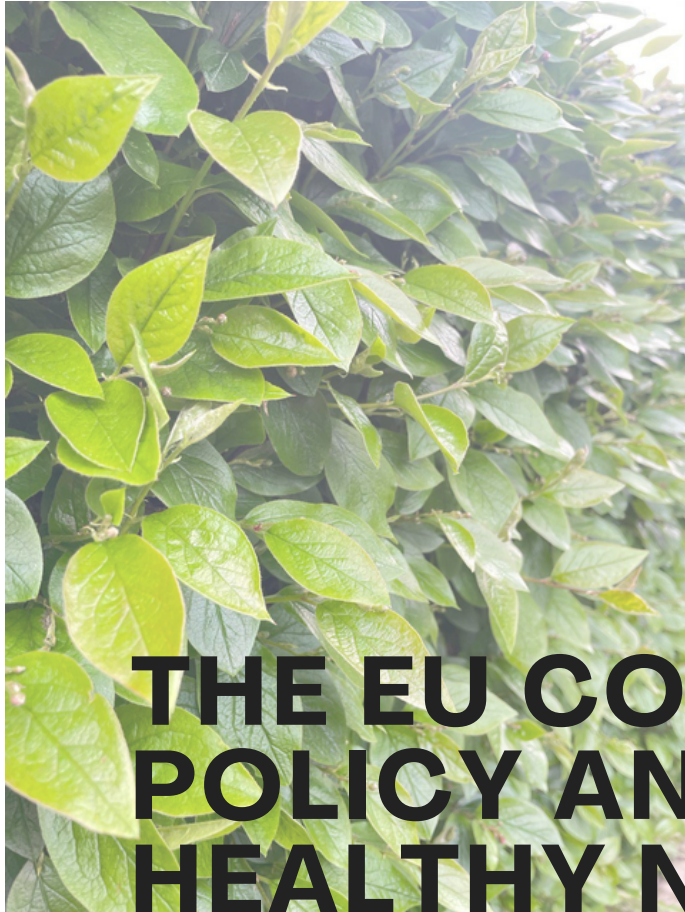


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# **THE EU COHESION POLICY AND HEALTHY NATIONAL DEVELOPMENT: MANAGEMENT AND PROMOTION IN UKRAINE**

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**Editors**

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**THE EU COHESION POLICY AND  
HEALTHY NATIONAL  
DEVELOPMENT: MANAGEMENT AND  
PROMOTION IN UKRAINE**

**Monograph**

Edited by Nataliia Letunovska, Liudmyla Saher, Anna Rosokhata

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The monograph focused on the specifics of the principles of the EU Cohesion Policy implementation. The authors conducted an analysis of the economic, ecological and social aspects of the integration of the EU experience into the state policy of Ukraine. The monograph summarizes approaches to the restoration of the country and healthy development. Particular attention is paid to the issues of health care system management, the trends and prospects of achieving the state of resilience of the medical and social provision system of the population in the context of the impact of COVID-19 on the national economy. The experience of using marketing and innovative technologies in the context of healthy national development is summarized.

The monograph is generally intended for government officials, entrepreneurs, researchers, graduate students, students of economic, medical, and other specialties.

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organisations. The integration of environmental policy into other policies is one of the key strategic ways of promoting balanced development, as such integration creates appropriate conditions for the coordination of environmental policy with sectoral policies, achieving coordination at different levels of decision-making and ensuring transparency and public participation in the formation and implementation of environmental policy .

Proposals on issues of environmental safety, conservation, biological and landscape diversity, reproduction and tireless use of natural resources, formation and implementation of an effective climate policy, waste management system, environmental monitoring, digital transformation, reforming of the nature protection industry, implementation of European directives are already being developed.

Therefore, close cooperation with international organisations shows that Ukraine is integrating into the European space, and during reconstruction we face difficult tasks not only with the restoration of the environment, but also with the implementation of European integration reforms and the implementation of climate change policy.

## 2.5. Green business strategy in the European integration context

The development of environmentally oriented business can significantly change the environmental situation in Ukraine, improve environmental protection and the use of natural resources. Obviously, it is impossible to solve environmental problems and achieve sustainable development without a general improvement in the country's economic situation and effective macroeconomic policy.

