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Olena Moshkovska, Doctor of Economic Sciences, Professor,
<https://orcid.org/0000-0002-1176-9478>

Kyiv National University of Trade and Economics, Kyiv

Yulia Manachynska, Candidate of Economic Sciences, Associate Professor,
<https://orcid.org/0000-0001-9155-3417>

Volodymyr Yevdoshchak, Candidate of Economic Sciences,
Associate Professor,
<https://orcid.org/0000-0001-6547-8927>

Chernivtsi Institute of Trade and Economics of KNUTE,
Chernivtsi

STATISTICAL EVALUATION OF THE UKRAINIAN AGRICULTURAL SECTOR EFFECTIVENESS IN THE CONTEXT OF FOOD SECURITY

Summary

Topicality. Problem statement. The dynamic development of Ukrainian agricultural sector determines its food security level and comprehensive provision of its population with quality products. Agriculture is the foundation of the state's economic development, so a detailed and wide-ranging statistical estimation of the level of its effectiveness, in dynamics, is essential for the objective assessment of the agro-industrial complex profitability. World experience shows that with a significant share of the agricultural sector in the country's gross value added (GVA) and with the positive dynamics of its economic potential growth, the studied industry needs constant ample financial support, improvement of regulations and active implementation of agro-innovations. Not only large and medium-sized agricultural enterprises, but especially small and micro-enterprises need appropriate support in Ukraine. This fact, in its turn, determines this study relevance.

The study objective. The purpose of the article is to study and substantiate statistical assessment of Ukrainian agricultural enterprises effectiveness in the context of food security and necessity to attract investment into the agricultural sector development.

Methodology. General scientific theoretical methods of cognition were used: system analysis to clarify the main categories of research; abstract-logical method to perform theoretical generalizations and conclusions on domestic agricultural enterprises efficiency level, graphic and tabular methods used for visual presentation of statistical and analytical material to reflect the level of profitability of operating and all activities of Ukrainian agricultural entities.

Results. The article substantiates statistical assessment of the profitability of Ukrainian agricultural enterprises operating activities for 2010-2019, identifies the main trends in agricultural enterprises effectiveness in comparison with other types of economic activities. The structure in the ratio between profitable and unprofitable agricultural entities is revealed. This structure was substantiated and it was determined that during the study period it did not vary

ОБЛІК, АНАЛІЗ І АУДИТ

significantly, as the share of profitable agricultural entities ranged from 69.5% to 88.5%, and unprofitable – from 13.7% to 30.5% respectively. Based on agricultural sector the authors made a statistical assessment of pre-tax financial results of Ukrainian agricultural enterprises. It is investigated that the total financial result before taxation of all agricultural entities of Ukraine for 2019 was positive and amounted to UAH 91299.9 million, which is 21.71% higher than the same indicator for the previous 2018 year; identical positive trends in the dynamics and structure were characteristic for large, medium, small and micro-enterprises. It is suggested to equip the industry with advanced technologies for further agro-innovations introduction in order to maintain support of agriculture growth. It is possible only by attracting investment and ensuring the investment attractiveness image on the world farmers' stage; as well as to improve the regulatory space in the agricultural sector in order to better adapt European principles of agricultural enterprises management. *Practical value.* Statistical assessment of the Ukrainian agricultural sector effectiveness with division into large, medium, small and micro-enterprises has been comprehensively and complexly substantiated, which allowed objective comprehension of the domestic agricultural enterprises development trends as the main source of foreign exchange in Ukraine and a key lever in food security.

Prospects for further research. Implementation of theoretical and practical substantiation of the need to introduce mandatory international standards and compliance with them in the process of domestic agricultural production; direction of Ukraine's agricultural policy in the context of the European development vector for domestic farmers; justification of agricultural enterprises financial reporting convergence with EU Directives in the context of the country's food security.

Keywords: assessment, agriculture, profitability, financial result, profit, loss, reporting, food security, investments.

