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AGRICULTURAL ORGANIC PRODUCTION IN THE WORLD

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Abstract

The analysis of world experience in the development of organic production of agricultural products is carried out. A retrospective analysis of organic farming methods is carried out. The area of agricultural land with oragin production is determined. The organizational levels and determinants of the development of agricultural production oriented organic production are analyzed. The activity of organic agro companies of Ukraine in the area of organic land is investigated. It is noted that the profitability of organic agriculture is significantly higher compared to the indicators of other agrarian enterprises. The concept of agricultural policy oriented towards organic production is formed in Ukraine and the well-founded mechanism of state management of the development of agricultural production of organic products determines the sequence of actions and tools used in the implementation of mutually determined organizational and economic, innovation-technological and management measures aimed at optimal organization of agricultural production in the process of transition the agricultural product organic production on fallow lands manufacturers to use the principles of organic farming.

Keywords organic production, agriculture, profit, organic farming, livestock, plant growing.

Formulation of the problem. Organic (ecological, biological) agriculture is a form of agriculture, within which there is a conscious minimization of the use of synthetic fertilizers, pesticides, plant growth regulators, feed additives. On the contrary in order to increase yields, provide cultural plants with elements of mineral nutrition, control pests and weeds, the effect of crop rotation, organic fertilizers (manure, compost, cultivars, siderates, etc.) the various methods of soil treatment and etc.

"Organic agriculture is a production system that supports the health of soils, ecosystems and people. Depends on the environmental processes, biodiversity and natural cycles that are specific to local conditions, avoiding the use of unfavorable resources. Organic agriculture combines traditions, innovation and science to improve the state of the environment and develop a relationship and a decent standard of living for all of the above " (definition of IFOAM) [1]

According to the IFOAM (organic movement federation), organic agriculture is directed to work with ecosystems, biogeochemical cycles of substances and elements, supports them and receives an effect from their optimization. Organic agriculture implies in the long run, to maintain health as specific objects with which it is dealing (plants, animals, soil, humans) and the entire planet [2]. Principles of organic farming are now considered as the basis for the development of this industry all over the world.

The principle of health - organic agriculture must support and improve the health of the soil, plants, animals, people and the planet as a single and indivisible whole. The principle of ecology - organic agriculture should be based on the principles of the existence of natural ecological systems and cycles, working, coexisting with them and supporting them.

The principle of justice - organic farming must be built on relationships that guarantee equity in the light of the overall environment and living conditions.

The principle of care - the management of organic agriculture should be preventive and responsible to protect the health and well-being of present and future generations and the environment [3]

Analysis of recent research and publications. Issues of scientific and educational support the organic field were engaged in the following homeland-nannies and foreign theorists and practitioners, among which are Dzhabarova Y. [1], P. Frydlova M., Vostra, H. [2], Grzelak P., Maciejczak M. [3], Gubbuk H., Polat, E., Pekmezci, M. [4]. But, despite the significant science and technology, the practical contribution of the abovementioned scientists, Problems of raising the level of scientific and scientific Educational and educational provision of the rice in our country requires detailed, which is theoretical, methodological and practical substantiation and activation at the national m and regional levels.

Formulating the goals of the article. The purpose of the study is to substantiate the need to increase level of development of the organic sector in Ukraine.

Presentation of the main research material. By 2015 more than 50 million hectares of land are used in accordance with the principles of organic agriculture.

Methods of organic agriculture include the use of the principles of biological synergy:

- refusal to use fungicides, herbicides, artificial fertilizers and antibiotics;
- application of animal and vegetable wastes as fertilizers;
 - use of crop rotation to restore soil;
- application of biological means of plant protection;
- use of a closed cycle agriculture-cattle breeding (crop production feed, cattle breeding fertilizers) [5].