The deterioration of the environmental situation in Ukraine is influenced by a number of economic and legal factors operating in different areas, at different levels and with different scales of impact.

In today's world, more and more people are concerned about healthy lifestyles. This includes, among other things, such an element as the consumption of quality food. Organic products are one of the main components of quality nutrition. That is why, over the past 10-15 years, the market for these products has been growing rapidly in developed countries. These trends have also appeared in Ukraine today, although on a much smaller scale. At the same time, Ukraine's European choice should extend the principles of work and lifestyle to various spheres of our society. This also applies to compliance with appropriate nutritional standards.

Unfortunately, today the vast majority of the Ukrainian population cannot afford this due to financial constraints. This is due to the fact that the price of organic products differs significantly from the price of conventional products. This makes it unaffordable for people not only with low but also with middle income. This is one of the major obstacles to the development of the organic market in Ukraine. However, even so, the prospects for this market are quite optimistic. Based on this, it was decided to analyze the main trends in the development of environmentally oriented business in Ukraine and certain regions of the world.

In 2021, organic agriculture was licensed in 183 countries, and approximately 2,4 million farmers were engaged in the production of organic products (The World of Organic Agriculture, 2019).

It should be borne in mind that over the past twenty years, there has been a virtual "explosion" in the production of organic products in the world. If in 2001, 200 thousand farmers were engaged in organic production in the world on an area of 11 million hectares, in 2008 there were already 1,4 million of them and the area of land under their cultivation reached 34,5 million hectares (Byra, 2017).

The largest area of land under organic production as of 2021 was in Australia (35,6 million hectares), Argentina (3.4 million hectares), and China (3 million hectares). The largest number of organic enterprises was in India (835 thousand), Uganda (210,3 thousand) and Mexico (210 thousand) (Statistics and Emerging Trends, 2021). According to the research of the Research Institute of Organic Agriculture (Forschungsinstitut für biologischen Landbau, FiBL), organic production has been spreading rapidly in the world.

In Europe, the area of organic land in the region has increased tenfold over the past decade. The area of organic farmland is growing at a slower pace in those countries where this process began relatively long ago (Germany, the Netherlands and France).

The undisputed world leader according to this indicator was Liechtenstein – 37.9% and Austria – 24% of agricultural land is organic. The weakest organic agriculture develops in Iceland, Ireland and Malta, where it accounts for less than 1% (Hobak, 2016).

The area of organic non-agricultural land (mostly wild) was equal to 37.6 million hectares in 2020 compared to 4.1 million hectares in 2001. Finland (9.1 million ha), Zambia (6.8 million ha) and India (4 million ha) had the largest area in this segment. Thus, the total amount of land used for organic production in the world is 81.3 million hectares as of 2016. Some

countries of Eastern Europe, including member of the CIS (Latvia, Lithuania, Estonia) were among the leaders in terms of the share of organic agricultural land from all agricultural land, overtaking the countries of Western Europe (Мінькова, 2016).

Argentina, Spain, China, the USA, and Kazakhstan show a high increase in area. In the USA (as well as in Canada, Japan, Australia and other developed countries), the legislation in the field of organic agriculture is generally identical to the European one. Back in 2003, the US Department of Agriculture distinguished three categories of farms: commercial, intermediate, and residential (farms of rural residents for whom their farms are not the main source of income).

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The dynamics of the processes that characterize the development of the organic market are studied. This problem has not been studied yet, especially in Ukraine. Understanding these processes will make it possible to predict future events.

Assessment of the main trends in the development of ecologically oriented business in Ukraine and in certain regions of the world. Assessment of the main trends in the development of ecologically oriented business in Ukraine and in certain regions of the world.

The total organic market was \$97 billion in 2021, up from \$15.2 billion in 2003. Among individual countries, the leaders were: the USA (\$45.2 billion), Germany (\$11.3 billion; France (\$8.9 billion). Per capita, the most organic products were consumed in Switzerland (\$325), Denmark (€15) and Sweden (\$268).