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О.А. Мошковська, д.е.н., професор,

Київський національний торговельно-економічний університет, Київ

Ю.А. Маначинська, к.е.н., доцент,

В.І. Євдошак, к.е.н., доцент,

Чернівецький торговельно-економічний інститут КНТЕУ, Чернівці

СТАТИСТИЧНА ОЦІНКА РЕЗУЛЬТАТИВНОСТІ ДІЯЛЬНОСТІ АГРАРНОГО СЕКТОРУ УКРАЇНИ В КОНТЕКСТІ ПРОДОВОЛЬНОЇ БЕЗПЕКИ

Анотація

Актуальність. Постановка проблеми. Динамічний розвиток аграрного сектору України визначає рівень її продовольчої безпеки та комплексне забезпечення населення якісною продукцією. Сільське господарство є фундаментом розвитку економіки держави, тому детальна та всебічна статистична оцінка рівня його результативності в динаміці займає вагомe місце при здійсненні об'єктивної оцінки рентабельності агропромислового комплексу.

Світовий досвід свідчить, що при вагомій частці аграрного сектору у валовій доданій вартості (ВДВ) країни та при позитивній динаміці приросту його економічного потенціалу досліджувана галузь потребує постійної всебічної фінансової підтримки, удосконалення нормативно-правового забезпечення, а також активного впровадження агроінновацій. Відповідної належної підтримки потребують в Україні не лише великі та середні сільськогосподарські підприємства, а особливо малі та мікропідприємства. Це, своєю чергою, визначає актуальність дослідження.

Мета дослідження. Мета статті – дослідження та обґрунтування статистичної оцінки результативності діяльності сільськогосподарських підприємств України у контексті продовольчої безпеки та необхідності залучення інвестицій в розвиток аграрного сектору. *Методологія.* У процесі виконання дослідження використано загальнонаукові теоретичні методи пізнання: системний аналіз – для з'ясування основних категорій дослідження; абстрактно-логічний метод – для здійснення теоретичних узагальнень та висновків про рівень результативності діяльності вітчизняних сільськогосподарських підприємств, графічний та табличний методи – для наочного представлення статистичного та аналітичного матеріалу щодо відображення рівня рентабельності операційної та всієї діяльності аграрних суб'єктів України.

Результати. У статті обґрунтовано статистичну оцінку рентабельності операційної діяльності підприємств сільського господарства України за 2010–2019 роки, визначено основні тенденції результативності діяльності аграрних підприємств порівняно з іншими видами економічної діяльності. Розкрито структуру у співвідношенні між прибутковими та збитковими аграрними суб'єктами. Обґрунтована зазначена структура та визначено, що за досліджуваний період вона суттєво не варіювала, адже питома вага прибуткових сільськогосподарських суб'єктів коливалася від 69,5% до 88,5%, а збиткових – від 13,7% до 30,5% відповідно. Авторами на прикладі аграрного сектору здійснено статистичну оцінку фінансових результатів до оподаткування сільськогосподарських підприємств України. Досліджено, що сукупний фінансовий результат до оподаткування всіх аграрних суб'єктів України за 2019 рік був позитивним та склав 91299,9 млн. грн, що на 21,71% перевищує однойменний показник попереднього 2018 року, тотожні позитивні тенденції в динаміці та структурі були характерними для великих, середніх, малих та мікропідприємств. Запропоновано для підтримки подальшого зростання сільського господарства оснастити галузь передовими технологіями задля подальшого запровадження агроінновацій, що можливе лише за рахунок залучення інвестицій та забезпечення іміджу інвестиційної привабливості на світовій арені аграріїв; покращити нормативно-правовий простір в агросекторі з метою кращої адаптації європейських принципів управління сільськогосподарськими підприємствами. *Практичне значення.* Комплексно та всебічно обґрунтовано статистичну оцінку результативності діяльності аграрного сектору України з розподілом на великі, середні, малі та мікропідприємства, яка дала змогу об'єктивно прослідкувати за тенденціями розвитку вітчизняних сільськогосподарських підприємств як основного джерела надходження валюти в Україні та ключового важеля у забезпеченні її продовольчої безпеки.

