

STATE SUPPORT OF AGRICULTURE: CURRENT STATUS, PROBLEMS, AND EFFECTIVE IMPLEMENTATION MODELS

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The article examines the issues of state policy management of agricultural development as one of the strategic sectors of the national economy of Ukraine, taking into account the existing natural, climatic and resource potential and its role as an essential component of competitiveness, food security and a type of economic activity that forms the country's powerful export potential. It is noted that agricultural production is crucial for Ukraine's economy, ensuring food security and a substantial share of exports. It is argued that, despite the already acquired adaptation mechanisms in the conditions of a full-scale war, enterprises of this type of economic activity continue to face internal and external challenges and threats, which require more effective and proactive solutions, as well as proper state support. Currently, the government is facing new threats related to both security and economic factors. The article examines the issues of forming and implementing agricultural support policies. Therefore, the purpose of the study is to analyze the current state, identify problematic aspects, and substantiate effective models for implementing the policy of state support for agriculture in Ukraine. A description of the current state of development and regulatory framework for the agricultural sector is provided. The leading problematic aspects of both the functioning and development, as well as state support of agriculture in Ukraine, are indicated. Several qualitative models, as well as key management decisions aimed at enhancing the effectiveness of state policy in stimulating domestic agriculture during wartime conditions, are outlined.

The scientific novelty of the research results lies in the further development of mechanisms and means to support and ensure the growth of the agricultural sector through proactive state policy. The practical significance of the research results lies in the possibility of supplementing existing state regulatory tools in the development of strategic sectors of the national economy, particularly agriculture.

Keywords: agriculture, state support, models of state regulation, state agricultural policy, agribusiness, agricultural market, mechanisms, tools, means.

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STATEMENT OF THE PROBLEM IN A GENERAL FORM AND ITS CONNECTION WITH IMPORTANT SCIENTIFIC OR PRACTICAL TASKS

During the pre-war period of Ukraine's economic development, the agricultural sector in Ukraine demonstrated significant positive trends. They were mainly due to the growth of economic activity and the improvement of the financial and economic situation of farming enterprises. Agriculture plays a crucial role in the country's economy, accounting for a substantial share of GDP (with annual production growth of 15-20%), more than 10% of gross value added, over 40% of exports, and approximately 25% of total turnover. Additionally, the industry accounted for approximately 10% of capital investments and employed around 17% to 18% of the total workforce.

However, the activities of a significant part of agricultural enterprises remained unstable. There were periods of growth in production and sales of products, as well as improvements in resource supply (expansion of crops, increase in livestock, and availability of equipment and personnel), alongside phases of decline, which led to a decrease in production volumes and management efficiency. This directly affected the financial results, competitiveness, economic sustainability of agriculture, as well as its ability to achieve sustainable development and realize its economic potential for the well-being of rural areas and local communities.

The full-scale war has made it much more difficult to achieve positive dynamics in domestic agriculture. Risks of loss of equipment, property, crops, and soil deterioration due to hostilities, logistical difficulties, export restrictions, decrease in domestic demand, shutdown of processing enterprises, inflation, rising fuel prices, as well as personnel losses due to mobilization and mass migration. All this led to a significant deterioration in the financial and economic indicators of the industry.

In addition, the problem of labor shortages in agriculture, the loss of part of the land and its deterioration in quality, as well as the destruction of production facilities, will remain among the main challenges for Ukraine's agricultural sector in 2025. These difficulties cover all links of agrarian activity – from production to processing and logistics. Additionally, production costs are expected to increase. The devaluation of the hryvnia will lead to an increase in the price of imported resources, and the shortage of workers will force employers to raise wages to retain qualified personnel.

In this context, the state policy of supporting agriculture in Ukraine should aim to ensure the sustainability of agricultural producers, enhance their financial capacity, facilitate adaptation to climate change, and facilitate gradual integration into the European agricultural policy. Policies must remain flexible and focused on dynamic changes in the global market. Institutional reforms should be carried out

in cooperation with experts and considering the interests of both producers and consumers.

Agriculture plays a crucial role in the Ukrainian economy, ensuring food security and accounting for a substantial portion of the country's exports. Despite the ability to adapt to war conditions, the industry continues to face serious challenges of both internal and external nature, which require balanced management decisions and adequate state support [28, c. 711-723].

In such conditions, it is essential to enhance scientific and methodological approaches to developing effective models for implementing the state support policy for agriculture in Ukraine. The methodology for analyzing and identifying problems in the field of domestic agriculture needs to be developed. It is also necessary to substantiate an effective applied mechanism with appropriate tools to improve the industry's economic condition. Research.

ANALYSIS OF RECENT RESEARCH AND PUBLICATIONS

Both the theoretical and methodological aspects of the agricultural sector's functioning and development have now been studied at a sufficiently high level. We are talking about the results of scientific research by O. Mysnyk, which outlines the prospects for the development of domestic agricultural production [7, p. 123-129], S. Nisfoyan, which summarize the triggers and catalysts of economic growth in agriculture of Ukraine [8], N. Vdovenko, N. Korobova, who characterize the current state and strategic prospects for the realization of the potential of domestic agriculture [29, pp. 68-80] and others.