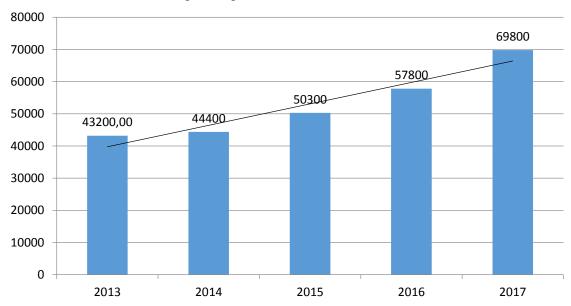
Rapidly soluble mineral fertilizers and pesticides are prohibited (in "exceptional cases" with high risk of loss of crops, use of synthetic chemistry products is allowed [6].

In stockbreeding, as an indicator of organic agriculture there is a "conforming content of animals": the refusal of year-round stalling, mandatory cattle grazing, non-use of synthetic feed additives and hormones, a ban on the preventive use of antibiotics [5].

Describes a typical soviet collective farm before the 60-ies of the last century when began the large-scale application of mineral fertilizers and fungicides, herbicides.

Picture 1 shows the area of agricultural land in the world and its change.

The area of organic agricultural land in the world, hectares.



Pic.1 The area of agricultural land in the world.

Source: Formed by authors.

The total area of organic land in the world was 69.8 million hectares in 2017 and its dynamics over the past five years demonstrates its annual increase. At the same time the share of organic agricultural land from the total agricultural area in the world has increased from 1.1% in 2015 to 1.4% in 2017. The size of the organic market in 2017 is 97 billion USA.

For more detail, consider the organizational levels and the determinants of agricultural development focused on the production of organic products see Table 1.

Table Organizational levels and determinants of the development of agriculture focused on the production of organic products

products								
Organizational	Determinants of agricultural development in the direction of production of organic prod-							
level	ucts							
	Preparation and adoption of normative legal documents regulating the concept of "organic, environmentally friendly (safe) products", "organic product"							
	Formation of the regulatory framework regulating the functioning of the market for or-							
	ganic products in the interests of consumers, based on the participation of all interested market actors							
State level	Development of a system of national standards in the field of environmentalization							
	agriculture, as well as their harmonization with the system of international environmental standards							
	Development of an economic mechanism for stimulating organic producers through a system of preferential lending, tax optimization, subsidies and subsidies, as a whole increasing the investment attractiveness of organic products market players							
	Development of targeted programs to support the formation and development of agricul-							
	ture focused on the production of organic products.							
	Development of the normative legal base for the agricultural production of organic prod-							
	ucts which doesn't contradict the legislation							
	Conduct scientific research to identify potential in the field of organic land use in the							
	region. Extension of the information field, highlighting the peculiarities of agricultural							
Regional level	production of organic produce							
	Formation of educational programs for training and professional development of special-							
	ists in the field of agriculture, focused on the production of organic products							
	Involvement in the production turnover of land resources suitable for the production of							
	organic products. Formation of zonal agroecoclusters							
	Development of regional markets for organic products. Participation in international and							
	Ukrainian exhibitions and fairs in order to promote regional organic products							
	The choice of the direction of transition to the production of organic products, taking into							
	account the available resources of production and demand for organic products							
	Rehabilitation of land resources by means of bringing in unused and altered lands into							
The level of an ag-	agricultural turnover, restoration of soil fertility and transition to environmentalization of							
ricultural organiza-	land use							
tion	Improving the efficiency of agricultural production at the expense of higher prices for the							
	sale of organic products							
	The entry of the organization into the structure of the zonal agroecoclaster. Training and							
	advanced training of personnel. Certification of organic production system							

Table 2 Organic agricultural companies of Ukraine in terms of organic land in 2017 year, thousand hectares