Перспективи подальших розвідок. Здійснення теоретичного та практичного обґрунтування необхідності запровадження обов'язкових міжнародних стандартів та їх дотримання у вітчизняному сільськогосподарському виробництві; спрямування аграрної політики України у контексті європейського вектору розвитку для вітчизняних аграріїв; обґрунтування конвергенції фінансового звітування сільськогосподарських підприємств у контексті продовольчої безпеки країни відповідно до Директив ЄС.

Ключові слова: оцінка, сільське господарство, рентабельність, фінансовий результат, прибуток, збиток, звітність, продовольча безпека, інвестиції.

Кількість: джерел – 11, таблиць – 3, рисунків – 1.

Problem statement in general. The agricultural market of Ukraine is a priority in the economy development as it accounts for the largest share in the country's exports and also has the biggest increase compared to other industries. To improve the market and create a strong agro-industrial complex that produces finished exported products, a number of measures should be undertaken to improve the Ukrainian legislation, to support the development of small and medium agricultural enterprises, to employ the program method in agricultural policy, to implement foreign experience in developing innovative agricultural market, to use land resources rationally. The above mentioned steps will ensure the formation of a competitive agricultural sector for Ukraine [1].

The share of the agricultural sector in gross value added (GVA) of the country for 2019 constitutes 9% (in actual prices this accounts for UAH 358,072 million), which is 4% lower than in the previous 2018 year.

Agriculture development directly affects the level of food security of the country, i.e. determines its ability to provide population with its own qualitative and healthy products. In 2019, Ukraine ranked 76th among 113 countries according to the Global Food Security Index (GFSI 2019), which took into account such factors as quality and safety, financial and physical accessibility, considering the impact of natural conditions. Ukraine gained 57.1 points, which was 3 points higher than the 2018 figure (54.1) and rose by 12 positions from the 63rd place in the overall ranking.

As a result of such trends, there is an urgent need to make a statistical assessment of the Ukrainian agricultural sector effectiveness through the prism of food security, which determines this study topicality.

Analysis of recent research and publications. Regarding the direct substantiation of the urgent need for statistical evaluation of the Ukrainian agricultural sector efficiency in the context of food security, these issues are quite comprehensively and in detail disclosed in the works of such domestic and foreign scientists as O.M. Baltremus [1], I.I. Bozhidai [3], O.M. Borodina [4], I.V. Burachek [5], N.I. Burlaka [1], V.V. Garkavy [6], M.P. Denisenko [7], I.O. Maslyuka [8], N.V. Mykhaylenko [5], A.P. Mikhailova [9], D.V. Novikova

[7], M.P. Sychevsky [10], O.V. Shubravska [4] and others. In particular, Shubravska O.V. [4] emphasizes macroeconomic goals and challenges for agricultural development and notes that agriculture is an important component of the domestic economic complex, while trends and prospects for the industry development are determined by the general state of the national economy. According to scientists, Ukraine's development strategy should be based on outpacing the growth of non-agricultural sectors of the economy, which will consequently contribute to proper progress in agriculture. Besides, agricultural production is characterized by a fairly high seasonality, as 80% of agricultural products are produced in the second half of the calendar year, which creates a problem in attracting additional financial resources [4].

In his turn, Burachek I.V. [5] distinguishes regulatory field improvement; increasing the production of organic, safe and environmentally friendly agricultural products; setting market prices for products that will ensure production profitability for the bulk of manufacturers; implementation of STP achievements and innovations, etc. among the main strategic directions of agricultural development in Ukraine. The scientist identifies the following areas of agricultural sector innovative development: stimulating agro-environmental activities, promoting the development of organic agricultural production; formation of highly educated professional staff.

Bozhidai I.I. [3] notes that the main priority areas of domestic agricultural sector development are optimization, modernization, efficient logistics, as well as improving the quality characteristics of agricultural products. According to the scientist, the priority in the agro-industrial complex exports structure of Ukraine should be shifted from crop products to products with a high added value level.