The existing studies should also be considered sufficiently thorough, as they summarize achievements, identify weaknesses, and determine the possibilities and prospects for improving the system of state support for Ukraine's agricultural sector, including consideration of the difficulties and negative consequences of a full-scale war. It is possible to single out the publications of L. Vasilieva (Tools of State Regulation of the Agricultural Sector to Adapt to the WTO and Ensure Food Security [3, p. 55-60]), V. Zaliznyuk (methods of state influence on the industry to form prerequisites for food security of territories [6, p. 123-127]), O. Panukhnyk (Means of Transformation of State Policy at Different Levels of Complexity of the External Environment [10, p. 5-10]), L. Petliuk, N. Medvedkova (organizational and economic tools of state policy for the development of the industry [12, p. 105-111]), L. Svistun, Y. Popova, K. Stepenko (coordination of the regulation of agricultural development with the most urgent goals and objectives of the regional policy to achieve sustainable development of territories and communities [13]) and other researchers.

In general, modern scientific research considers state support for agriculture as a comprehensive mechanism for addressing structural imbalances in the agricultural sector, which is particularly important in the context of a transitional economy, global challenges, and European integration processes. Thus, according to the research of O. Khodakivska and O. Mohylnyi [22, p. 526-528], the agrarian policy of Ukraine requires a significant revision of the organizational and economic mechanism of support for agriculture, since the current model deepens disparities in the distribution of added value, increases social polarization in rural areas and orients production towards raw material exports. In this regard, the authors rightly emphasize the need to introduce a completely new, high-quality paradigm of agricultural policy that combines economic efficiency and socio-environmental responsibility.

Studies by O. Khodakivska, O. Shpykulyak and M. Pugachev [23, p. 263-297] emphasize the vulnerability of the agricultural sector in the context of global crisis phenomena, stating the weakness of the institutional response of the state due to the limited levers of state support, which increases the need to create a stable system of crisis management. Special attention in the literature is paid to compensatory instruments of state influence in the context of globalization, where authors [19, pp. 10-15] demonstrate that innovative modernization and adequate state support can ensure the competitiveness of the agricultural sector and its resilience to external shocks. A similar opinion can be traced in the works of Y. Lupenko and others. [25, p. 121-128], where it is emphasized that state support for the agricultural sector should be aimed at the integration of European standards, the introduction of innovations, the attraction of investments, and the unconditional development of the institutional environment.

It is essential to note that the nature and extent of state support for agriculture largely depend on the complexity and aggressiveness of the environment in which domestic agricultural business entities operate.

That is why it is necessary to rely on the results of research, which outline the challenges, risks and threats of further progress of the industry (P. Antonyuk [1]), describe the institutional support for the functioning and development of domestic agricultural enterprises (T. Vasylytsiv, R. Lupak, N. Yurkiv [4, p. 90-101]), the problems of financing agricultural commodity producers are revealed (A. Osipova [9]) and guaranteeing their financial and economic stability (V. Boyko, M. Lyzak and others. [20, p. 129-155]),

analyzes the quality and effectiveness of current state support for agricultural enterprises in Ukraine (G. Pruntseva [11, p. 79-88]), highlights the specifics of the functioning and development of Ukrainian small agrarian economic entities (L. Udova, A. Gayevyi [14, p. 122-133]), etc.

Undeniably crucial in this context is the problem of transaction costs for agricultural producers. Thus, V. Mukoviz and others. [26 pp. 67-85] emphasize that the imperfection of state support, institutional instability, and administrative barriers force farmers to resort to informal farming practices, as a result of which transaction costs increase, which in turn complicates access to state support programs.

The research of several authors testifies to the effectiveness of the sectoral approach in state regulation of the agricultural sector, which provides support for individual industries, taking into account their strategic importance. In particular, the importance of state stimulation of the production of biofuels is substantiated [17, pp. 47-57; 24, p. 6-14], ecologization of the agricultural output [16; 21, p. 27-32], the development of organic farming [15, pp. 16-21; 18, pp. 418-423], the functioning of eco-clusters [27, pp. 351-356], the restoration of irrigated agriculture [5, pp. 9-10], as well as traditional industries such as horticulture [2, pp. 264-270]. Such approaches contribute to the development of targeted programs that integrate economic performance with environmental and social considerations.

In general, these and other research results form a reasonably comprehensive picture of both the current state and obstacles to the development of agriculture in Ukraine, as well as the quality and efficiency of its state support, which determine the prospects for further improvement of state regulation of the studied branch of the national economy.

