

## **PROBLEMS OF DEVELOPMENT OF AGRICULTURAL SECTOR IN UKRAINE AT THE MODERN STAGE**

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Ukraine is a country with a strong agro-industrial potential and huge prospects for agricultural development. It has favorable climatic conditions and qualitative land resources, the presence of which testifies to the possibility of effective development of agricultural production.

Experts include the agrarian sector in the most important sectors of the national economy of Ukraine, which gives a significant part of the rural population jobs, provides food security and food independence of our state.

The agrarian sector is one of the priority and strategic directions of the economic development of Ukraine. The agricultural potential of Ukraine can become the basis for the formation of a special role of the national economy in the modern system of world economic relations.

At the same time, full-fledged development of agriculture is possible under conditions of constant and significant investments, the resource potential of which is quite limited in domestic agricultural producers, and therefore, it is important to search for opportunities for increasing investments in the agrarian sector using the financial resources of the national economy. The formation, development and reform of the agrarian sector of the economy was accompanied by the emergence of market relations, the implementation of land reform, the creation of new business organizational structures of various forms of ownership. The realities of today encourage the use of strategic approaches to make profound transformations in the agrarian sector, which is one of the prerequisites for the success of its socio-economic development.

Various aspects of the problem are covered in the writings of domestic and foreign scholars and practitioners, including V. Valentinov, P. Gaidutsky, M. Demyanenko, S. Zori, I. Kirilenko, P. Makarenko, V. Mesel-Veselyak, I. Myshusyuk, A. Melnik, O. Mogilny, V. Nazarenko, B. Paskhaver, M. Pavlishhenko, N. Popova, P. Sabluk, O. Onishchenko, T. Ostashko.

The purpose of this study is to identify the main problems of the agrarian sector of Ukraine's economy and to find ways to solve them.

The agrarian sector is an important strategic branch of the Ukrainian national economy, which ensures food security and food independence of our state and provides a significant part of the rural population with jobs. It forms 16-17% of gross domestic product. But the economic opportunities of the Ukrainian agrarian sector are not fully utilized. The agrarian sector provides about 60% of the population's consumption fund; ranks second among the sectors of the economy in the commodity export structure and remains virtually the only industry that has provided a positive foreign trade balance for many years.

The agrarian sector of Ukraine with its basic component, agriculture, is a system-forming in the national economy, forms the basis for preserving the sovereignty of the state - food and, within certain limits, economic, ecological and energy security, ensures the development of technologically related branches of the national economy and forms the socio-economic bases for development of rural territories.

In addition to ensuring the country's stable, high-quality, safe and affordable food supply, Ukraine's agrarian sector is undoubtedly capable of contributing significantly to the global hunger problem.

Further entry into the world economic space, the intensification of globalization processes, and the liberalization of trade require adaptation to new and constantly changing conditions, and, accordingly, further improvement of agrarian policy.

The Ukrainian agrarian sector with the potential of production, which far exceeds the needs of the domestic market, is a link that, on the one hand, can become the engine of the development of the national economy and its effective integration into the world economic space, and, on the other hand, the growth of incomes involved in the agrarian economy of the rural population, accounting for more than one third of the total population of the country, give a multiplier effect in the development of other sectors of the national economy.

In spite of certain achievements in the development of the agrarian sector, Ukraine still has a lot of questions waiting to be solved. In order for agriculture in our country to develop and flourish the necessary significant changes in pricing policy. Agriculture needs stable prices, focusing on which farmers could determine the optimal output. The price mechanism should become the main link of the accelerated agricultural production.

Key problems of the agrarian sector of Ukraine's economy development are:

- uneven development of various forms of management (arrangements) with the weakening of the position of the average size producer due to the creation of different, sizeable and socially burdensome economic entities of formally identical but not equal conditions of management;

- insufficiency of normative legal principles and lack of motivation to cooperate and consolidate small agricultural producers within the framework of rural communities, low commodity production, weakening of the economic basis for the development of rural communities;

- unstable competitive positions of domestic agricultural products and food on foreign markets due to the non-completion of adaptation processes to European requirements regarding the quality and safety of agricultural raw materials and food products;

- low rates of technical and technological renewal of production;

- risks of increased production costs due to increased wear and tear of equipment, the prevalence of the use of outdated technologies, with the growth of the cost of non-renewable natural resources in the structure of cost;

- significant loss of production due to the imperfection of the infrastructure of the agrarian market, logistics of storage;

- lack of incentives for producers to comply with agro-environmental requirements of production;

- limited capacity of the domestic market of agricultural products and food, due to low solvency of the population;

- insufficient efficiency of self-organization and self-regulation of the market of agricultural products and food; complexity in developing a consolidated position of agricultural producers in protecting their interests;

- awareness of a significant part of agricultural producers about market conditions and conditions of doing business in the industry;

- incompleteness of land reform.

The solution of these problems will allow the agrarian sector of Ukraine's economy to be brought to a promising path.

Significant role should be played by innovation activities.

The priority direction of innovative activity in the agrarian sector is the introduction of the most promising agrotechnologies and, on this basis, the increase of productivity of production in order to reduce costs per unit of products and strengthen its competitiveness in the domestic and world markets.