The name of the agrocompany	Size of the square, thousand hectares
Arnika Organik Ltd.	15,8
PE "GALEX-AGRO"	8,8
PE "Agroecology"	7,5
AgroInvest - Natural Products Ltd.	6,0
LLC "Ukrbioland"	5,6
PJSC "Ethnoproduct"	4,0
RitterBioAgro LLC	3,5
LLC "Living Niva"	3,2
Cephei Group Ltd.	2,8
Svarog West Group Ltd.	2,7

					agrarian				

Name of company	Profitability of	Profitability of	Profitability of	Profitability of	
Traine of company	assets		working capital	products	
	assets	equity capital	working capital	products	
PJSC					
"Ethnoproduct"					
2015	20,14	34,78	16,3	61,56	
2016	23,50	51,44	31,50	71,43	
2017	12,05	23,17	16,15	50,0	
Svarog West					
Group Ltd.					
2015	21,41	9,48	21,57	51,6	
2016	6,02	17,09	3,75	84,5	
2017	8,33	3,50	1,00	56,03	
Agrotrade Export					
Ltd					
2015	47,9	11,0	3,5	88,0	
2016	14,62	0,17	0,05	49,6	
2017	9,92	0,06	0,01	61,8	

The given coefficients of profitability of organic operators - agrarian enterprises testify to the satisfactory situation on the organic market: expansion of volumes of production occurs at the price of increase of crop yield and crop area. For all of these enterprises the most effective was 2015 year. This year, the companies have achieved the greatest success - the profitability ratios are relatively high which is due to the receipt of total net profit.

Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91. THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission, Having regard to the opinion of the European Parliament. Whereas:

- 1. Organic production is an overall system of farm management and food production that combines best environmental practices, a high level of biodiversity, the preservation of natural resources, the application of high animal welfare standards and a production method in line with the preference of certain consumers for products produced using natural substances and processes. The organic production method thus plays a dual societal role, where it on the one hand provides for a specific market responding to a consumer demand for organic products, and on the other hand delivers public goods contributing to the protection of the environment and animal welfare, as well as to rural development.
- 2. The share of the organic agricultural sector is on the increase in most Member States. Growth in consumer demand in recent years is particularly remarkable. Recent reforms of the common agricultural policy, with its emphasis on market-orientation and the supply of quality products to meet consumer demands, are likely to further stimulate the market in organic produce. Against this background the legislation on organic production plays an increasingly important role

in the agricultural policy framework and is closely related to developments in the agricultural markets.

- 3. The Community legal framework governing the sector of organic production should pursue the objective of ensuring fair competition and a proper functioning of the internal market in organic products, and of maintaining and justifying consumer confidence in products labelled as organic. It should further aim at providing conditions under which this sector can progress in line with production and market developments.
- 4. The Communication from the Commission to the Council and the European Parliament on a European Action Plan for Organic Food and Farming proposes to improve and reinforce the Community's organic farming standards and import and inspection requirements. In its conclusions of 18 October 2004, the Council called on the Commission to review the Community legal framework in this field with a view to ensure simplification and overall coherence and in particular to establish principles encouraging harmonisation of standards and, where possible, to reduce the level of detail.
- 5. It is therefore appropriate to define more explicitly the objectives, principles and rules applicable to organic production, in order to contribute to transparency and consumer confidence as well as to a harmonised perception of the concept of organic production.
- 6.To that end, Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs (2) should be repealed and replaced by a new regulation.
- 7. A general Community framework of organic production rules should be established with regard to plant, livestock, and aquaculture production, including rules for the collection of wild plants and seaweeds, rules on conversion, as well as rules on the production of processed food, including wine, and feed and organic yeast. The Commission should authorise the use of products and substances and decide on methods to be used in organic farming and in the processing of organic food.
 - 8. The development of organic production should

be facilitated further, in particular by fostering the use of new techniques and substances better suited to organic production.

