



DEVELOPMENT OF THE INNOVATIVE ENVIRONMENTAL AND ECONOMIC SYSTEM IN UKRAINE

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**DEVELOPMENT OF THE INNOVATIVE
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IN UKRAINE**

Collective monograph

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The monograph is designed for a wide range of readers, including students of economic specialties, scientists, civil servants and representatives of the real economy sector who are interested in transforming the economic system of Ukraine in accordance with global trends and development drivers.

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PREFACE

The issue of developing an innovative environmental and economic system in Ukraine today is relevant to the applied-science discourse. I believe that it is precisely this kind of work that reveals the theoretical and methodological basis of the problem of strategic management of the innovative development of the economic system of Ukraine in the context of the deployment of the fourth industrial revolution and the transition of the global economy to the sixth technological paradigm and the knowledge economy, meets the requirements of the time.

The monograph investigates the theoretical foundations of the formation of innovative components of scientific - technological and industrial security of the economic system at the state and regional levels, management of the innovative basis for financial and investment components of competitiveness, development and validation of new methods for assessing global and local challenges of the present in the system of ensuring environmental security.

The monograph consists of five sections. The first section is devoted to the theory and methodology of strategies for innovative economic development and enhancement of competitiveness. The scientific developments of the authors concerning the modern paradigm of strategic management in macroeconomic dimensions are presented. The microeconomic aspects of strategic management and competitiveness management are revealed. The second section is devoted to the latest conception of the formation of innovative factors of public administration of economic growth. The approaches to institutional and technological design of innovative models in the field of public administration, the mechanism of implementation of the principles of the concept of compliance of all components of public administration with economic growth are proposed. The third section deals with the issues of the innovative basis of financial management and monetary-credit policy. The scientific-methodical principles and practical tools for improving the system of public finance management - optimization of the taxation system, public sector debt, the latest principles of the budget and monetary-credit policy, FinTech development, are worked out. Innovative financial technologies and investment security tools are offered. The fourth section focuses on the determinants of national economic security. The globalization factors of foreign economic security are investigated. Innovative drivers of social security of regions of Ukraine are determined. The mechanism of implementation of the integrated territorial management of environmental security in the conditions of transition to sustainable development is formed. The fifth section addresses to the principles of

creating a favorable business environment for entrepreneurship activities in Ukraine. The main mechanisms of attraction of direct investments into the real sector of the economy are revealed.

The authors' collective body of the monograph included experienced and young scientists - representatives of academic and scientific institutions: V.N. Karazin Kharkiv National University, Pryazovsky State Technical University, Sumy State University, Bogdan Khmelnytsky Cherkassy National University, International Humanitarian University, Meritt Group Ltd., National Technical University "Kharkiv Polytechnic Institute", State Higher Educational Institution "Kherson State Agrarian university " and others.

The monograph is prepared in the context of four research topics: "Diagnosis of regional economic systems economic development in the conditions of new regionalism formation" (State registration number 0118U001590), "Trends in the modernization of economic management systems" (State registration number 0118U001636), "Environmental responsibility in management" (State registration number 0118U001635), "Modernization determinants of the socio-territorial systems transformation in Ukraine in conditions of the European integration strengthening processes" (State registration number 0118U001588).

The monograph is designed for a wide range of readers, including students of economic specialties, scientists, civil servants and representatives of the real economy sector who are interested in transforming the economic system of Ukraine in accordance with global trends and development drivers:

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CONCEPT OF SUSTAINABLE DEVELOPMENT OF THE FOOD SECTOR ENTERPRISES IN THE COMPETITIVE ENVIRONMENT

***Abstract.** This article focuses on elaborating the theoretical, methodological and applied principles of forming and implementing effective mechanisms of the farming enterprises development in a competitive environment.*

The thesis suggests a new conception of food industry enterprises development, which gives clues for ensuring its sustain profitability, protection in economic, social and legal spheres. This conception is based on the theoretical and practical issues that include a system of measures aimed at achieving pursuing goals and implementing the conception in practice.

It presents scheme of food industry enterprises management, which enables the administration to avoid risks in taking decisions, considering the character of interaction of subsystems of risk-management with other subsystems.