Maslyuk I.O. [8] suggests that further increase of agricultural products productivity and profitability should become a guarantee of efficient agricultural production, which will ensure food security of the state. According to the scientist, the resource potential of agriculture has significant opportunities for further development, which is based on highly productive agricultural land and favorable agro-climatic conditions. Therefore, in favor of the full use of agricultural potential it is necessary to improve: 1) the functioning of various organizational and legal forms of management in the agricultural sector on an equal economic basis; 2) owners, employees and

rural communities interests harmonization; 3) the formation of competitive production structures in domestic and foreign markets; 4) ensuring agricultural enterprises profitability at the rate of 15 percent required to ensure expanded manufacture reproduction. And this, in its turn, will augment the level of food and energy security and will ensure increase of the country's export potential [8].

Highlight of previously unsolved parts in the overall problem. This year's report, developed by The Economist Intelligence Unit with the support of global agricultural company Corteva Agriscience, identifies the potential threat of an environmental crisis to food security and demonstrates how appropriate investment and progress in food innovation can help to reduce this risk. The main strengths identified in the Index for Ukraine are food security, small proportion of population below the global poverty line, minimal changes in average food costs and low provisions losses. Compared to the world average, Ukraine is characterized by better indicators in financing food safety programs, the availability of appropriate facilities for storing crops and the aptitude to store foodstuffs safely. Other positive features are railway infrastructure, dietary diversity, food content of micronutrients and the percentage of population that has access to drinking water. *The main challenges* for the country are corruption, government spending on agricultural research and lack of food standards. Compared to the world average index, Ukraine's gross domestic product per capita is very low, as is its weak road and port infrastructure. Farmers' access to financing and a very small percentage of land equipped for irrigation were also factors that caused the Global Food Security Index decline.

In the course of global food security study and research of Ukraine's role in its attainment Sychevsky M.P. [10] notes that Ukraine has all opportunities not only to ensure food security in the domestic market, but is also able to have a significant impact on its amplification at a global level. Positions in the Global Food Security Index (GFSI) can be significantly strengthened due to "non-food" factors like achieving political stability, improving the macroeconomic situation, increasing incomes, implementing effective government policies aimed at overcoming high differentiation in various social groups' income and consumption, anti-corruption measures, stimulating scientific sphere.

As a result of such circumstances, in order to characterize the condition and prospects of Ukrainian agricultural sector development, there is a need for an objective statistical assessment of Ukrainian agricultural enterprises performance, in particular in the context of food security.

Formulation of the article objectives. The main purpose of the article is to study and corroborate statistical evaluation of Ukrainian agricultural enterprises effectiveness in the context of food security and necessity to attract investment into the agricultural sector development.

Basic research material. Operating activities profitability of Ukraine's agricultural enterprises in 2019 amounted to 18.7%, giving way to such economic activities as: real estate transactions (36.3%); trade (25.7%); professional, scientific and technical activities (23.7%). The agricultural enterprises profitability in 2019 amounted accordingly to 15.6%, i.e. the absolute dynamics reduction equals 3.1% of the level of the same indicator on farmers operating activities efficiency in the reporting year. Almost identical trends were observed for the agricultural sector in 2011, when the profitability level was 18.0% and 23.2% of all and operating activities respectively. Visually, the dynamics of profitability of all and operating activities of Ukrainian agricultural enterprises for 2010 - 2019 is shown in Fig.1.

Source: Developed by the authors based on the official website of State Statistics Service of Ukraine (2020) [11].

