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DYNAMICS OF EFFICIENCY OF AGRICULTURAL LAND IN UKRAINE

ДИНАМІКА ЕФЕКТИВНОСТІ СІЛЬСЬКОГОСПОДАРСЬКИХ ЗЕМЕЛЬ В УКРАЇНІ

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The article analyses the economic efficiency of agricultural land in Ukraine. It is proved that Ukrainians can be caring, successful masters in their own land, but the country lacks a «comprehensive self-management», ie, the ability to create the conditions for effective self-development with a view to the overall social and economic benefits. The land market in Ukraine to introduce necessary. First, you need to create an effective legislative and regulatory framework that is able to protect the rights of land owners, to create mechanisms that will prevent the concentration of land in one hand and protect the interests of the village and its inhabitants.

Key words: land market, agricultural land, agricultural policy, economic efficiency.

У статті проаналізовано економічну ефективність використання сільськогосподарських земель в Україні. Доведено, що українці можуть бути дбайливими, успішними господарями на своїй землі, але країні бракує «всебічного самоуправління», тобто здатності створювати умови для ефективного саморозвитку з огляду на загальний соціальний та економічний характер переваги. Ринок землі в Україні запровадити необхідно. Але спочатку потрібно створити ефективну законодавчу та нормативно-правову базу, яка здатна захистити права власників земель, створити механізми, які перешкоджатимуть концентрації земель в одних руках та захищатимуть інтереси села та його мешканців.

Ключові слова: ринок землі, сільськогосподарські угіддя, сільськогосподарська політика, економічна ефективність.

Formulation of the problem. Earth acts as an essential and irreplaceable source of national wealth of Ukraine means to meet economic and social needs of humanity and is the main means of production in agriculture. Ukraine has significant land and resource qualitative and quantitative potential. As of January 1, 2018 the land fund of Ukraine amounted to 603,5 thsd.km² or about 6% of the territory of Europe. Agricultural land accounted for about 0.9% of the world area, including arable land - about 2.4%. about 6.5 million hectares of Ukrainian soils are no longer suitable for agricultural work. In total, there are about 800 soil types in Ukraine, with over 60% of the country's land stock being unique black earth soils. However, according to land experts and scientists, the modern use of land resources in Ukraine does not meet the requirements of rational use of nature.

Analysis of recent research and publications. Increasing the area of land under grain crops, which are the staple food for the majority of humanity. Over the past 50 years, the area under cereals increased by almost 2 times, and the arable land in the calculation for 1 person on the planet fell catastrophically. According to experts, many countries are experiencing a shortage of arable land. In Ukraine cropland more than enough (especially with respect to one person). Given the high resource potential of Ukraine, which includes fertile land and biological productivity, we can provide a much larger number of people. Currently, the most urgent problem for Ukrainian agricultural production is the introduction of the land market, consequences and prospects for all market participants. In recent decades, economic efficiency of agricultural land in Ukraine researched by such scientists: Tomchuk O.F., Kozhuhar V.V., Nizalov D., Yaremko V. and many others.

The purpose of the article. The article is to study dynamics of economic efficiency of agricultural land in Ukraine.

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Main results of the study. Arable land in Ukraine is the highest in the world, reaching 57% of the country's territory and nearly 80% of agricultural land. Intensive agricultural land use has the effect of reducing the fertility of soils due to their densification, destruction of structure, water permeability and aeration ability with all environmental consequences.

Index of agricultural land per person is currently one of the highest among the countries of the world and is more than 0.98 hectares, including 0.77 hectares of arable land (the average for the world 0.63 and 0.18 hectares on one person, respectively).

Table 1

Agricultural land in Ukraine (at end of year; thousands hectares)

	2000 p.	2005 p.	2010 p.	2015 p.	2016 p.	2017 p.
Agricultural land	41827,0	41722,2	41576,0	41507,9	41504,9	41489,3
of which – arable land	32563,6	32451,9	32476,5	32541,3	32543,4	32544,3
– hayfields	2388,6	2429,2	5481,9	2406,4	2402,9	2399,4
– pastures	5521,3	5521,3	2410,9	5434,1	5430,9	5421,5
– conversions	421,6	419,3	310,2	233,7	230,6	229,3
– perennial plantations	931,9	900,5	896,5	892,4	897,1	894,8

Data the State Service on Geodesy, Cartography and Cadaster of Ukraine.