A conceptual approach to the selection of priorities for structural changes in the food sector is proposed, based on an expanded matrix of possible options for structural changes, the choice of which is determined by a number of factors and principles. A set of measures for the development of processing industries in the food sector of the economy has been proposed.

***Key words:** food industry enterprises, competitiveness, concept, structural changes, development*

Ensuring sustainable economic development should become the main goal of Ukraine's long-term policy. Without this, it is impossible to guarantee the rise of the standard of living of the population, the solution of social problems, the establishment and strengthening of the country's economic and political authority in the World Community.

The number of scientific studies devoted to the development of enterprises, regions and states is constantly growing, which indicates an increase in interest in the problem and deepening understanding of development processes.

Looking at it, there is no single simple definition of the development of all systems, as well as doesn't there exist a single development plan on a global scale, but nonetheless, we need to formulate a certain opinion and specific methodological methods for implementing a prudent order for economic development.

The development process is cyclical and consists of successive stages, the introduction of which is caused by the principles of motivation, planning, organization and control. Construction of a development model is an attempt to achieve the coherence of internal and external production opportunities [12, p. 23].

General patterns of development is cyclicity, purposefulness, irreversibility, but there are no clear and universal laws of development. So, there is no universal approach to developing a strategy for the development of all organizational systems. The process of developing a development strategy should take into account all the advantages and disadvantages, and based primarily on the peculiarities of economic development of countries, industries, enterprises.

A significant number offers of tips for forming strategies of enterprises, associations and industries now, but we believe that the strategy should take into account the specific characteristics of a particular industry, its culture, capabilities according to market conditions, rather assertive and worked perspective.

In the conditions of developed commodity and financial markets, the structure of production systems is complicated, there are such types of productive formations as clusters, interregional production complexes, etc. So, production systems are on a qualitatively new path of development, when in a competitive environment, the development of a strategic plan requires not only the implementation of a combination of certain actions, but also the adoption of rapid solutions regarding adaptation to the force majeure of competitive competition.

From our point of view, in this situation, studies of particular relevance are aimed at developing a holistic approach to optimizing production activity under conditions of instability of the environment. Actual questions are the search and formation of optimal forms of the institutional arrangement of production systems,

effectively operating mechanisms of operating systems, new methods of interaction in the internal and external environment.

Therefore the purpose of the research is to develop the theoretical, methodological and applied principles of the formation and implementation of effective mechanisms of the concept of sustainable development of enterprises in the food sector in a competitive environment.

The problem of stabilizing and developing the enterprises of the food sector should be investigated in point of view of profitability and cost reduction, as well as the choice of the optimal position according to the profit-risk scale. In the field of research on manufacturing activity in the transition economy, there remain unsatisfactory number of serious problems not elaborated in the methodological and applied aspects, and most importantly, there is no clear and understandable for concrete practitioners system of analytical tools and model tools for the development of productive activities [4, p. 57].

In modern conditions of development of Ukraine achieving Western Economic thought can not fully meet the needs of domestic science and practice, they meet only on a range of issues related to the specific market economy. In this regard, there is an objective need to study the methodological apparatus for the development of production systems to orient them to the modern needs of domestic practices, taking into account its specifics.

Advances in the development of the methodology of modern methods and technologies of management, based on mathematical modeling and computerization, are known and open prospects in specifically investigated areas [9, p. 145].

To number of insufficiently fulfilled problems, ____ should include the problem of methodological support for determining the effectiveness of activities and the prospects for the development of agrarian enterprises.

Market's transformations in the domestic economy, its development taking into account global trends and trends requires their analysis and accounting in the process of implementing the forms of development of specific industries. The

simple introduction of foreign experience of development makes it impossible, first of all, to distinguish between economic conditions.

Most of the methods for developing and evaluating a development strategy are based on the ideology of a systematic approach, according to which the economy, industry, and enterprise are considered as complex systems with defined goals, main types of activity and resource allocation as having a certain freedom of action in choosing the areas of their long-term development. Therefore, for the solution of large-scale economic tasks, directly, during the development of programs of scientific and technological development of the state economy, certain branches apply the program-target method.