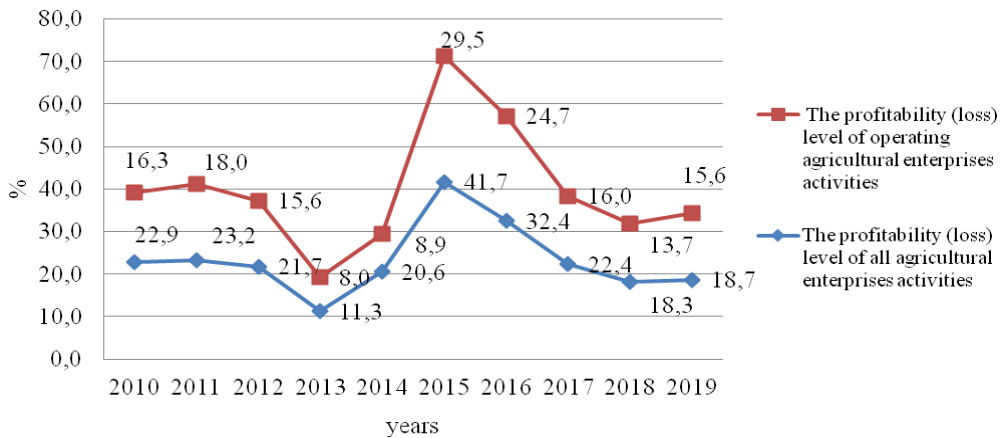


Figure. 1 Dynamics of all and operating agricultural enterprises activities profitability for 2010-2019 (%)

From fig. 1 it is clear that the highest level of profitability of the agricultural sector operating and all activities was observed in 2015, when the level of profitability of all activities reached 29.5%, and operating activities - 41.7%. During 2011-2013, profitability indicators experienced a negative tendency to decrease significantly, reaching 8.0% and 11.3%, respectively, getting to a minimum in the entire study period. During the next 2015 – 2018 years a negative trend leading to profitability level decline took place in the agricultural sector, which led to 13.7% and 18.3% respectively in 2018. Only in the 2019 reporting year there were insignificant positive changes towards the increase in the studied efficiency indicators by 0.4% and 1.9% respectively in profitability terms of operating and all activities.

In 2019, only 17% of enterprises in the industry were unprofitable, with an absolute loss of UAH 24,718.00 million, consequently 83% of agricultural enterprises received a profit in 2019 (UAH 116,018.6 million), the same structure in the ratio of profitable and unprofitable agricultural entities was typical for 2011 (table 1).

According to table 1 it is apparent that during 2010 – 2019 years the mentioned structure did not vary significantly, because the share of profitable agricultural entities ranged from 69.5% to 88.5%, and unprofitable – from 13.7% to 30.5 %. Herewith the total financial result before taxation of all Ukrainian agricultural enterprises for 2019 was positive and amounted to UAH 91299.9 million, which exceeds the same figure for 2018 by UAH 19820.5 million (or by 21.71%). It should be noted that during the study period (2010-2019) the largest absolute financial result amount was typical for 2015 and constituted UAH 103,137.5 million, while the share of profitable agricultural enterprises made up 88.5%, consequently 11.5% of them were unprofitable. The described tendencies are very well confirmed by fig. 1.

As for the large and medium-sized agricultural enterprises of Ukraine, the dynamics of their pre-tax financial results for 2010 - 2019 is presented in table 2.

In particular, it is noticeable that the activity of these agricultural entities for the entire study period (2010 - 2019) was profitable, mainly in 2019 the share of large agricultural enterprises that made a profit was 78.1% (the absolute profit amount reached 7760.0 UAH), and the share of unprofitable constituted 21.9% (UAH 3180.0 million), the total positive pre-tax financial result in the industry amounted to UAH 4580.0 million.

