislative initiatives – Draft Law of Ukraine «On Amendments to the Tax Code of Ukraine» (concerning taxation of certain categories of land) and the draft Law of Ukraine «On Amendments to the Law of Ukraine» On personal peasant farming» (for individual rights of private farms and local governments).

These laws are designed to provide additional revenues of local budgets by setting tax rates for land in private farms outside the settlements, as well as land shares (shares) owned by citizens for agricultural commodity production and not leased farmers, amounting to 3 percent of their normative monetary value.

Draft Law «On Amendments to Certain Legislative Acts of Ukraine (regarding the improvement of conditions of registration of land lease)», concerning of registration of lease agreements for citizens.

Draft Law of Ukraine «On Amendments to Section XX» Transitional Provisions «of the Tax Code of Ukraine on the establishment of stable tax conditions to attract investment in agriculture of Ukraine» (agricultural producers, whose share of agricultural commodity production for the previous tax (reporting) year equals or exceeds 75 percent belong to the fourth group of the single tax payers among entities that apply simplified system of taxation, accounting and reporting. This rule simplifies maintenance of the agricultural business in Ukraine).

On September 2, 2014 the Parliament of Ukraine adopted the Law «On temporary measures for the period of the antiterrorist operation» № 1669-VII. To protect the constitutional rights and freedoms of its citizens – entrepreneurs, the period of the antiterrorist operation should take measures to support them in conditions that actually have signs of war. Business entities – are engaged in agricultural production and processing in their own or rented facilities in eastern Ukraine, in the area of temporary anti-terrorist operations and/or buffer zones neighboring to the boundary zone of the antiterrorist operation in a situation where neither the legislative nor at the physical level they are not protected.

Zero Personal Income tax for agricultural production produced by SPH with up to 2 hectares of land is the only one real and working benefit for SPH. Currently, tax credits are selective and apply only to farmers who have legal status, while personal village farms (OSG) do not have such status and, therefore, opportunities to use (primarily

preferential treatment for VAT). They have no source for compensation of input VAT, while costs are about 2 bln. UAH only from milk production. Thus dairy OSG lose more than 6,5 % income. Given the negative effect of the tax factor (imperfect mechanism VAT) farms have to sell products using unofficial distribution channels, which do not appropriately reflected in System of statistics and payment of appropriate statutory fees.

The importance of regional rural development can be reviewed by developing the rural family farmer setup, which improves the resistance of the agri-food system to global challenges, foster development of the competitive environment in the agrarian sector based on equal treatment of business entities, makes rational use of natural resources, increases in household incomes, and reduces poverty in rural regions [10].

Possible diversification of smallholders' incomes greatly depends from: availability of market chain for selling new products/services, availability of financial resources and technologies, ability to be trained to new methods and techniques, readiness to risks and openness to new opportunities, availability of training.

5. Conclusions

As a result of executed survey we have the conclusions:

The design of many government support programs, such as the subsidized agricultural credit program, makes them inaccessible to SPH. Credit systems that could support independent private farmers, such as credit unions, are still in the early stages of development. The commercial banking system is not well enough developed to service smaller farms. Input supply and output marketing systems that deliver or supply in smaller quantities needed by independent private farmers are only beginning to develop. Input supply and marketing cooperatives which enable groups of small farmers to buy and sell in bulk, are either underdeveloped or nonexistent.

One of the most pressing social and economic problems in rural areas are unemployment, poverty, the decline of social infrastructure and as a result – deepening demographic crisis and dying villages. In some extent these problems are caused by lack of sources to create a sufficient level of local budgets.

local authorities have to receive additional financial resources, which they will send to the socio-economic development of regions; investment projects; construction, repair and reconstruction of the social sphere and housing; development of road sector; purchase of school buses and ambulances; computerization and general education institutions; conservation measures; other activities related to expanded reproduction.

In general, the essential criterion which guided both domestic producers and foreign investors is stability of the business climate.

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ГОСУДАРСТВЕННОЕ СОДЕЙСТВИЕ УКРАИНСКОЙ РЕГИОНАЛЬНОЙ ЭКОНОМИКЕ ПОСРЕДСТВОМ РАЗВИТИЯ МЕЛКИХ СЕЛЬСКОХОЗЯЙСТВЕННЫХ ТОВАРОПРОИЗВОДИТЕЛЕЙ

Представлен анализ государственных инициатив, направленных на поддержку развития сельской местности как составляющей государственной региональной политики и развитие продуктивных сил. Рыночная ориентация частных сельских хозяйств будет одним из путей их интеграции в рыночную среду. Таким образом, будет решен вопрос о повышении концентрации финансовых ресурсов в бюджете местных общин, создании стабильных налоговых условий для привлечения инвестиций в сельское хозяйство Украины.

Ключевые слова: продуктивные силы, аграрная экономика, региональная политика.

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