As the market's relations deepen for the Ukrainian economy, it is possible to build a system of strategic management based on the principles of the problem-oriented approach. Its essence lies in ensuring the permanent and long-term ability of processing enterprises to perceive, transform, adapt, in order to activate mechanisms for implementing qualitative transformations.

The development of a long-term forecast of economic processes occurring at the level of industries and enterprises, as a rule, is realized on the basis of the program-target approach [1, p. 17].

This approach allows us to combine different types of forecasts (production technologies, resource capabilities, structural conditions) into an integrated forecast of the prospects for economic development of the industry, as well as to ensure the efficiency of production based on program optimization at enterprise level.

Analysis of the economic system, despite its scale and hierarchy, involves modeling its characteristics, formalizing knowledge about it and building on this basis an effective mechanism for its development.

Modeling is an instrument for managing development strategies and identifying logical coherence in financial, manufacturing, technological, trade and other areas.

One of the main issues of the concept of sustainable development is the

specificity of production and the features of its territorial location, which is especially important for agricultural enterprises. The development of a complete concept of development should have complete and reliable information about the object and parameters of its functioning. May cause significant damage to the object of the use of even mandatory reporting data defined in the regulatory documents, in particular the forms of financial statements of enterprises that can not be considered satisfactory according to the criterion of reliability [12, p. 144].

We think that the basis for the study of the functioning and development of industries, regions, and the state are mainly indicators of functioning of enterprises in the food sector. The presence of a significant number of indicators for assessing the technical, organizational and economic level, the state and prospects of enterprise development indicate the complexity and ambiguity of the evaluation results. The disadvantages of the information provision of the evaluation affect the distortion of the final results of the analysis, while the mistakes in their practical application and the formulation of recommendations are tolerated. The danger of such recommendations for production structures can be determined by the crisis in the economy, and the concept of regional, sectoral and state social and economic development are at risk in the state.

An analysis of the performance of production systems and the development of the principles of development allows you to determine the expected return on production at specified intervals. The process of active development in stages can be implemented in the form of appropriate measures to expand production, improve the quality of works and products, and be associated with minimizing the time value of the resources used. In this case, the ratio of income and expenditure within the specified time should increase. In the process of implementation of the development model, it is necessary to develop the levers of influence on the object of the goal realization.

In order to minimize costs, one should be guided by such a criterion is the costs for any type of product or service should not exceed the price of the product, since the adoption of the development concept of development of the absence of

profit at least one type of product or service means to lose the enterprise: both economically and psychologically, since the establishment of "low bars" will be perceived as a proper enterprise.

The ultimate goal of the developed scheme of management of the sustainable development of enterprises in the food sector in a competitive environment is to influence the development of events in order to virtually the development process as fully as possible correspond to the best result.

The most important elements of development models and their management are precise goals and benchmarks. The construction of a model of a phenomenon requires the identification of a system for comparing the values of variables by statistical data about the state of the system at certain intervals. For constructed models of the production system tools are developed to evaluate the effect of quantitative and qualitative performance indicators, analyze changes in the main parameters of the system and generate recommendations for the implementation of models in strategic management [5, p. 93].

To determine the technical and economic level and the level of intensification of production, it is possible to use a set of numerous indicators. Some of them can be systematized in the following order:

- system of coefficients of automation, mechanization of equipment and production, coverage of products by typical technological processes, repeatability, application in standard sizes, technical development of production, etc.;

- a system of general indicators of the technical and economic level of production and production (at the level of the best world achievements, at the level of the requirements of the national economy, the population of the country, mastered for the first time, does not meet modern requirements, such that is withdrawn from production);

- a system of indicators of the technical and economic level of production, which reflect the particular features of industries (average length of technological processes, total power capacity, capital and labor power, technical equipment, etc.) [12, p. 257].

These indicators, to a greater extent, determine not the final results of the enterprise, but intermediate. Therefore, their assessment does not contribute to stimulating the production activities properly. The given indicators are significant and can divert from the basic logic of the study of development of production, because, basically, regulate individual or internal issues of the company's work taking into account the influence of the environment.

The indicators of the level of development of production may include such indicators as the structure of production, the degree of its specialization, the degree of use of production capacity, the structure of fixed assets. This expanded definition of the technical and economic level of production is not justified in both theoretical and practical terms. Different elements of the production apparatus (material and technical base, qualification level of the labor force and organization of production) differ in their economic nature, their level and dynamics are caused by different requirements. The influence of individual elements on the development of production is also ambiguous.