Table 1

**Ukrainian agricultural enterprises financial results before taxation
(2010-2019)**

	NACE-2010 code	Years	Total				
			financial result (balance) before tax, thousand UAH	enterprises which received profit		enterprises that suffered losses	
				in% to the total number of enterprises	financial result, thousand UAH	in% to the total number of enterprises	financial result, thousand UAH
Total for the economy		2010	54405659,7	59,0	189640762,4	41,0	135235102,7
		2011	118605574,4	65,1	255545931,6	34,9	136940357,2
		2012	75670252,0	64,5	248035966,0	35,5	172365714,0
		2013	11335680,7	65,9	209864472,8	34,1	198528792,1
		2014	-564376825,3	66,3	233624717,1	33,7	798001542,4
		2015	-348471649,1	73,7	387652306,1	26,3	736123955,2
		2016	69887807,3	73,4	443012121,9	26,6	373124314,6
		2017	236952071,4	72,8	593168150,9	27,2	356216079,5
		2018	369212261,7	74,3	668893496,8	25,7	299681235,1
		2019	618866000,0	74,0	872621000,5	26,0	253755000,5
Agriculture	A	2010	17291804,6	69,5	22306058,3	30,5	5014253,7
		2011	25565903,1	83,0	30615252,0	17,0	5049348,9
		2012	26992680,1	78,3	33906678,1	21,7	6913998,0
		2013	15147264,7	79,9	26496539,2	20,1	11349274,5
		2014	21677383,5	84,2	52170983,4	15,8	30493599,9
		2015	103137552,7	88,5	128880170,9	11,5	25742618,2
		2016	91109468,3	87,8	103942207,5	12,2	12832739,2
		2017	69344077,3	86,2	89876680,8	13,8	20532603,5
		2018	71478504,8	86,3	94402307,4	13,7	22923802,6
		2019	91299000,9	83,0	116018000,6	17,0	24718000,7

Source: Developed by the authors based on the official website of State Statistics Service of Ukraine (2020) [11].

As for medium-sized agricultural enterprises, the ratio between profitable and unprofitable entities was 81.4% to 18.6%, with the absolute amount of profit for 2019 equal to UAH 78547.1 million, and the amount of loss – UAH 11276.9 million. The activity of small and micro-enterprises operating in the agricultural sector was also profitable in 2010 – 2019 (table 3), the balance of positive financial result before tax for 2019 of small enterprises amounted to UAH 19459.5 million, meanwhile 83.1% of small agricultural enterprises received a profit equal to UAH 19,459.5 million, 16.9% respectively were unprofitable (absolute amount of loss constituted UAH 10,261.1 million) for the reporting period.

Micro-enterprises of the agricultural sector in 2019 received a positive pre-tax financial result in the amount of UAH 5,766.8 million, while the share of profitable micro-enterprises amounted to 83.4% and unprofitable to 16.6%.

Table 2

Agricultural enterprises financial results before taxation with a division into large and medium-sized enterprises for 2010-2019

	Years	large enterprises				
		financial result (balance) before tax, thousand UAH	enterprises which received profit		enterprises that suffered losses	
			in% to the total number of enterprises	financial result, thousand UAH	in% to the total number of enterprises	financial result, thousand UAH
Total for the economy	2010	28471055,4	68,3	74278389,8	31,7	45807334,4
	2011	92572136,8	69,2	131043536,3	30,8	38471399,5
	2012	37182229,9	70,0	96928633,3	30,0	59746403,4
	2013	28003514,3	68,6	88724783,7	31,4	60721269,4
	2014	-189934072,7	51,8	81040692,4	48,2	270974765,1
	2015	-145403871,1	55,7	105387895,0	44,3	250791766,1
	2016	61222687,0	65,8	158665892,0	34,2	97443205,0
	2017	156906296,0	73,3	266879072,0	26,7	109972776,0
	2018	175176164,8	76,9	277607658,8	23,1	102431494,0
	2019	237749000,4	79,1	340079000,0	20,9	102329000,6
Agriculture	2010	2611711,0	76,9	2970879,0	23,1	359168,0
	2011	3633542,0	94,1	3655639,0	5,9	22097,0
	2012	5304685,0	96,2	5321565,0	3,8	16880,0
	2013	3836574,0	85,2	4653581,0	14,8	817007,0
	2014	5222952,4	78,6	9085771,4	21,4	3862819,0
	2015	24786209,0	82,8	25571359,0	17,2	785150,0
	2016	12084947,0	100,0	12084947,0	-	-
	2017	8062828,0	88,9	8233421,0	11,1	170593,0
	2018	11191091,0	100,0	11191091,0	-	-
	2019	4580000,2	78,1	7760000,9	21,9	3180000,7
	Years	medium-sized enterprises				
		financial result (balance) before tax, thousand UAH	enterprises which received profit		enterprises that suffered losses	
			in% to the total number of enterprises	financial result, thousand UAH	in% to the total number of enterprises	financial result, thousand UAH
Total for the economy	2010	41581670,2	63,4	87592330,6	36,6	46010660,4
	2011	31090697,3	66,3	87526739,5	33,7	56436042,2
	2012	47742009,4	66,2	111313201,3	33,8	63571191,9
	2013	8390069,9	65,0	81498827,4	35,0	73108757,5
	2014	-199180355,7	62,6	103427946,8	37,4	302608302,5
	2015	-91161821,3	71,1	186781418,8	28,9	277943240,1
	2016	32816532,4	76,1	177033687,9	23,9	144217155,5
	2017	90770593,2	76,6	208842546,8	23,4	118071953,6
	2018	147165282,3	78,2	251823440,4	21,8	104658158,1
	2019	276940000,0	77,9	356079000,0	22,1	79139000,0
Agriculture	2010	12411986,3	83,8	15171955,1	16,2	2759968,8
	2011	14378629,8	86,6	17833576,3	13,4	3454946,5
	2012	13813202,3	81,0	17843884,7	19,0	4030682,4
	2013	7049577,6	76,9	13459655,8	23,1	6410078,2
	2014	9522211,4	84,9	26669219,6	15,1	17147008,2
	2015	44189870,7	91,6	59571748,6	8,4	15381877,9
	2016	43185044,9	89,7	50385297,1	10,3	7200252,2
	2017	35738259,7	88,4	43790804,7	11,6	8052545,0
	2018	38791627,1	88,5	45532037,4	11,5	6740410,3
	2019	67260000,2	81,4	78537000,1	18,6	11276000,9