Agricultural land is defined as land systematically used to produce agricultural products. They include arable land (including bare fallow), fallow, permanent crops, hayfields and pastures. Arable land – land plots that are permanently cultivated and used for agricultural crops including permanent grasses and clean fallow, areas of hothouses and greenhouses.

Arable land doesn't include hayfields and pastures ploughed up for full improvement and when they are permanently used under grass fodder crops for hay-mowing and livestock grazing as well as inter-row spaces in orchards used for sowing. Land reform, unlike many others, gives tangible results in the first years, and therefore depends on the correct vector direction of social and economic development of the state in the near future. The introduction of the land market ensures the achievement of both economic and social goals [3].

Sown agricultural area – part of arable land or other ploughed land on which sowing has been actually carried out: winter crops sowed in autumn last year and preserved till the end of spring sowing as well as spring crops for this year's harvest. Sown area in the yearbook refers to the adjusted sown agricultural area – the area actually occupied by the crops in spring (the area of winter crops that have been preserved and the area of spring crops), taking into account the crops of the late crops for the current year (summer plantings), as well as changes in the economic use of crops (conversion of crops from one production group to another, such as grain, green fodder, hay, etc.).

Table 2

Dynamics of economic efficiency use of agricultural land in Ukraine

	2005	2010	2015	2016	2017	2018
<i>Sown area under agricultural crops, thousands hectares</i>						
Agricultural crops	28472	28417	26902	27026	27585	27699
Grain and leguminous crops	15005	15090	14739	14401	14624	14839
factory sugar beets	652	501	237	292	316	276
sunflower	3743	4572	5105	6073	6034	6117
potatoes	1514	1408	1291	1312	1323	1319
vegetables grown in the open (without plants transplanted for seeds)	465	462	440	442	439	433
Fruits and berries	265,5	223,2	206,0	196,7	198,5	200,0

<i>Yield of agricultural crops, centners per hectare of the harvested area:</i>						
Grain and leguminous crops	26,0	26,9	41,1	46,1	42,5	47,4
Factory sugar beet	248	279	435,8	481,5	474,9	508,5
Sunflower	12,8	15,0	21,6	22,4	20,2	23,0
Potatoes	128	132	161,4	165,8	167,8	170,5
Vegetables	157	174	206,1	210,5	207,9	214,3
Fruits and berries	63,7	78,2	104,5	101,9	103,1	128,4
<i>Production of agricultural crops per capita, kilograms:</i>						
Grain and leguminous crops	807	856	1412	1460	1467	1657
Factory sugar beet	328	300	243	351	353	330
Sunflower	100	148	263	288	290	335
Potatoes	413	408	489	524	526	532
Vegetables	155	177	216	219	220	223
Fruits and berries	36	38	50	47	48	61

Data the Statistical Yearbook «Agriculture of Ukraine» for 2018.
http://www.ukrstat.gov.ua/druk/publicat/kat_u/2019/zb/09/Zb_sg_2018%20.pdf

Yield of agricultural crops per 1 ha of the harvested area is calculated as the ratio of the crop gross harvest gathered from principal, secondary, inter-row spaces sowings and the actual harvested area of the crop.

Production (gross harvest) of agricultural crops – total production of annual and biennial crops, gathered from principal, secondary, inter-row spaces sowings. Production of grain and leguminous crops and sunflower is shown in weight after cleaning and drying, sugar beet (factory) – in weight without soil and admixtures, vegetables crops – including production of the close ground. At the present stage, there is a steady tendency to increase the efficiency of land use at both regional and state levels. The generalized data on indicators of economic efficiency of agricultural land use in Ukraine are given in Tables 3.