Dynamic retail market: The EU market for organic products is growing and grew by 7.4% in 2016. This is exceptional considering the average annual growth rate (2008-2013) in food retail markets around 2% to 3 %. Organic eggs have a market share of 11-22% in Austria, Belgium, Finland, France, Germany and the Netherlands, dairy products hold a market share of 5 to 10% in Austria, Germany and the Netherlands. Milk

alone can reach an even higher share – 15.7 % in Austria (Organic in Europe. prospects and developments, 2016).

Table 2.11 – Sown area of organic products in the world (certain regions) in 2019-2021 thousand ha

Region	2019	2020	2021	2021 in % to 2019
Africa	1801.7	2056.6	1984.1	243.4
Asia	4897.8	6116.8	6537.2	209.6
Europe	13535.2	14558.2	15635.5	187.2
Latin America	7479.3	8000.9	8008.6	111.2
North America	3130.3	3223.1	3335	126.6
Oceania	27347	35894.4	35999.4	358.5
The world as a whole	58187	69845.2	71494.7	226.1

Thus, it is Australia today that is the world leader in organic production. In addition, it should be noted that over the past ten years, the area under organic production has grown significantly in Africa (+143,4 %) and Asia (+209,6 %). However, at the same time, one cannot fail to pay attention to the fact that the total area of land in Africa in 2018 was approximately equal to 2 million hectares. This is much less than in other countries of the world.

Regarding the market of organic products in individual countries of the world, in this case, four countries should be singled out by market volume: the USA (40.6 billion euros), Germany (10,9 billion euros), France (9.1 billion euros), China (8,1 billion euros). These countries account for approximately 2/3 of the global market for organic products. In 2021, the consumption of organic products in Ukraine was estimated at 33 million euros. with exports of 104 million euros.

If we look at the situation from the point of view of the volume of production of organic products per inhabitant, then in this case the world leaders are Denmark (312 euros), Switzerland (311 euros), Sweden (231 euros) and Luxembourg (221 euros). In Ukraine, this figure is less than one euro per inhabitant. This is about six times less than in China and Greece. All this, in turn, is evidence of the actual absence of a real market for organic products in Ukraine.

Table 2.12 – The largest markets for organic products per capita in 2021

Country	Market volume, million euros	Country	Production per inhabitant, euro
USA	40559	Denmark	312
Germany	10910	Switzerland	311
France	9139	Sweden	231
China	8087	Luxembourg	221
Italy	3483	Austria	205
Canada	3119	France	136
Switzerland	2655	Germany	132
Great Britain	2537	USA	125
Sweden	2301	Saudi Arabia	93
Spain	1903	Canada	84
Ukraine:		Ukraine	0.74
consumption	33		
export	104		

The structure of the market for organic products in individual European countries is shown in table 2.13. First of all, it should be noted that the structure of this market in each country has its own characteristics. In particular, in Norway, a significant share belongs to baby food products, and in Germany, the production of organic bread and bakery products is widespread. It should also be noted that the most common types of products are eggs and dairy products (FiBL Statistics, 2021). If we consider the dynamics of changes in organic production in European countries, then in this case we wanted to start with the assessment of cultivated areas. During the period 1987-2021, it increased from 0,1 million hectares to 15.6 million hectares. Including for the period 2010-2020 – from 8.3 million hectares to, respectively, 15.6 million hectares, or almost twice.

The organic market in European countries, which is even more impressive. Over the period from 2007 to 2020, it grew in absolute terms from 11,9 billion euros to 40,7 billion euros, that is, almost 3,5 times.

The average growth rate of the market was 636 million euros per year. The fact that even in the crisis years (2010) the organic market continued to grow is also important. This trend should be maintained in the near future.

Table 2.13 – Market of organic products in certain countries of the world, 2021 (%)

Product	Austria	Germany	France	Norway	Switzerland
Baby food Baby food			12.7	33.1	
Drinks			0.5	0.6	3.3
Bread and bakery products		8	3.4	1.9	4.9
Eggs	21.6	21	29.6	8.7	26.6
Fish and fish products			2.5	0.8	
Fresh vegetables	15.3	9.7	6.3	4.5	23.1
Fruits	10.9	7.8	7.7	2.3	13.9
Vegetables and fruits			6.9		16.9
Meat and meat products	4.5	2.5	2.4	0.5	5.6
Milk and dairy products:					
- butter	10.6	4.5	5.6	3.1	
- cheese	9.6	4.7	1.6	0.7	6.7
-milk	18.5	12.1	12.7	4	16.7
- yogurt	13.9	8.1	6.9	0.7	