Source: Developed by the authors based on the official website of State Statistics Service of Ukraine (2020) [11].

In general, during the study period, the share of small agricultural enterprises that made a profit ranged from 65.8% in 2010 to 88.3% in 2015, consequently unprofitable ranged from 11.7% to 21.9%, within similar limits fluctuates the ratio of profitable and unprofitable agricultural micro-enterprises.

Sychevsky M.P. [10] in addition, in order to improve Ukraine's position in the global food security rating, it is necessary to focus on creating an effective system of food market state regulation, which would include development and implementation of public nutrition monitoring, establishment of the transparent mechanism for state food safety and quality guarantees, as well as implementation of regulatory legislation in accordance with European practice, namely EU regulations in the field of food safety and quality [10, p.17].

For Ukraine to be able to produce many high-quality products, modern technologies are needed to ensure the proper preparation of agricultural land for sowing, cultivation with minimal losses during growth and harvesting periods, processing and storage. It is possible to support the current growth rates of agriculture and equip the industry with advanced technologies only through attracting investments.

Conclusions and prospects for further research in this field. In general, a number of conclusions can be drawn from the results of study based on the statistical assessment of Ukraine's agricultural sector effectiveness in the context of food security. In particular, as a result of delving into main issues related to the analysis of agricultural enterprises financial results dynamics and the level of their activities profitability, it was found that profitability of Ukrainian agricultural enterprises operating activities in 2019 amounted to 18.7%. In the reporting 2019 year, there are insignificant positive changes towards profitability increase in operating and all activities of agricultural enterprises by 0.4% and 1.9%, respectively. The activities of small and micro-enterprises operating in the agricultural sector were also profitable in 2010-2019. Thus, in the conditions of the Ukrainian agricultural sector dynamic development, the need to attract investments and additional financing to Ukrainian agricultural enterprises, i.e. to ensure the image of investment attractiveness on the world farmers' stage, is gaining momentum.

