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DIRECTIONS OF SUPPORT AND RESTORATION OF THE AGRICULTURAL SECTOR OF UKRAINE

Currently, Ukraine is going through a rather difficult time stage of its development. According to estimates by the World Bank and the State Statistics Service, by the end of December 2023, the war in Ukraine led to total losses in agriculture of 8.72 billion dollars. USA, with total losses of 31.50 billion dollars. USA [1].

To support the enterprises of the agrarian sector, even at the beginning of the war, the state implemented several state programs to solve the problems of exporting grain and oil crops. In May 2022, a joint initiative of the European Commission and the Government of Ukraine was launched to show solidarity, aimed at simplifying the

export of food products from Ukraine through various EU land routes and ports. In addition, in July 2022, by the Association Agreement between Ukraine and the EU, a temporary suspension of export duties and tariff quotas for Ukrainian agricultural products was introduced for one year. In August 2022, the Convention on the Common Transit Procedure and the Convention on the Simplification of Formalities in Trade in Goods were initiated to expand the possibilities of physical and logistical exports across the Ukraine-EU borders [2].

To ensure food security in wartime, the government of Ukraine considered several changes to domestic legislation. Thus, in April 2022, the Verkhovna Rada adopted the Law of Ukraine " On Amendments to Certain Legislative Acts of Ukraine Regarding the Creation of Conditions for Ensuring Food Security in Martial Law " [3], which is intended to resolve issues with land lease agreements. Given the effects of martial law, mass emigration, and lack of land ownership, as well as financial and administrative difficulties, many businesses are unable to renew their land leases. Under the new law, all leases were automatically renewed for one year, allowing farmers to retain control of their land. In addition, the maximum amount of rent was determined (no more than 8% of the normative monetary value of the land), the procedure for registering land plots in local administrations was simplified, and free provision of state/public land for personal peasant farms was proposed. These initiatives aim to ensure stability and self-sufficiency in agriculture during a military conflict [4].

To support Ukrainian producers of grain products, "the government of Ukraine suspended the import duty on materials used for grain storage and also simplified the rules for registering agricultural machinery and trucks. In addition, the state credit program "Affordable Credit 5-7-9%", which was earlier only for micro and small farms and offered them loans at 5%, 7%, or 9% interest rates, has now been expanded to cover more enterprises, including medium and large agribusiness. Within the framework of the program financed by the "Program for achieving results of the World

Bank", agribusiness can receive up to UAH 90 million (US\$ 2.4 million) in loans at 0% to 9% for the implementation of investment projects or debt refinancing" [5].

With the financial support of the European Union, the Ministry of Agrarian Policy and Food of Ukraine implemented a special program of support for small agrarian entrepreneurs of Ukraine during wartime. It provides a program of UAH 3,100 payments per hectare for farmers who own up to 120 hectares and cattle assistance of up to UAH 5,300 per head for farms with up to 100 cattle. Also, grant programs for horticulture and fruit growing are presented, which offer agricultural enterprises subsidies for planting plantations on new plots of up to 25 hectares, as well as for the construction of structures under greenhouses up to 2 hectares.

Joint efforts and measures in the field of agrarian policy, which are currently implemented by the government of Ukraine, are a quick response to emergencies and have already demonstrated their effectiveness in restoring and supporting large export-oriented enterprises that were seriously affected by the Russian invasion during the first year of the conflict. Despite the successes in this direction, it is important to note that this policy may be less effective in supporting small-scale food producers, who also face significant risks arising from military conflict.

Priority needs in the medium and long term (from 2024 to 2033) amount to 29.1 billion US dollars or 98% of the total needs of Ukraine, according to the following directions [6; 7]:

1. Completion of war damage restoration, which includes the restoration of war-damaged infrastructure and facilities and the implementation of modern technologies and safety standards to increase the resilience and functionality of the restored facilities.

2. Extending support to farmers and banks over several production seasons to support the recovery of agricultural production by providing financial support to farmers through government programs aimed at reviving agricultural production and

providing liquidity for agricultural loans to facilitate farmers' access to financial resources.

3. Support for the long-term recovery and development of agricultural production, aimed at increasing the diversity and inclusiveness of agricultural production, paying attention to the resilience of agricultural holdings to climate change, the integration of the food and energy sectors, as well as compliance with the requirements of the EU Green Pact.

4. Expansion of investments in the agrarian sphere, to increase financing of agricultural institutions, improvement of sanitary and phytosanitary measures, food safety systems, land monitoring, and registration, soil analysis for precision agriculture, agricultural research, training and retraining services for farmers and agribusiness workers, etc.

The National Recovery Council, created by the President of Ukraine, presented the draft of the Recovery and Development Plan of Ukraine [6], which covers the period of 2022-2032 and is divided into the following three stages. The plan is divided into three stages - war economy (2022), post-war recovery (2023-2025), and new economy (2026-2032), which includes more than 800 projects within 15 national programs in various fields. According to this Plan, the government of Ukraine intends to restore the state as an EU country, aimed at implementing European integration reforms, introducing green, innovative technologies, observing the rule of law and increasing transparency and accountability throughout the process of restoring the agricultural sector of Ukraine.

Considering all the complexity of the development of the agricultural sector of Ukraine in wartime conditions and the possibility of its further decline, these issues should be properly discussed today and appropriate measures for the restoration and reconstruction of the domestic agricultural sector should be developed. In this direction, attention should be paid to such key categories as:

- demining and reclamation of agricultural lands;

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- reconstruction of agricultural production by replacing and repairing damaged assets;
- modernization of agricultural production based on the introduction of new technologies and introduction of new standards to increase production efficiency and compatibility of products with world markets;
- development of state programs for the restoration of agriculture, first of all, in the direction of providing resources, state services, and preferences to domestic producers of agricultural products;
- restoration of the export infrastructure by creating a diversified logistics system that will already be resistant to external influences;
- facilitating access to financing to ensure long-term development, primarily for small and medium-sized farms that do not have a credit history, sufficient collateral, and transparent financial reporting;
- provision of the possibility of the pledge of agricultural lands or rights to use them, because today in Ukraine mainly producers of agricultural products work on leased lands;
- ensuring a balanced approach to supporting basic production and processing of agricultural products, i.e. not exporting raw products, but finished food products with high added value;
- consideration of reforms related to EU integration and the prospect of Ukraine's accession to the EU;
- development of regional administrative potential in Ukraine for the implementation of the Integrated Management and Control System.

The post-war reconstruction of agriculture should not only restore production volumes but also ensure structural transformations in the further development of the agricultural sector of Ukraine. Taking into account the limitations of its resources, the state's efforts should be aimed at solving the issues of reconstruction and restoration of the agricultural sector of Ukraine, which is not possible without making appropriate

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changes to the state agrarian policy, which will take into account new national priorities and the need for Ukraine's integration into the European Union and the world space. This determines the perspective of further scientific research.

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