In our opinion, a number of indicators have nothing relation with the characteristics of the quality of the development of the production base. Indicators of the use of equipment and the more productive capacity characterize the level of organization and are not directly related to the quality of the technical basis. Also not taken into account is the degree of generalization of different indicators. Many of the above indicators are characterized not by the quality level of the technical base of production, but by its scale (production capacity, growth rate of fixed assets, etc.), the increase of which may be accompanied by a deterioration of the result of production.

The main role in characterizing the quality of development of production have indicators of progressiveness of tools is a machine park. It is the techno-economic level of machinery and equipment or their complexes that has a decisive influence on the level of technological progressiveness, on the indicators of the use of labor objects, on the level of technical equipment of labor, the degree of mechanization and automation of production processes.

The technical level of production should be evaluated because of its economic content and reflect the degree of dissemination of advanced methods and tools. A quantitative estimate is proposed to be implemented through annual costs of labor resources operated in cost-effective areas, and the rate of growth of the technical level of equipment fleet is considered as an indicator of the intensity of the update [11, p. 189].

That is to say, to solve the question of a reliable assessment of production development is possible based on economic indicators. The level of efficiency is the ultimate result of the whole system of material and cost factors. At the same time, the primary factors of the development of a given production system are of particular importance: the increase of the technical and economic level of the used machines and equipment, the pace and form of updating the material and technical base, updating of the technology.

To study the level of influence of the organizational-technical level on the dynamics of effective performance indicators of production systems very often allow correlation-regression models [8, p. 7]. These models are based on the establishment of a stable relationship between the indicators of technical, organizational levels and the final economic indicators of the functioning of production both statically and in the dynamics for certain periods. However, when applying the correlation-regression dependencies in the development of forecasts for the development of production, it is not taken into account that qualitative changes affect the significant changes in the interconnection of technical and economic levels. Constancy of communication, inherent in a certain period and may not be absolute or even random for another period.

Goshovskaya O.V. offers a number of indicators for the areas of the enterprise (production, logistics, management, sales, finance, the organization as a whole), reflecting the presence of synergistic effects and can be used in shaping development models. It pays special attention to the indicator of quantitative assessment of the synergy effect. As a universal method of such an assessment, it is proposed to determine the present value of additional cash flow. This indicator,

as Goshovskaya O.V., acting as a variable, allows to investigate changes in the activities of enterprises under the influence of the introduction of synergy, without specifying the reasons for such changes [6, p. 10].

Some scholars are adherents of the use of integral indicators in the development models, which are based on the calculation of which commonly used indicators are used, which have a certain degree of uncertainty and uncertainty, either because they either do not take into account market factors and time factor, or depend heavily on them [15, p. 18].

The disadvantage of such indicators is the lack of a comparative estimate of costs, that is to say, it is necessary to know, which led to an increase in these indicators, whether it is possible to better ensure their consistency, reducing the cost of resources. These integral indicators do not allow realistically to assess the level of development and competitiveness of industries, enterprises and regions.

In economic practice, increasingly, like an aggregate indicator, is used the rate of bankruptcy probability, or the Z-index of Edward Altman. In accordance with this ratio, the financial position of the enterprise is estimated according to the statistical criterion used in the United States. According to the developer, this indicator also characterizes the economic potential of the enterprise and the results of its work for a specified period [2, p. 379].

We think, that the use of this indicator in the conditions of the domestic economy has a number of limitations. First of all, as if this indicator is obtained by constructing and optimizing the economic-mathematical function on the basis of statistical data, it reflects the internal and external factors that affect the activities of enterprises in the United States in general, but does not take into account the factors that operate in the conditions other states. Secondly, when calculating the indicator, information about the company's balance sheet and the statement of financial results is used, reliability is sometimes doubtful. In addition, the principles of recording and displaying individual indicators in domestic and American accounting vary.

If we consider the most significant features of the definition of a system of

indicators and criteria for assessing the development of production systems, the main thing is that the new system of indicators most often contains elements of the operating system. The inheritance does not detract from a real assessment of the status of an object, if it is aimed at increasing the responsibility of production for the fulfillment of its contractual obligations, the economical use of resources, and the strengthening of production and financial discipline.