Table 3

**Agricultural enterprises financial results before taxation
with a division into small and micro-enterprises for 2010-2019**

	Years	small enterprises				
		financial result (balance) before tax, thousand UAH	enterprises which received profit		enterprises that suffered losses	
			in% to the total number of enterprises	financial result, thousand UAH	in% to the total number of enterprises	financial result, thousand UAH
Total for the economy	2010	-15647065,9	58,6	27770042,0	41,4	43417107,9
	2011	-5057259,7	65,0	36975655,8	35,0	42032915,5
	2012	-9253987,3	64,4	39794131,4	35,6	49048118,7
	2013	-25057903,5	66,0	39640861,7	34,0	64698765,2
	2014	-175262396,9	66,5	49156077,9	33,5	224418474,8
	2015	-111905956,7	73,9	95482992,3	26,1	207388949,0
	2016	-24151412,1	73,3	107312542,0	26,7	131463954,1
	2017	-10724817,8	72,7	117446532,1	27,3	128171349,9
	2018	46870814,6	74,1	139462397,6	25,9	92591583,0
	2019	10417600,6	73,7	17646300,5	26,3	72286000,9
Agriculture	2010	2268107,3	65,8	4163224,2	34,2	1895116,9
	2011	7553731,3	82,7	9126036,7	17,3	1572305,4
	2012	7874792,8	78,1	10741228,4	21,9	2866435,6
	2013	4261113,1	80,1	8383302,4	19,9	4122189,3
	2014	6932219,7	84,2	16415992,4	15,8	9483772,7
	2015	34161473,0	88,3	43737063,3	11,7	9575590,3
	2016	35839476,4	87,7	41471963,4	12,3	5632487,0
	2017	25542989,6	86,1	37852455,1	13,9	12309465,5
	2018	21495786,7	86,2	37679179,0	13,8	16183392,3
	2019	19459000,5	83,1	29720000,6	16,9	10261000,1
	Years	of which micro-enterprises				
		financial result (balance) before tax, thousand UAH	enterprises which received profit		enterprises that suffered losses	
			in% to the total number of enterprises	financial result, thousand UAH	in% to the total number of enterprises	financial result, thousand UAH
Total for the economy	2010	-13898951,6	58,4	8966755,7	41,6	22865707,3
	2011	-8708322,9	65,1	12788110,0	34,9	21496432,9
	2012	-12825478,2	64,2	14174574,2	35,8	27000052,4
	2013	-25038304,7	66,1	15029973,6	33,9	40068278,3
	2014	-100966984,3	66,9	18697524,2	33,1	119664508,5
	2015	-57964725,0	73,6	33105951,5	26,4	91070676,5
	2016	-34639952,3	72,3	37962967,9	27,7	72602920,2
	2017	-25294755,3	71,8	42370481,2	28,2	67665236,5
	2018	-1159718,7	73,2	51942903,7	26,8	53102622,4
	2019	19595000,6	72,5	61796000,3	27,5	42200000,7
Agriculture	2010	111370,5	62,9	935750,7	37,1	824380,2
	2011	2056438,1	82,8	2778881,3	17,2	722443,2
	2012	1901693,6	78,3	3276402,4	21,7	1374708,8
	2013	1079563,6	80,7	2715740,1	19,3	1636176,5
	2014	1398648,0	84,3	5053603,1	15,7	3654955,1
	2015	9323447,2	88,1	12280634,2	11,9	2957187,0
	2016	10149928,6	87,4	12753746,7	12,6	2603818,1
	2017	4124016,7	86,0	11870509,2	14,0	7746492,5
	2018	5016074,7	86,1	12600049,2	13,9	7583974,5
	2019	5766000,8	83,4	11312000,8	16,6	5546000,0

Source: Developed by the authors based on the official website of State Statistics Service of Ukraine (2020) [11].

AIC is the main source of foreign exchange earnings for Ukraine and a key factor in maintaining the trade balance. Close cooperation between business and the state is necessary to significantly increase sales of Ukrainian agricultural products in foreign markets. That is why, the agricultural regulatory framework improvement for better adaptation of European principles for agricultural enterprises management, the introduction of mandatory international standards and compliance with them in the process of agricultural products growing should be government priorities in line with promoting the domestic agricultural sector development. The European vector of development will ensure the formation of a successful agricultural policy for Ukraine as an agrarian state, which will strengthen the position of national production and food security both in the domestic market and in the international farmers' arena [9]. The latter outlines prospects for further research within selected issues, namely the convergence of agricultural enterprises financial reporting in the context of food security in accordance with EU Directives in order to adapt European management principles.

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