ALLOCATION OF PREVIOUSLY UNRESOLVED PARTS OF THE GENERAL PROBLEM TO WHICH THE ARTICLE IS DEVOTED

At the same time, in the context of a full-scale war, accompanied by profound transformation processes, economic liberalization, and increased competition in both domestic and foreign markets, state institutions are compelled to adopt new approaches to supporting agriculture. This is due to the emergence of new challenges and barriers that complicate the sector's functioning. The introduction of modern instruments of state support is necessary to maintain competitiveness, achieve stable financial and economic results, and ensure the sustainable development of agricultural enterprises, providing conditions for their growth and expansion.

FORMULATION OF THE OBJECTIVES OF THE ARTICLE

The article is aimed at analyzing the current state and highlighting the existing problems in the segment of state support for agriculture in Ukraine, outlining its key challenges in the context of European integration and post-war recovery, as well as substantiating effective models for implementing the support policy, taking into account the existing world experience and national priorities.

PRESENTATION OF THE PRIMARY MATERIAL

At the current stage of Ukraine's socio-economic development, agriculture occupies a pivotal position among the leading sectors of the national economy, making a substantial contribution to GDP formation, increasing exports and foreign exchange earnings, enhancing the well-being of the population, and laying the groundwork for ensuring the state's food security. In addition to domestic efficiency, this is due to the growing global demand for agricultural products and their processing, as well as the recognition of global food security issues. At the same time, Ukraine has significant potential to increase the production and export of agricultural products due to its fertile soils, favorable natural and climatic conditions, a large domestic market, access to seaports, and the development of warehousing, production, and trade infrastructure.

However, the existing economic potential of Ukraine's agriculture has not yet been fully realized. This is due to both the underdeveloped capabilities of domestic production and the limited promotion of products to foreign markets. The main internal barriers are the need to modernize production capacities, introduce the latest technologies, improve the technical base, increase yields, more efficient use of land and crop rotation, provide quality fertilizers and seeds, eliminate price imbalances between producers and traders, as well as improve the institutional environment in the "production-distribution-distribution" chain.

The importance of state support for agriculture is growing at the present stage, particularly in the context of post-war recovery, the progress of European integration, and the need to ensure food security. Under these conditions, it becomes not only an instrument of short-term stimulation, but also a strategic means of long-term development, stabilization of rural areas and integration into the EU common market,

in particular by expanding exports, attracting foreign direct investment, developing agricultural innovations, participating in European programs to support farming, as well as including Ukrainian producers in value chains at the European and global levels.

However, today the key problems in the development of domestic agriculture are directly related to the consequences of the full-scale war, which have led to significant losses of infrastructure, disruption of logistics chains, a decrease in investment activity, and an increase in production risks [28, c. 711-723]. The war led to a reduction in sown areas, destruction and mining of agricultural land, limited access to financial resources, and markets. Under such conditions, adequate state support becomes crucial for ensuring the viability of the farm sector, resuming production, maintaining food security, and establishing a sustainable model of agricultural development in the post-war period (Fig. 1).

Problems	Characteristics of problems
Deepening of the problem of labor shortage in agricultural production	Agriculture in Ukraine will continue to experience serious difficulties associated with the shortage of labor resources, which is a consequence of mobilization and active migration processes, about 200 thousand employees of the agricultural sector serve in the ranks of the Armed Forces of Ukraine, which further deepens the personnel
Loss of part of land resources and deterioration of their quality	In the regions where active hostilities took place, the quality of land resources has deteriorated significantly, which in the future will require significant financial investments for their restoration and return to full-fledged agricultural use
Destruction of production potential	With targeted attacks on granaries, food warehouses and transport infrastructure, the aggressor systematically destroys the potential of agricultural production and export opportunities of Ukraine; The livestock industry also suffered significant losses, hundreds of thousands of heads of cattle and poultry were destroyed
Rising costs for agricultural activities	The total losses and losses suffered by small producers of crop and livestock products in Ukraine as a result of the war already exceed USD 4 billion. USA; The total number of small agricultural producers decreased by almost 8%, of which 7% are producers of crop products
Energy, climate, environmental and other risks	Massive shelling of energy facilities and energy infrastructure of Ukraine causes serious instability and severe restrictions on energy supply, which has an extremely negative impact on the functioning of domestic agricultural entities

Rice. 1. Modern problems of functioning and development of agriculture in Ukraine during the war
Source: author's development.

Russia's full-scale invasion of Ukraine has had an unprecedented impact on the country's agricultural sector, which provided about 40% of foreign exchange earnings and 12% of Ukraine's GDP before the war. As a result of hostilities, the temporary occupation of territories, and the mining of agricultural land, farmers lost access to a significant portion of their arable land. According to the Ministry of Agrarian Policy, approximately 30% of agricultural land was occupied or contaminated with explosive objects, posing serious risks to the sowing campaign and harvesting (Table 1).

The industry has also suffered significantly due to damage to the material and technical base, the destruction of elevators, storage facilities, infrastructure, and logistics routes. The blockade of seaports, especially critical in the early months of the full-scale war, led to a significant crisis in export supply. Despite the launch of the "grain corridor" and the "humanitarian corridor" in 2022-2023, their unstable operation did not allow for the complete restoration of export potential. This prompted the search for alternative logistics routes across the western border of Ukraine, although the cost of such transportation turned out to be many times higher.

