

is extremely complicated, and its solution requires both a long time and considerable costs. One of the most important directions of solving this problem is to ensure the formation of a targeted development of rural communities through the organization of national data bank of developing strategic (10-15 years) programs, which may be public comprehensive program of socio- economic development of rural areas, the state target program of social rural development (housing, education, health, culture, etc.), regional integrated programs of development of rural areas, programs of an appropriate development of rural areas of administrative-territorial units, etc.

Based on this we can conclude that due to the reform of the agricultural sector the increases production efficiency in the agricultural sector, increased its credit, investment and innovative appeal that will eventually become imperative to ensure the successful development of rural communities and areas of competitive production not only to protect the domestic market, but also to leave it on the external market, and to investigate the European standards of management.

### ***Used literature:***

1. «Uchebniki online» — Агропромышленный комплекс Украины [Электронный ресурс]. — Режим доступа : URL [http://-uchebnikionline.ru/rps/regionalna\\_ekonomika\\_-\\_kachan\\_yep/agropromisloviy\\_kompleks\\_ukrayini.htm](http://-uchebnikionline.ru/rps/regionalna_ekonomika_-_kachan_yep/agropromisloviy_kompleks_ukrayini.htm)
2. «Арго-Экспо» — Сельское хозяйство Украины: актуальные проблемы и перспективы [Электронный ресурс]. — Режим доступа : URL <http://www.agroexpo.org.ua/info4.html>

***Shteingauer D. M.,***

*Scientific supervisor* — ***Diadko I. A.***, PhD, Assistant Prof. ,  
Alfred Nobel University, Dnipropetrovsk city

## **AGRIBUSINESS DEVELOPMENT IN UKRAINE**

The current year is particularly rich in all sorts of political and economic events. Although farmers annually faced with various difficulties, including financial ones, in the current season and the fall of the hryvnia worsening political situation in the country coincided with the beginning of spring field work. Therefore, with the arrival of

spring the farmers had to deal with quite unusual tasks in non-standard conditions, because the situation in the country has changed almost daily.

After devaluation processes in 2008, when there was a sharp jump in the dollar exchange, rate of hryvnia was stabilized and held long enough at 7.99 UAH / USD. However, in February 2014 the dollar has again gone up. Thus, according to the National Bank of Ukraine, as of February 7, 2014 the dollar raised from 7.99 to 8.71 UAH / USD and on April 10 of this year — up to 12.62 UAH /USD. Thus, only the last 2 months the dollar rose by approximately 58 %. This phenomenon is in itself a lot of stress, not only for the agricultural sector of the market, but also for all sectors of the economy, as in the past 5 years, the hryvnia exchange rate was relatively [1].

We also note that at the same time began devaluation processes in other countries, particularly in Russia and Kazakhstan, which largely contributed to an external factor.

But, unlike other countries, the situation in Ukraine, except for external factors, greatly influence the internal and, in particular, the unstable political situation in the country. Moreover, the situation is aggravated by the fact that last season prices sharply fell on grains and oilseeds. Also, some farmers reported that this year is much more difficult than usual to get a loan, and it is against the background of the total absence of state aid in the past few years. Therefore, the question of financing for farmers this year is worth more than ever [2]. This situation has affected the spring sowing campaign. The first thing many farms had to face during the early sowing of spring crops in the current season, was a sharp rise in diesel fuel prices and supply breaks. Fuel shortage was observed mainly in the southern and eastern regions, as well as in some parts of the central regions, where farmers have repeatedly reported that it is impossible to purchase bulk quantities of fuel.

However, by the end of March, the situation has stabilized a bit, fuel today is on the market in sufficient quantity, however, according to farmers, prices for major petroleum products increased by 40-50 % compared with last year, while they continue to grow. The reason for this price increase, most farmers consider depreciation of the hryvnia, since most gasoline and diesel fuel imported. However, it is believed to farmers, the price of the main types of fuel even with the rise in the dollar too overstated and did not exclude the possibility that someone is favorable to speculate on the situation. Moreover, the problem with diesel fuel today is not only in price but also in quality. Thus, low-quality fuels and lubricants may indirectly provoke much greater

losses than it might seem as heavy agricultural import costs in the range of 2-3 mln or more.[3]

Unlike fuel shortages of seeds, fertilizers and plant protection products Ukraine has not, but there was also a rise in the data material and technical means. At the same time, according to farmers, higher prices occurred not in the currency and in local currency, i.e. proportional increase in the dollar (when converted into hryvnia). According to a survey of farmers, prices for imported seed production increased by 10-30 %, fertilizer — 10-20 % of plant protection products have risen in price by 20-50 %.[4]

Note that the popular preparations of Ukrainian producers (ammonium nitrate, urea, NPK) also risen in price following the rise in the dollar, but not so significantly as import.

Thus, according to preliminary estimates of farmers, the cost of production in 2014 will grow by an average of 35-45 %.

All of the above indicates that the current conditions will make Ukrainian farmers approached with a very high degree of flexibility in the planning process for growing costs of their products, find and apply new methods to improve the profitability of production, to work with a greater range of dealers and suppliers. Unfortunately, this year the struggle for profit and for the existence of the market has tightened even more, the development of agribusiness in Ukraine goes not according to the laws of evolution and revolution.

### **References:**

1. «Минфин» Финансовый портал. [Электронный ресурс]. — Режим доступа: URL : <http://minfin.com.ua/currency/cash/>

2. «Фермер» Социально-информационный портал[Электронный ресурс]. — Режим доступа : URL : <http://www.fermer.org.ua/novosti/v-yetom-godu-vozzrastet-finansirovanie-gosudarstvennyh-program-poderzhki-edinolichnyh-i-fermerskih-hozjajstv-15854.html>

3. ООО «Корреспондент» [Электронный ресурс]. — Режим доступа : URL : <http://korrespondent.net/business/indexes/fuel/>

4. «Inpress.ua» [Электронный ресурс]. — Режим доступа : URL : <http://inpress.ua/ru/economics/18509-mirovoy-rynok-zerna-mesto-ukrainy>