If we turn to the data on the area of agricultural land in Ukraine for 2005-2021, then high rates of growth should be noted. According to the data of the "Federation of the Organic Movement of Ukraine" website, during the analyzed period, the area under organic farming increased from 164.4 thousand hectares in 2003 to 420 hectares in 2018. However, in 2019, it decreased to 3091, thousand ha. At the same time, the number of enterprises increased from 31 to 510. The figure also shows that the number of enterprises increased gradually, at the same time as the area of agricultural land controlled by them increased rapidly, first in 2005 and then again in 2015.

Thus, the dynamics of organic production in Ukraine as a whole is characterized as positive, although the decrease in 2021 of the area occupied by organic crops causes concern (Gerasimenko, 2020).

The market of organic products has been developing rapidly in the world in recent decades. The area under organic farming was 71.5 million hectares in 2020, compared to 11 million hectares in 2000. Liechtenstein is the leader among European countries in terms of the specific weight of organic agriculture. In this country, the share of organic farming in 2019

was at the level of 38.5 %. In second place was Austria – 24.7%, in third – Sweden – 20 % (Shyian, 2021).

Table 2.14 – The area of organic crops and the number of farms growing organic crops in Ukraine, 2005-2021

Years	Area, thousand ha	Number of farms
2005	164.4	31
2006	239.5	69
2007	240	70
2008	242	72
2009	242	80
2010	249.9	92
2011	270	118
2012	270.2	121
2013	270.2	142
2014	270.3	155
2015	272.9	164
2016	393.4	175
2017	400.8	182
2018	410.6	210
2019	411.2	360
2020	420	375
2021	309.1	501

The volume of the European market of organic products in 2020 was equal to 40.7 billion euros, of which 37.4 billion euros belonged to the countries of the European Union. The development of the field of organic animal husbandry is inferior to crop production. This is caused primarily by the much more complex technological features of the transition to the production of organic products (Koshkalda, 2021). Among the groups of animals, the largest specific weight in the European Union countries in the structure of organic production belongs to cattle (5.2%). Further, the following groups of animals were located according to the specific weight of organic production: sheep (5%), and poultry (3.3%) and pigs (0.7%).

In Ukraine, the first steps towards the production of organic products in Ukraine began in the 1992s. According to FIBL and IFOAM data, in 2015, our country was among the top ten countries in the world with the largest increase in the area of organic land. In the domestic market, the consumption of organic products increased thirteen times between 2012 and 2020: in 2012, the consumption was at the level of about 2,5 million

euros, in 2016 - the amount exceeded 5 million euros, and in 2020 already 33 million euros. In 2020, Ukraine ranked 20th in the world in terms of organic food production. Products worth 137 million euros were produced, of which products worth 104 million euros were exported.

Thus, the conducted analysis makes it possible to state the following. Firstly, the market of organic products in Ukraine developed rapidly during 2004-2020. Secondly, the fact that even during the crisis years (2010) the organic market continued to grow is also important. Thirdly, the further development of the market of organic products is possible only if the income level of the population increases and the state supports producers.

## 2.6. Waste recycling system: European experience and its implementation in Ukraine<sup>1</sup>

Recycling is an effective method in the fight against waste and its secondary processing, which is beneficial from the point of economic and ecological components view. Statistical data on the waste processing high level in leading countries confirms the already stable relevance and popularity of this direction for a long time. According to available statistical data, more than 40% of waste is recycled in most European countries. Whereas in Ukraine – about 7%. The article analyzes the main types of sorted waste that can be used as raw materials for secondary processing, and based on the research data of Yale University, the main European countries that are currently leaders in secondary processing are identified. The analysis schedule of the waste processing system in Europe is given. Analysis of European countries showed that Switzerland, which is the "greenest" country according to most data and indicators, can be considered a model. Based on these statements, several key components of the waste management system in Switzerland were analyzed, the participation and influence of state and regional authorities on the activities of communities for waste collection and disposal were analyzed, and examples of the control system for the implementation of these processes were also studied. The work highlights the most important components of

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