The main drawbacks of traditional methods who used to evaluate and analyze are violations of the requirements of the system approach. This is manifested in the fact that the indicators of the primary and subsequent levels are not differentiated. All indicators are considered as/like one-way. In fact, there is a clear hierarchy between them: primary level indicators must react directly to certain changes, and the other indicators react indirectly. Such indicators as/like the level of organization improvement, socio-psychological criteria reflect the development of production either through the quality of the material and technical base, or through the improvement of the use of productive capacity.

Generally highlighted methods for assessing the development of production systems are too complex, which leads to their imperfection. Consequently, the methodology for assessing the level of development of production in modern conditions requires further improvement, which should take place in the direction of generalization of the result, the search for universal and comprehensive indicators.

Since development is a philosophical category that is not limited to any homogeneous, one-dimensional process, it can not be determined by the conceptual apparatus of a particular science. Nevertheless, for the needs of practice and empiricism, it is necessary to apply the conceptual apparatus.

When applying the approach to development from the natural hierarchy of living systems, due to the number of constituent parts (elements), the nature of the relationship between them, the intensity and type of links between the elements, the criterion of development would be the complexity of the system. However, it is not a measure that can be directly measured and does not meet the operational and

measurability requirements. In addition, the approach to the development of social systems from the point of view of living systems, as we have already noted, has undergone significant criticism by reputable scholars [14, p. 112].

The degree of development of the system is higher, the more successfully its internal organization promotes the correct distribution of elements and functions, their cooperation, coordination, integration and coherence. That is, the basis of the general tendency of development lies the imperative of optimal structure, and the universal criterion of differentiation of stages of development can accept the degree of optimization of the structure of the system. It is measured by the density of bonds or other similar quantities used by the general theory of systems in solving optimization issues. In the applied aspect, this indicator also has a comprehensive basis. For practical and cognitive purposes, it is important to know in what phase of the development process there is a system at the moment: in the phase of origin, growth, maturation, termination of growth, regression or disappearance. The definition of such a phase is possible when a known course of the optimization function of the structure of the system relative to one (as a rule, essential) parameter of its determinacy over the entire period of the existence of this system.

Individual stages of development can be evaluated, apart from the underlying, and relevant specific criteria related to development goals. Moreover, with a greater degree of probability, it is possible to determine the tendencies of the system's development on past stages, with less at the present stage. And it is almost impossible to reveal the trends of real development on future stages due to the complication of systems and the expansion of options for ways and possibilities of evolution. An assessment of the development of systems is possible, if the latter change people. It should be emphasized that from the point of view of the organization's theory, not every element of the system being established is capable of improvement, which increases the degree of probability in assessing the degree of system development [12, p. 97].

To assess economic grow up, a number of indicators are used, of which the

gross domestic product (GDP) is most prevalent. Growth of GDP characterizes the aggregate result of the whole variety of positive and negative trends in the economy, it is an aggregate measure of the volumes of production in the country. However, its absolute value, obtained on the basis of multi-level statistics, also has a certain level of uncertainty in the conditions of Ukraine.

It should be noted that in determining the indices of the national accounts system for the economy as a whole and for individual sectors and industries, the results are measured by different valuation methods: for the economy as a whole - output of goods and services and gross domestic product at market prices, for sectors and sectors - issue in current prices and in gross value added. The variety of approaches to evaluation and the complexity of obtaining and processing statistical information increase the uncertainty of the result.

In order to implement the intensive growth regime, two conditions are needed: firstly, the economy must contain a highly effective system of learning, that is, have a high potential for knowledge for growth, and secondly, consumer behavior must meet the known conservative "values": the marginal utility of free time or current consumption relative to the future should not be high.

The economy of the model of exogenous growth is expressed by representative agents, which have two factors of production are capital and labor. Equilibrium growth is proposed to be defined as a solution to the task of an economic agent that provides a balance of its total deductible income and expenses.

It is possible to evaluate endogenous growth by modeling the system state with the inclusion of an additional variable reflecting the intensity of training or individual efforts to increase the technological efficiency.