The overall profitability of agricultural production decreased due to rising costs for fuel, logistics, war risk insurance, and limited access to financial resources. Small and medium-sized farms that had limited financial reserves were particularly affected.

Table 1.

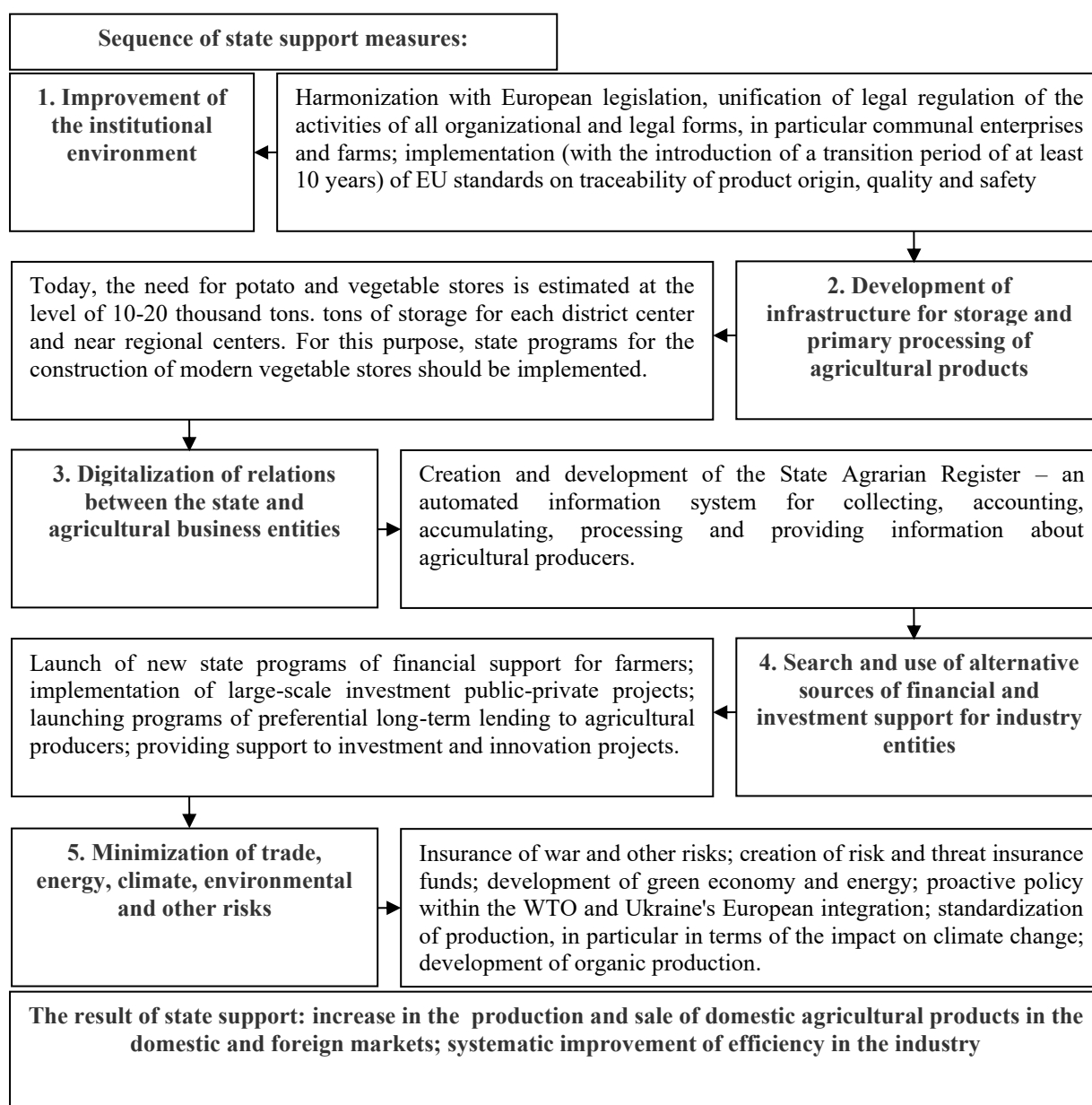
**State and problems of the functioning of the agricultural sector of Ukraine during the war
(in the period 2022-2024)**