- 9. Genetically modified organisms (GMOs) and products produced from or by GMOs are incompatible with the concept of organic production and consumers' perception of organic products. They should therefore not be used in organic farming or in the processing of organic products.
- 10. The aim is to have the lowest possible presence of GMOs in organic products. The existing labelling thresholds represent ceilings which are exclusively linked to the adventitious and technically unavoidable presence of GMOs.
- 11. Organic farming should primarily rely on renewable resources within locally organised agricultural systems. In order to minimise the use of non-renewable resources, wastes and by-products of plant and animal origin should be recycled to return nutrients to the land.
- 12. Organic plant production should contribute to maintaining and enhancing soil fertility as well as to preventing soil erosion. Plants should preferably be fed through the soil eco-system and not through soluble fertilisers added to the soil.
- 13. The essential elements of the organic plant production management system are soil fertility management, choice of species and varieties, multiannual crop rotation, recycling organic materials and cultivation techniques. Additional fertilisers, soil conditioners and plant protection products should only be used if they are compatible with the objectives and principles of organic production.
- 14. Livestock production is fundamental to the organisation of agricultural production on organic holdings in so far as it provides the necessary organic matter and nutrients for cultivated land and accordingly contributes towards soil improvement and the development of sustainable agriculture.
- 15. In order to avoid environmental pollution, in particular of natural resources such as the soil and water, organic production of livestock should in principle provide for a close relationship between such production and the land, suitable multiannual rotation systems and the feeding of livestock with organic-farming crop products produced on the holding itself or on neighbouring organic holdings.
- 16. As organic stock farming is a land-related activity animals should have, whenever possible, access to open air or grazing areas.
- 17. Organic stock farming should respect high animal welfare standards and meet animals' species-specific behavioural needs while animal-health management should be based on disease prevention. In this respect, particular attention should be paid to housing conditions, husbandry practices and stocking densities. Moreover, the choice of breeds should take account of their capacity to adapt to local conditions. The implementing rules for livestock production and aquaculture production should at least ensure compliance with the provisions of the European Convention for the Protection of Animals kept for Farming purposes and the subsequent recommendations by its standing committee (T-AP).

- 18. The organic livestock production system should aim at completing the production cycles of the different livestock species with organically reared animals. It should therefore encourage the increase of the gene pool of organic animals, improve self reliance and thus ensure the development of the sector.
- 19. Organic processed products should be produced by the use of processing methods which guarantee that the organic integrity and vital qualities of the product are maintained through all stages of the production chain.
- 20. Processed food should be labelled as organic only where all or almost all the ingredients of agricultural origin are organic. However, special labelling provisions should be laid down for processed foods which include agricultural ingredients that cannot be obtained organically, as it is the case for products of hunting and fishing. Moreover, for the purpose of consumer information, transparency in the market and to stimulate the use of organic ingredients, it should also be made possible to refer to organic production in the ingredients list under certain conditions.
- 21. It is appropriate to provide for flexibility as regards the application of production rules, so as to make it possible to adapt organic standards and requirements to local climatic or geographic conditions, specific husbandry practices and stages of development. This should allow for the application of exceptional rules, but only within the limits of specific conditions laid down in Community legislation.
- 22. It is important to maintain consumer confidence in organic products. Exceptions from the requirements applicable to organic production should therefore be strictly limited to cases where the application of exceptional rules is deemed to be justified.
- 23. For the sake of consumer protection and fair competition, the terms used to indicate organic products should be protected from being used on non-organic products throughout the Community and independently of the language used. The protection should also apply to the usual derivatives or diminutives of those terms, whether they are used alone or combined.
- 24. In order to create clarity for consumers throughout the Community market, the EU-logo should be made obligatory for all organic pre-packaged food produced within the Community. It should otherwise be possible to use the EU-logo on a voluntary basis in the case of non pre-packaged organic products produced within the Community or any organic products imported from third countries.
- 25. It is however considered appropriate to limit the use of the EU-logo to products which contain only, or almost only, organic ingredients in order not to mislead consumers as to the organic nature of the entire product. It should therefore not be allowed to use it in the labelling of in-conversion products or processed foodstuffs of which less than 95 % of its ingredients of agricultural origin are organic.
- 26. The EU-logo should under no circumstances prevent the simultaneous use of national or private logos.
 - 27. Moreover, for the sake of avoiding deceptive

practices and any possible confusion amongst consumers on the Community or non-Community origin of the product, whenever the EU-logo is used, consumers should be informed about the place were the agricultural raw materials of which the product is composed have been farmed.