Simulation of two different growth regimes can be used to explain the interposition of the differentiation of growth rates. The connection of a model with empirical data results in indicators that reflect the pace of autonomous growth and the effectiveness of the learning system. From a substantive point of view, this means that the more important direction of long-term economic policy that can

stimulate intensive growth, there must be a sharp increase in the efficiency of the education and training system.

The proposed methods of modeling economic growth are convincing, but provide for certain limitations, conditions of application, assumptions that determine a certain degree of uncertainty, which limits the practical use of these methods.

The results of the analysis of methodological developments and tools indicate that the achievements of scientists-economists in ensuring the ability of science to evaluate the material production output level. But one of the most difficult problems is the adaptation of this theoretical and practical experience to the current realities of Ukrainian economy.

The domestic economic thought has offered many different concepts based on past methodological dogmas, which can not be uniquely transferred to realities of present, in recent years. In our opinion, the objectives of post-industrial development correspond to market parameters and criteria. It should be noted that in modern conditions, one of the most important results of social processes in the development of production is a positive result from financial perspective or effect.

Relying on this, the increase in profitability (effect) is associated with the accumulation of potential of the enterprise (production funds, intangible assets, working capital, financial assets, etc.), that is, its development, then it is necessary to assess the growth rate of property. But, with such an assessment, difficulties arise both in the methodological and organizational aspects, so the indicators related to the valuation of property and property rights are not yet widely available today.

The generalized indicator, which organically combines and synthesizes well-known indicators, is competitiveness. And what is especially important, he characterizes qualitative aspects of any transformation. This indicator has a plurality of definitions and hence methodological recommendations for calculations.

Competitiveness as an indicator of the level of development requires the study

of three main components of the general problem of competitiveness of the economy: the formation of a system of assessments of the competitiveness of different levels of the economy; to define a system of indicators for assessing the competitiveness of different levels of the economy; to identify methodological and methodological approaches to calculating economic competitiveness assessments.

From the standpoint of the National Economic Complex of Ukraine, competitiveness should be considered at the following levels: at the interstate level of the economy as a whole; at the level of the branch of economy at the interstate level; cross-sectoral assessment of individual industries; interregional assessment of the competitiveness of the regional economy as a whole and its branches in the regions; interregional assessment of the competitiveness of the economy of large cities in general and its branches in large cities; inter-regional assessment of the competitiveness of the economy of urban and rural areas in general and its branches in urban and rural areas.

With regard to indicators for assessing competitiveness, they should take into account the resource, infrastructure, fiscal, political and economic components of competitiveness and characterize the competitiveness of the economy as a whole, its industries, regional formations.

The assessment of competitiveness should be carried out methodologically and methodically based on the logic of decision-making and the essence of competition. The logic here is simple: if the conditions of management are more favorable - then, and accordingly, the results are more successful. Decisions on the development of the system are not abstract, because in the real economy there is and can not be abstract conditions, due to the imperfection of the market system. In most cases, these decisions are made by enterprises by choosing, among the totality, the most acceptable options. That is, the basis of the decision is the principle of comparison and the choice of a better option from the possible.

An enterprise that, in comparison with others, produces products of better quality and lower cost, is more successful, and therefore, such an enterprise is more competitive compared with non-abstract criteria, and with the indicators of

other enterprises.

The theory of international competitiveness distinguishes between the competitiveness of the country and the competitiveness of enterprises. Of course, by their very nature, these categories are different.

It is possible to draw an analogy between countries and enterprises, considering that the country is a combination of enterprises or large-scale production, that competing in the world market. This identification is arbitrary because there are many differences in the goals, tasks and functions of the state and enterprises, in particular, the state has much more problems and their solution is much more complicated.

If the economy has a small amount of foreign trade, there is no urgent need to assess international competitiveness, since a small number of enterprises are involved in international trade, and their competitive activity in the foreign market does not affect the domestic market of goods and services.

If domestic production has a high level of competitiveness both in domestic and foreign markets, then the country can safely open its markets. In this case, the inflow of foreign products will be insignificant for the economy of the country.