Main criteria/indicators	Influencing factors	Impact assessment	Development trends
Cultivated areas	Reduction of available farmland.	Loss of about 30% of sown areas as a result of occupation and mining.	Gradual recovery through the liberation and demining of territories.
Yield	The decline was due to the reduction of sown areas resulting from hostilities, the deterioration of access to fertilizers and plant protection products, as well as fuels and lubricants, and the disruption of logistics chains, which made it difficult to harvest and transport crops.	A decrease in the yield of principal crops by 15-25%.	Gradual growth in production indicators in subsequent years is a result of the gradual recovery of logistics chains and improved access to the necessary resources.
Export of products	Logistical problems, blockade of Black Sea ports.	Decrease in export potential by ~40% in 2022, partial recovery in 2023-2024.	Diversification of export directions, development of alternative logistics routes.
Workforce	Loss of qualified personnel due to mobilization and migration.	A staff shortage of 20-25% is prevalent in the agricultural sector.	Automation and digitalization of processes to compensate for labor shortages.
Investment	Reduction of investment activity due to high risks.	~60% reduction in investment volumes.	Targeted investments in projects with high added value and international donor support.
Material and technical base	Damage and destruction of agricultural machinery, as well as total or partial destruction of production infrastructure.	Losses are estimated at ~\$5 billion.	Partial renewal of the equipment fleet is due to international support sources.
Profitability	Decrease in profitability and increase in production costs.	A decrease in profitability of 15-30% depending on the subsector.	Focus on high-margin crops and processed products.
Processing industry	Destruction and downtime of processing plants.	Loss of ~25% of processing capacity.	Construction of new facilities in the western regions of the country.
State support	Reorientation of budget support programs.	Reduction of direct financial support by ~70%.	Focus on ensuring food security and soft loans.
Agricultural insurance	Increased insurance risks, limited coverage of war risks.	Increase in the cost of insurance services by 50-200%.	Development of new insurance products for work in wartime.
Domestic market	Disruption of logistics chains and changes in consumption patterns.	A decrease in the purchasing power of the population by ~30%.	Stabilization of supplies to the domestic market, state regulation of prices for critical goods.

Source: formed by the author based on official data from the Ministry of Agrarian Policy and Food of Ukraine (2024), FAO (2023), and the results of scientific research.

Drawing attention to these problems, it should be pointed out that the main tasks of the state policy to support agriculture in Ukraine, along with the issues of post-war recovery, should be measures to ensure the sustainability of agricultural producers, improve their financial situation, as well as create favorable conditions for the functioning of the farm sector in the context of climate change and gradual adaptation to the requirements of the agricultural policy of the European Union (Fig. 2).

This certainly requires the formation and implementation of a balanced state policy that ensures the coordination of institutional changes with the professional expert environment. Taking into account the interests of all participants in the agricultural market (both producers and consumers) is a necessary condition for its effective implementation. At the same time, agrarian policy must remain flexible, able to quickly adapt to changes in the foreign economic situation and new challenges and opportunities.



Rice. 2. Sequence of formation of an effective model of state support for the development of agriculture in Ukraine
Source: author's development.

State support for the agricultural sector in Ukraine is based on several fundamental models that post-Soviet inertia, international recommendations, and domestic economic challenges have shaped. Currently, there is a gradual shift from the dominance of direct subsidies to more flexible, market-oriented, and partnership-based forms of interaction between the state and agricultural businesses. However, until now, support mechanisms have mainly focused on compensating costs and supporting traditional farming methods that do not meet the requirements of modern challenges, such as climate change and environmental standards.

Compared to EU countries, where comprehensive programs are implemented that combine financial support with infrastructure development and innovation, the Ukrainian system of support for farmers is less innovative and less favorable for small and medium-sized farmers. At the same time, it is essential to acknowledge that Ukraine has been actively developing a system of subsidies for large agricultural companies for some time, which, on the one hand, contributes to the growth of corporate structures, but on the other hand, deepens inequality in the agricultural sector.

Based on the results of the research, the problems of the effectiveness of state support for agriculture in Ukraine can be conditionally divided into several categories:

1. *Low efficiency of distributing funds.* A significant portion of the funding is allocated to direct subsidies and compensation, which do not always stimulate innovative development or modernization of

agricultural enterprises.

2. *Weak integration of innovation and environmental initiatives.* The existing policy of supporting agriculture still does not sufficiently account for the need to introduce the latest technologies, environmentally friendly industries, and modern irrigation systems, which are crucial in the context of global environmental changes.

3. *Insufficient level of support for small and medium-sized producers.* Support programs often target large agricultural companies and integrated agricultural formations, resulting in a decrease in the availability of financial resources for small farms and cooperatives.

4. *Obstacles to integration with the European Union.* The lack of sufficient political will and the weak level of administration of support programs reduce the opportunities for the full integration of the Ukrainian agricultural sector into the European market.

For comparison, in the EU countries, state support for the agricultural sector is more comprehensive and integrated. The EU's Common Agricultural Policy (CAP) provides financial support at two levels: direct payments to farmers to ensure income stability and funds for rural development, infrastructure, and technology. At the same time, environmental requirements and adaptation to climate change are essential elements that enable the balancing of economic and ecological interests.

The experience of European countries, particularly Germany, France, and Poland, demonstrates the effectiveness of combined models of state support, where not only does financial assistance play a significant role, but also the development of technological innovations, organic farming, and support for local producers. It is also important to foster cooperation between agricultural producers and local communities, which enables the sustainability of agricultural policy.