- 28. The Community rules should promote a harmonised concept of organic production. The competent authorities, control authorities and control bodies should refrain from any conduct that might create obstacles to the free movement of compliant products that have been certified by an authority or body located in another Member State. They should in particular not impose any additional controls or financial burdens.
- 29. For the sake of consistency with Community legislation in other fields, in the case of plant and livestock production, Member States should be allowed to apply within their own territories, national production rules which are stricter than the Community organic production rules, provided that these national rules also apply to non-organic production and are otherwise in conformity with Community law.
- 30. The use of GMOs in organic production is prohibited. For the sake of clarity and coherence, it should not be possible to label a product as organic where it has to be labelled as containing GMOs, consisting of GMOs or produced from GMOs.
- 31. In order to ensure that organic products are produced in accordance with the requirements laid down under the Community legal framework on organic production, activities performed by operators at all stages of production, preparation and distribution of organic products should be submitted to a control system set up and managed in conformity with the rules laid down in Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (3).
- 32. It might in some cases appear disproportionate to apply notification and control requirements to certain types of retail operators, such as those who sell products directly to the final consumer or user. It is therefore appropriate to allow Member States to exempt such operators from these requirements. However, in order to avoid fraud it is necessary to exclude from the exemption those retail operators who produce, prepare or store products other than in connection with the point of sale, or who import organic products or who have contracted out the aforesaid activities to a third party.
- 33. Organic products imported into the European Community should be allowed to be placed on the Community market as organic, where they have been produced in accordance with production rules and subject to control arrangements that are in compliance with or equivalent to those laid down in Community legislation. In addition, the products imported under an equivalent system should be covered by a certificate issued by the competent authority, or recognised control authority or body of the third country concerned.
- 34. The assessment of equivalency with regard to imported products should take into account the international standards laid down in Codex Alimentarius.

- 35. It is considered appropriate to maintain the list of third countries recognised by the Commission as having production standards and control arrangement which are equivalent to those provided for in Community legislation. For third countries which are not included in that list, the Commission should set up a list of control authorities and control bodies recognised as being competent for the task of ensuring controls and certification in third countries concerned.
- 36. Relevant statistical information should be collected in order to obtain reliable data needed for the implementation and follow-up of this Regulation and as a tool for producers, market operators and policy makers. The statistical information needed should be defined within the context of the Community Statistical Programme.
- 37. This Regulation should apply from a date which gives the Commission sufficient time to adopt the measures necessary for its implementation.
- 38. The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission (4).
- 39. The dynamic evolution of the organic sector, certain highly sensitive issues linked to the organic production method and the need to ensure a smooth functioning of the internal market and control system makes it appropriate to provide for a future review of the Community rules on organic farming, taking into account the experience gained from the application of these rules.

Pending the adoption of detailed Community production rules for certain animal species and aquatic plants and micro-algae, Member States should have the possibility to provide for the application of national standards or, in the absence thereof, private standards accepted or recognised by the Member States.

Organic production rules

Producing organically means respecting the rules on organic farming. These rules are designed to promote environment protection, maintain the biodiversity of Europe and build consumer trust in organic products. These regulations govern all areas of organic production and are based on a number of key principles, such

- prohibition of the use of GMOs
- forbidding the use of ionising radiation
- limiting the use of artificial fertilisers, herbicides and pesticides
- prohibiting the use of hormones and restrict the use of antibiotics and only when necessary for animal health

This means that organic producers need to adopt different approaches to maintaining soil fertility and animal and plant health including

- crop rotation
- cultivation of nitrogen fixing plants and other green manure crops to restore the fertility of the soil
 - prohibition of use of mineral nitrogen fertilisers
 - to reduce the impact of weeds and pests, organic

farmers choose resistant varieties and breeds and techniques encouraging natural pest control