Table 3

Production of agricultural crops in 1940-2018

Years	Grain and leguminous crops	Factory sugar beet	Sunflower	Potatoes	Vegetables	Fruits and berries
1940	26419,7	13052,3	946,5	20663,8	5485,7	789,9
1945	12126,0	3039,0	399,8	13769,7	2834,9	332,0
1950	20447,7	13924,9	702,8	20328,7	2318,0	764,7
1989	51212,2	51916,6	2748,4	19308,1	7443,4	2500,3
1999	24580,6	140638	2794,4	12722,8	5323,9	766,0
2018	70056,5	13967,7	14165,2	22504,0	9440,2	2571,3

Data the State Statistics Service of Ukraine. The Statistical Yearbook "Agriculture of Ukraine" for 2018.
http://www.ukrstat.gov.ua/druk/publicat/kat_u/2019/zb/09/Zb_sg_2018%20.pdf

Therefore, the problem of land relations, and especially the social aspects of the land market is very relevant for Ukraine. On November 13, 2019, the Parliament of Ukraine previously upheld the land market law. According to the bill, the land market is proposed to open from October 1, 2020. The project established a rule that until January 1, 2024, the purchase of land by legal entities, beneficial owners of which are foreigners and stateless persons. The issue of sale of agricultural land to foreign citizens is planned to be resolved in an all-Ukrainian referendum [4].

In order for EU funds to come to Ukraine, the Ukrainian government must sign this agreement with EU representatives.

The minimum cost of one hectare of agricultural land after opening the market in Ukraine will be 25-30 thousand UAH per hectare. In addition, the purchase of land will be allowed only cashless, and the sale of land in the 50-km zone of the state border will be prohibited.

Now in Ukraine there are many fears about the land market [5]. First, the rural population fears that the price of land will be low and there will be speculation that in the face of declining purchasing power will lead to the fact that the peasant will remain without land, without money. In this case, large agricultural holdings monopolize the land, because they are long and are the largest landowners Ukraine. It is worth noting that the price of land is not formed in the market, and based on regulatory and monetary valuation, to which many questions from the standpoint of speculative component. Too low price has led to an increase in the number of landowners in the country, which led to the concentration of large land holdings in agricultural holdings. After all, large agricultural holdings is much more profitable to lease land at low rents, you buy at the market price or pay rent based on the market value of the land. Today, many foreigners to lease land in Ukraine. The farmers fear that in the case of lifting the moratorium, the land will massively buy foreign. It should be noted that the Land Law of Ukraine limits the number of buyers of agricultural land by citizens and legal entities of Ukraine, who are engaged in agricultural production. However, in the Ukrainian realities and this status is not difficult to obtain. Ukraine - it is the only democratic country where landowners do not have the right to freely dispose of their property. In addressing this question, it is necessary to take into account three aspects: political, economic and social. The political aspect is that the people own the land, so the government should be a key player in the land market for agricultural purposes and must have a significant amount of its rights to regulate circulation. It is responsible for creating the current legal framework to protect the common national interests and not the interests of individual citizens.

The land market should be developed in an evolutionary way in pursuit of the goal of achieving economic and social effect. The economic aspect is to choose a version of the completion of land reform, which would create conditions for increasing agricultural production, improving its competitiveness and increase land productivity.

The social aspect of a goal is not just to preserve and revive the village and support the rural population. The reform should be carried out in the interests of rural residents, farmers. The land must belong to those who work it. In addition, the private ownership of land is inherently absolute and due to the interests of the people, realized through the state (political decisions). It is therefore necessary to improve the institution of private ownership of land. Only if private ownership of land will be socially equitable and provide incentives to the effective management of the owner.

Conclusions. According to UN projections, by 2100 the planet Earth will be live from 9.5 to 13.3 billion. Statistics show that the problems are growing much more intense, and as long as we solve them as they become available, they are only compounded. Obviously, population growth leads to many problems such as environmental pollution, shortages of food, drinking water and the spread of disease mutation, political, environmental, economic and social instability, and more. One of the main problems is the catastrophic pollution, the lack of willingness and capacity of many countries to implement effective waste management system, implement a social policy education of citizens about the importance of saving food and the need to sort garbage. But now more pressing issue is the food shortage. As the number of people in the world are increasing and their needs, especially food.

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