Table 2 presents the main models of state support, outlining their essence, the actual level of implementation in Ukraine, and potential areas for improvement, taking into account the best practices of the European Union. Such a comparative analysis enables us to assess the effectiveness of current mechanisms, identify gaps, and outline ways to transform them in the tasks of European integration and post-war recovery.

Table 2.

Models of State Support for Agriculture in Ukraine: Existing Practices and Prospects for Improvement

Support model	The essence of the mechanism	Status of implementation in Ukraine	Recommended areas for improvement / EU practices
Direct budget subsidies	Allocation of funds per hectare, animal, and farm.	Limited, uneven in access.	Transition to indicative financing, transparent distribution criteria.
Compensation of interest rates on loans	The state partially reimburses the costs of agricultural loans.	Valid, but with limited availability.	Digitalization of procedures, focus on small and medium-sized farms, and strategically essential subsectors.
Agricultural insurance	Risk insurance with state support.	Low level of development.	Introduction of Compulsory Agricultural Insurance under CAP Models.
Infrastructure support	Investments in logistics, irrigation, and processing.	Beginner level.	Public-private partnership programs are attracting support from European funds.
Innovation and technological support	Financing innovation, R&D, and digital technologies.	Mainly with the support of donors.	State grants for agricultural innovations, integration into Horizon Europe programs, and other initiatives.
Targeted programs for the most vulnerable categories	Young farmers, ecological farms, veterans, and women in agriculture.	Fragmented implementation.	Systematization of programs, participation in the Green Deal, eco-indicators of support, and international support projects.

Source: formed by the author based on the results of scientific research.

So, summarizing the above, we can draw several key conclusions:

1. *The dominance of outdated approaches.* Direct subsidies remain the focus of public policy, but their effectiveness is limited due to low targeting and the distortion of market signals. Given this, the existing model requires revision with an emphasis on transparency, digital verification, and environmental performance indicators.

2. *Insufficient development of insurance tools.* Agricultural insurance, one of the key CAP instruments, is practically not used in Ukraine, despite the high risk of production. This is a critical gap that requires government intervention, pilot projects, and broad involvement of international experience.

3. *Unrealized potential of infrastructure and technological solutions.* Infrastructure support and innovations are considered not as a systemic policy, but as separate initiatives, mainly donor-funded. This inhibits the development of productive and sustainable production models. In this regard, the issue of institutionalization of financing innovations through state programs, including agro-digitalization, is timely.

4. *Target programs as a marker of the social orientation of agricultural policy.* Support programs for youth, women, veterans, and environmental farms are fragmented, lacking a unified approach or long-term vision. Successful European practices, in particular within the framework of the Green Deal, demonstrate the feasibility of focusing on these categories as drivers of sustainable development.

5. *The need for unification with EU policy.* The European integration vector necessitates the adaptation of state instruments to the principles of the Common Agricultural Policy (CAP), including greening, digitalization, inclusiveness, and effectiveness. This implies the need to shift from a quantitative approach to a qualitative one, utilizing measurable indicators of the results obtained, as well as the simultaneous assessment of environmental compliance and social responsibility at all stages of the production process.

Thus, a comprehensive assessment of models of state support for agriculture in Ukraine indicates their fragmentation, limited effectiveness, and uneven availability for different categories of producers. The experience of recent years suggests that existing mechanisms often serve as short-term compensation for losses, rather than fostering long-term competitive advantages. This is especially true for budget subsidies, which, despite significant volumes, remain ineffective due to the lack of clear, effective indicators, the prevailing focus on large producers, and an imperfect monitoring system.

At the same time, the transition to an adaptive model of state support, based on a combination of direct and indirect support with an emphasis on developing human capital, innovative infrastructure, digital services, and insurance mechanisms, is promising. Of particular importance is the orientation to the principles of the European Green Deal, which provides for the eco-modernization of agriculture, the stimulation of sustainable technologies, and the development of niche and cooperative forms of agricultural production.

Taking into account the prospect of Ukraine's integration into the common agricultural market of the EU, in our opinion, the following are appropriate:

- harmonization of state support instruments with the principles of the EU Common Agricultural Policy (CAP);

- Introduction of a system of basic support for farmers' incomes, taking into account environmental requirements;

- expansion of agricultural innovation programs through participation in Horizon Europe, Digital Europe, etc.;

- increasing the role of local communities in the distribution of state support resources within the decentralized management model;

- development of a system for monitoring and evaluating the impact of support on the economic and social sustainability of the agricultural sector.

Thus, the transformation of state policy supporting agriculture should occur not by increasing funding per se, but through a strategic reorientation of support mechanisms towards sustainable development, integration into the European economic space, and enhancing the efficiency of the agricultural system in post-crisis conditions.