- encourage the natural immunological defence of animals
- in order to maintain animal health, organic producers need to prevent overstocking

Rules on livestock

Livestock farmers must also fulfil specific conditions if they wish to market their products as organic. These rules include respect for animal welfare, feeding the animals in accordance with their nutritional needs and are designed to protect the animals health and environment. These rules also help to build public trust as they ensure that organically farmed animals are kept separate from non-organic. Examples of rules which apply to livestock farmers include

Abiding by organic principles

- non-organically raised animals may be not brought onto holdings unless for breeding purposes and then only comply with specific rules
- farmers have to provide 100% organic feed to their animals in order to market their products as organic
- the feed should primarily be obtained from the farm where the animals are kept or from farms in the same region
- cloning animals and or transferring embryos is strictly forbidden
- growth promoters and synthetic amino-acids are prohibited
- suckling mammals must be fed with natural, preferably maternal, milk
- natural methods of reproduction must be used, artificial insemination is however allowed
- non-organic feed materials from plant origin, feed materials from animal and mineral origin, feed additives, certain products used in animal nutrition and processing aids can only be used if they have been specifically authorised for use in organic production

Animal welfare

- personnel keeping animals must possess the necessary basic knowledge and skills as regards the health and the welfare needs of the animals
- particular attention should be paid to housing conditions, husbandry practices and stocking densities
- the number of livestock must be limited to minimising overgrazing, erosion, or pollution caused by animals or by the spreading of their manure
- animals should have, whenever possible, access to open air or grazing areas
- tethering or isolating livestock is prohibited aside from individual animals for a limited period of time and only for welfare, safety or veterinary reasons
- hormones or similar substances are not permitted, unless as a form of veterinary therapeutic treatment for an individual animal
- when the animals are ill, allopathic veterinary medicinal products including antibiotics may be used where necessary and under strict conditions. This is only allowed when the use of phytotherapeutic, homeopathic and other products is inappropriate
 - the use of immunological veterinary medicines

is permitted

Rules for the food chain

The rules cover all stages of production, preparation and distribution (from primary production to storage, processing, transport, distribution and supply to the final consumer). This means that all organic products in the EU follow strict rules from the farm to the plate.

The specific provisions for processing organic food and feed include

- the separation of processed organic products in time and space from non-organic ones
- a minimum organic content of 95% of organic agricultural ingredients and strict conditions for the remaining 5%
- clear rules on labelling and on which products can and cannot use the organic logo
- specific limits to the substances which can be added to food and feed and a limited list of approved additives and processing aids to be used in organic production

Permitted substances in organic production

One of the objectives in organic production is to reduce the use of external inputs. Any substance used in organic agriculture to fight pests or plant diseases must be pre-approved by the European Commission.

Additionally, specific principles guide the approval of external inputs such as fertilisers, pesticides, and food additives so that only substances and compounds listed as approved in specific legislation can be used in organic productions.

Processed food shall be produced mainly from agricultural ingredients only (added water and cooking salt are not taken into account). They may also contain

- preparations of micro-organisms and enzymes, mineral trace elements, additives, processing aids and flavourings, vitamins, as well as amino acids and other micronutrients added to foodstuffs for specific nutritional purposes can be used but only when authorised under organic rules
- substances and techniques which reconstitute properties that are lost in processing or storage that correct any negligence in the processing or that otherwise may be misleading on the true nature or the products shall not be used
- non-organic agricultural ingredients can only be used if they are authorised within the annexes to the legislation or have been provisionally authorised by an EU country

And above all, any substance listed for use in organic agriculture must be compliant with horizontal EU rules and then be thoroughly assessed and approved by the European Commission for use in organics.

Rules on wine, aquaculture and hydroponics Wine

Specific rules are set for organic wine-making, including a technical definition of organic wine which is consistent with the organic objectives and principles.