The analysis of Ukraine's current policy of state support for agriculture revealed systemic problems: excessive centralization, a low level of effectiveness for individual programs, weak integration of the innovation component, and a lack of social orientation. The current support model is focused on emergency response and risk compensation, but does not sufficiently contribute to the long-term structural transformation of the agricultural sector. The experience of EU countries demonstrates the effectiveness of hybrid models that combine direct support with the development of infrastructure, digitalization, a knowledge economy, and social entrepreneurship in the agricultural sector, which is particularly important in the context of European integration and the post-war recovery of the country's national economy.

It is worth noting that, in the context of war, the agricultural sector remains a key segment in maintaining the stability of the national economy. Despite the severe losses caused by the aggressor, agriculture retains the potential to ensure domestic food security and export products to world markets. However, it is worth emphasizing that, under current conditions, there is a pressing need to find ways to strengthen the rural economy, which requires further improvement of organizational and production models for the development of the agricultural sector and the establishment of effective mechanisms for state support.

At the same time, the national agricultural strategy should consider the needs of both Ukrainian producers and exporters, as well as international partners seeking to mitigate global hunger risks. This, in turn, requires the integration of the Ukrainian agricultural sector into international supply chains and the fullest possible consideration of global food challenges. At the same time, all state initiatives should be based on transparent discussions and coordination of the interests of all participants in the process, as this will essentially enable effective interaction between government agencies, businesses, and international partners.

An effective model for the implementation of the state policy of support for agriculture in Ukraine should be implemented based on an appropriate organizational and economic mechanism, in which organizational tools concern: improving the management system, covering the planning of production, consumption, processing and export of agricultural products; ensuring effective local and functional integration of participants in all sub-complexes of agro-food sector of the country; strengthening coordination of the development of production infrastructure; organizational assistance in the formation of export infrastructure; development of vertical and horizontal forms of cooperation and managerial interaction.

Economic instruments encompass important areas, such as technological renewal of production and processing processes in agriculture, enhancing the competitiveness of domestic agricultural products, strengthening the financial, resource, and investment base of the farm sector, developing material and technical support, and increasing efficiency at all stages—from production to sale. Particular attention should be focused on improving the quality of products and enhancing their added value.

To support these areas, effective state regulation is necessary, taking into account the specific characteristics of agricultural products and deep-processed products. The key role here is played by the provision of resources, primarily financial, since effective functioning in the domestic market and entering international markets requires significant investments in certification, logistics, marketing, and adaptation to the competitive environment.

The formation of a reliable financial base for realizing this potential requires an integrated approach at the state, regional, sectoral, and entrepreneurial levels. At the state level, this includes enhancing legal support mechanisms, developing strategic plans, establishing financial infrastructure, and reducing transaction costs. The regions should form credit infrastructure, support clusters, and attract investors. In addition, it is essential to develop financial institutions, insurance, and electronic interaction, and attract new sources of financing. Enterprises themselves should seek internal reserves, create corporate funds, modernize production, improve quality management, and unite to increase the efficiency of the agricultural output, as well as agrarian processing activities, including their introduction to world markets.

In the face of powerful war risks, the insurance sector must play its leading role. It currently has no significant impact on the financing of projects for the modernization and development of domestic agricultural enterprises' production complexes. Powerful insurance associations have not yet been formed in this area in Ukraine. In this regard, the state should more actively attract the financial resources of international insurance structures, particularly through the creation of insurance guarantee funds. Such funds minimize the risks of enterprises and increase their access to internal and external financial resources, as they can be used as collateral for obtaining loans for the development and export of agricultural products, among other purposes.

At the sectoral level, it is also necessary to improve and expand the range of financial instruments, such as crop receipts, leasing, forward contracts, financing through international institutions, as well as factoring and forfaiting, which will provide more flexible and efficient financing of the agricultural sector and increase the availability of capital for producers.

In addition to state support, enterprises themselves should play an active role in financing foreign economic activity. In particular, they can initiate the creation of domestic investment funds, which will contribute to the modernization of production processes, the expansion of export opportunities, the exploration of new product markets, and the effective establishment of international partnerships.

It is possible to increase the competitiveness of domestic agricultural enterprises through the creation of export-production clusters, agricultural parks, and other forms of integration that unite all links, from production to the sale of farm products. At the same time, it is essential to improve the quality of products and management. The role of the state in this context should be to support the implementation of international quality standards and establish an appropriate regulatory and institutional framework.

The efficiency of utilizing export potential is significantly increased through cooperation and integration with IT companies, marketing agencies, scientific institutions, and trade organizations. In this regard, the Ministry of Economy of Ukraine, together with regional bodies, should actively promote the

development of joint investment projects aimed at the technical and technological modernization of agricultural sector entities of Ukraine.