Organic wine has to be made with organic grapes and yeast, however, there are a number of other restrictions that also apply. These include

- a prohibition on the use of sorbic acid and desulphurisation
- the level of sulphites in organic wine must be lower than their conventional equivalent (depending on the residual sugar content)

Aquaculture

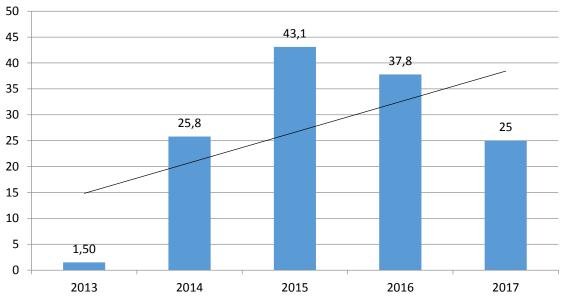
There are also specific rules governing the organic aquaculture sector. These follow the same broad principles as the regulations for all other organic products but have been adapted to fit the sector. Key features of the aquaculture regulation include

- strict maximum stocking densities
- water quality requirements
- rules that specify that biodiversity should be respected, and which do not allow the use of induced

- spawning by artificial hormones
- handling minimised to avoid stress and physical damage
- the provision that organic feeds should be used, supplemented by fish feeds derived from sustainably managed fisheries
- special provisions are made for bivalve mollusc production and for seaweed

Analyzing the profitability indicators of some organic agrarian enterprises, compare them with the indicators of other agricultural enterprises in Ukraine as a whole. (Table 2,3).

Profitability of crop production in Ukraine, %



Pic.2 Profitability of crop production in Ukraine.

The profitability of organic agriculture is substantially higher than that of other agrarian enterprises.

Expected results of implementing program activities:

- 1) an increase in the share of arable land used by the target destination by 2022 to 100% relative to the 2015 level;
- 2) the involvement in agricultural production of unused 207 thousand hectares of arable land with a designated area 110 thousand hectares for the production of organic products;
- 3) creation of effective involvement in agricultural production not used for the purpose of recognition of arable resources:
 - 4) reproduction of soil fertility of arable land;
- 5) annual planning of areas for the production of arable crops land.

Conclusions. In agriculture oriented to organic production we proposed to understand the parallel management of the traditional component of the industrial system and production system, oriented to organic agricultural production, adjusted for the share of the organic sector on the basis of the rational, territorial and technological sectors of agricultural process.

The updated theoretical bases of agriculture focused on the production of organic products allow more efficiently to solve the problem of rational use of land potential of regions by involving in the production agricultural turnover of dependent and unused arable lands which are defined as a reserve of lands suitable for the production of organic products. Formation of a system of organic agriculture doesn't mean the abandonment of industrial agricultural production.

In our opinion, both organic and industrial agricultural production systems can function effectively in parallel to each other, gradually transforming into an agrarian technology that can meet the current and expected needs of the population in quality and environmentally sound food products.

The current concept of agricultural policy oriented towards the production of organic products in Ukraine and the well-grounded mechanism of state management of the development of agricultural production of organic products determine the sequence of actions and tools used in the implementation of mutually determined organizational, economic, innovation, technological and management measures aimed at optimal organization of agricultural production in the process of

transition the agricultural product organic production on fallow lands manufacturers to use the principles of organic farming.

A substantiated mechanism for the development and implementation of targeted agro-industrial development programs has allowed to develop a draft program "Involvement in agricultural production is not used for the purpose-oriented use of arable and rotogravure lands of agricultural purpose of Ukraine for the production of organic products for the period 2017-2022 years " aimed at more complete and efficient use arable land by agricultural commodity producers, increasing the efficiency of their economic activity, as well as the growth of production volumes and organic agricultural products in Ukraine.

According to the program by 2022 year 207 thousand hectares and 110 thousand hectares of arable land will not be used in agricultural organic production. turnaround lands.

Certain authors limit the amount of subsidies to 2022 year on the basis of the calculated norm introduced into agricultural production turnover isn't used for the purpose of arable land in the amount of 2000 UAH for 1 hectare was 1060 million UAH. The developed method of monitoring the evaluation of the effectiveness of the use of organically acceptable deposits for agricultural production allows the bodies of municipalities of the Altai Territory to carry out operative monitoring of the state of land resources put into circulation with the aim of making decisions on the termination of further subsidizing a particular agricultural commodity producer in identifying negative factors of land use, as well as in calculating rent of agricultural commodity producers for use land plots of regional funds for redistribution of land.

Based on the agricultural development program of Ukraine based on the optimal scientifically grounded structure of crop areas, crop yields and animal productivity, as well as the plan for attracting unused and conversion land to agricultural production for organic production purposes the forecast for the production of agricultural products was calculated Ukraine for the period 2017-2027 with the allocation of the share of the organic sector. Concentration of land, material, financial, labor resources in the direction of development of agriculture focused on the production of organic products, not only opens the possibility of increasing the production of domestic organic products but also allows to reduce the dependence on imports, as well as will contribute to improving the quality and environmental safety of products, development of processes of diversification of agriculture and related branches of agro industrial complex.

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ДОТАЦИИ - КАК ИНСТРУМЕНТ ФИНАНСОВОЙ ПОДДЕРЖКИ ТЕРРИТОРРИЙ ГОСУДАРСТВА

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GRANTS - AS AN INSTRUMENT OF FINANCIAL SUPPORT TERRITORY OF THE STATE

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Аннотация

В статье рассмотрены основные виды дотаций, как инструменты финансовой поддержки, предоставляемые регионам из федерального бюджета для выравнивания уровня социально-экономического развития отдельных субъектов РФ и поддержания сбалансированности территориальных бюджетов.

Abstract

The article considers the main types of grants, as financial support tools provided to regions from the federal budget to level the level of socio-economic development of individual constituent entities of the Russian Federation and maintain the balance of territorial budgets.

Ключевые слова: дотации, финансовые инструменты бюджетная обеспеченность, государственная поддержка, сбалансированность бюджета, субъекты РФ.

Keywords: grants; financial instruments, budget security, state support, budget balance, subjects of the Russian Federation

Дотации являются мерой финансовой поддержки государства территорий РФ. Порядок предоставления дотаций закреплен в бюджетном Кодексе РФ. В этом законодательном документе четко определены условия, при соблюдении которых тот или иной регион сможет получить дотацию из федерального бюджета. На практике дотации распределяются между субъектами России, которые нуждаются в государственной поддержке, на основании специальной единой методики, разработанной Правительством РФ.

Дотация из федерального бюджета может быть предоставлена субъектам с целью последующего осуществления межбюджетных трансфертов в адрес бюджетов отдельных муниципальных образований. К основным видам дотаций, предоставляемым регионам из федерального бюджета относят:

1. Дотации на выравнивание бюджетной обеспеченности субъектов. Дотации этого вида предоставляются для выравнивания уровня социальноэкономического развития отдельных регионов, так как различия между регионами в нашей стране весьма существенны по ряду причин:

- размер территории;
- отраслевая направленность;
- масштабы налоговых отчислений, производимых субъектом в федеральный бюджет.

За счет дотаций регионы-реципиенты (получатели бюджетных трансфертов) решают свои социально-экономические вопросы, обеспечивают необходимый уровень жизни и предоставляют социальные гарантии.

Законодательством РФ предусматриваются специальные меры воздействия на субъекты, которые в течение продолжительного времени находятся в числе дотационных субъектов. Так, если в течение трех последних отчетных периодов доля дотаций из государственного бюджета составляет более чем 40% от объема собственных доходов консолидированного бюджета РФ, то регион заставят принять особенные меры для повышения эффективности использования полученных бюджетных средств.

Несмотря на то, что средства дотации не имеют целевого характера и не предполагается возврат дотаций, порядок расходования этих средств

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