CONCLUSIONS FROM THIS STUDY AND PROSPECTS FOR FURTHER RESEARCH IN THIS DIRECTION

The practical realization of Ukraine's agricultural potential requires the implementation of a targeted state policy, which should be structured, and its tools and measures should be interconnected within the framework of the relevant mechanism. The purpose of this mechanism is to create conditions for the formation and rational use of potential. The organizational aspect of the mechanism provides for the introduction of a high-quality management system for the development of domestic agricultural enterprises. The economic component is focused on strengthening the motivation of enterprises to intensify their activities and development. The mechanism comprises key elements, including criteria, actors, regulatory tools, resources, and target results. At the same time, it is advisable to gradually introduce the organizational and economic components of the mechanism, allowing for the gradual and practical realization of its potential.

Focusing exclusively on exports is an insufficient condition for fully realizing the potential of domestic agriculture. It is necessary to deeply integrate enterprises into the global economic system by building an open environment with multi-level external relations. This is possible only if the range of forms of economic activity is expanded, focused on both cooperation and interaction within the country. The most promising forms of foreign economic activity include the export of products, cooperation at various levels, joint marketing projects, scientific and technical exchange, personnel training, financial, credit, and investment relations, leasing, renting, as well as participation in exhibitions and information events.

Special attention should be paid to financial support for domestic agricultural enterprises. At the state level, the priority tasks include improving the regulatory framework, strategic planning and financing of farming activities, developing financial infrastructure, and reducing transaction costs for agricultural entities. In the regions, it is necessary to stimulate the development of economic and credit infrastructure, support enterprises for the deep processing of agricultural products, create export-oriented clusters, expand public-private partnerships, and increase investment attractiveness. At the sectoral level, it is crucial to enhance the activities of financial institutions, develop digital channels for interaction with exporters, and establish insurance mechanisms and tools to attract investments. The internal financial policy of the state should focus on accumulating resources, modernizing production, enhancing management standards, and fostering cooperation to increase the efficiency and competitiveness of the domestic agricultural sector.

Based on the results of the research, we consider it appropriate to set out the following recommendations:

- harmonize the state agricultural policy with the requirements and principles of the EU Common Agricultural Policy, through the introduction of a system of basic payments and environmental incentives (eco-schemes);

- develop multi-level support mechanisms that combine financial assistance with innovative modernization, advisory, digital transformation, and human capital development programs;

- increase transparency, accountability, and efficiency of resource allocation by creating a single platform for electronic monitoring of state support for the agricultural sector;

- ensure the availability of state support for small and medium-sized producers, farmers, and cooperatives, in particular through simplification of procedures, prioritizing support for sustainable and niche production models;

- improve the institutional support architecture by involving communities in planning and distributing funds, strengthening the role of specialized agencies and independent auditing;

- Integrate agricultural support into Ukraine's recovery system, taking into account the needs of the affected regions, to stimulate the return of the population, foster local initiatives, and promote green growth.

It is advisable to direct further research to both theoretical and methodological elaboration, as well as to practical modeling of scenarios for state support to the agricultural sector. In this context, it is essential to conduct a thorough analysis of the effectiveness of existing state regulatory instruments for agricultural development, as well as to develop reasonable directions for transforming agricultural policy, taking into account current economic, technological, and social challenges and crisis phenomena.

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ДЕРЖАВНА ПІДТРИМКА СІЛЬСЬКОГО ГОСПОДАРСТВА: СУЧАСНИЙ СТАН, ПРОБЛЕМИ ТА ЕФЕКТИВНІ МОДЕЛІ РЕАЛІЗАЦІЇ

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У статті досліджується проблематика державної політики управління розвитком сільського господарства як однієї зі стратегічних галузей національної економіки України з огляду на існуючий природно-кліматичний та ресурсний потенціал і її виступ важливою складовою конкурентоспроможності, продовольчої безпеки та виду економічної діяльності, що формує потужний експортний потенціал країни. Вказано на те, що сільськогосподарське виробництво є критично важливим для економіки України, забезпечуючи продовольчу безпеку та формуючи значну частку експорту. Аргументовано на тому, що, не зважаючи на вже набуті адаптаційні механізми в умовах повномасштабної війни, підприємства цього виду економічної діяльності й надалі стикається з внутрішніми й зовнішніми викликами та загрозами, які потребують більш дієвих і проактивних рішень та належної державної підтримки. На тепер перед урядом актуалізуються нові загрози, що пов'язані як з безпековими, так і на загальні господарськими чинниками. У статті об'єктом дослідження слугують питання формування й реалізації політики підтримки сільського господарства. Відтак, метою дослідження визначено здійснення аналізу сучасного стану, ідентифікацію проблемних аспектів та обґрунтування ефективних моделей реалізації політики державної підтримки сільського господарства в Україні. Надано характеристику сучасного стану розвитку і державного регулювання галузі сільського господарства. Вказано на провідні проблемні аспекти як функціонування і розвитку, так і державної підтримки сільського господарства в Україні. Вказано на низку якісних моделей, а також важливих управлінських рішень в частині підвищення ефективності державної політики стимулювання розвитку вітчизняного сільського господарства в умовах війни.

Ключові слова: сільське господарство, державна підтримка, моделі державного регулювання, державна аграрна політика, агробізнес, аграрний ринок, механізми, інструменти, засоби.