The World's market countries doesn't compete, it is companies who are representatives of these countries. At the same time, the country does not have to be competitive in all sectors, but it must be competitive in various fields. Countries with a specialization in small-scale production and in certain industries, such as Ukraine, are extremely sensitive to any external economic crisis, such as the cessation of supplies of the necessary material resources, sudden changes in demand for manufactured products in the country, or a sharp fluctuation of the market situation.

Based on the concept that competition in the world market is not competing by countries, and enterprises-representatives of countries, will examine the indicators used to characterize competitiveness.

On the basis of the conducted theoretical research, the study of the practice of functioning of enterprises in the food sector developed a concept for their further

development, ensuring sustainable profitability, security in the economic, social and legal terms. The concept should include a system of measures that ensure its implementation in practice and achieve its goals and is formed from the blocks: the formation of awareness of the commodity producer in choosing the path of self-management in the form of a processing enterprise; concentration of land in the private sector; an increase in the enterprises of the food sector due to the transformation of personal subsidiary farms; cooperation and specialization of the enterprises of the food sector; formation of primary capital in the form of preferential loans; demonopolization of processing enterprises; scientific support for the development of farms; using the achievements of the NTP as a necessary condition for enhancing sustainable production development; use of the laws of market economy management as the basis for the development of enterprises in the food sector.

Improvement of the domestic economic complex should take place on the basis of rational use of natural, material and labor resources, ensuring appropriate proportions at the level of industries, regions, and total economy. There must be new views on the deployment of productive forces based on the effective use of their own resources, the mobilization of internal reserves, and the strengthening of integration processes. It should be noted that the definition of ways and means of development in Ukraine should clearly take into account its national interests.

Researcher of the issues of the placement of productive forces in Ukraine is presented by strong arguments for the adoption and implementation of the conclusions of economic knowledge [7, p. 89]. The following studies substantially reveal the peculiarities of the development of the national economic complex and allow us to determine the directions of the territorial organization of the economy. However, practical guidelines for entrepreneurship require the specification of production opportunities, both for the formation of new productions, and for the improvement of existing ones.

We believe that a generalized indicator that organically combines and synthesizes well-known indicators of enterprise development is competitiveness.

He characterizes qualitative aspects of any transformation. This indicator has a plurality of definitions and methodical recommendations for calculations. The assessment of competitiveness should be carried out methodologically and methodically based on the logic of decision-making and the essence of competition. Decisions on the development of the system are not abstract, but by choosing, among the totality, the most acceptable options. The basis of the decision should be the principle of comparison and the choice of the best option from the possible.

Entrepreneurs should be able to compare their activities with competitors, firstly, on the domestic, and secondly, on the external market. To achieve this, you need simple and understandable ways, instructions, regulations, and more. In our opinion, there is a need to create a cartography with reference digital data on sectoral production costs. Consequently, the entrepreneur, having received information about production costs for the creation of a certain type of raw material in a particular region, can compare efficiency in the context of the regions of Ukraine. Such a choice will enhance the competitiveness of the market taking into account market demand.

The results of the research on competitiveness are the basis for the analysis of the factors of unfavorable trends in its level and dynamics, as well as in developing measures to correct the determined competitive strategy of the agricultural enterprise. The main components of the competitiveness of an agrarian enterprise are: effective system of enterprise management; an effective system of quality management; corporate information system.

The existing methodology of research into the development of enterprises in the food sector in the system of factors of the competitive environment, although it helps to identify the basic laws of their development, but not fully can identify and investigate the causes of failures in the processes of management. Consequently, there is a need for the development and implementation of new methodological approaches to the study of the activities of this type of enterprise, which, based on the existing informative base, the application of existing methods of economic

analysis, the use of modern technical means of information processing, allowed to achieve a qualitative assessment of the development of these farms in modern conditions and to justify the prospects their development.

We think that the main factors of the competitiveness of enterprises in the food sector are land security and quality of land resources; technical equipment of production, which can be expressed as indicators of the economy of the means of production or density of mechanized works in standard hectares; material security; availability and use of labor resources.

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PLACE OF AGRICULTURAL HOLDINGS IN PROVIDING SUSTAINABLE DEVELOPMENT OF RURAL AREAS: INNOVATIVE AND SOCIO-ECONOMIC ASPECTS

***Abstract.** The paper is devoted to the definition of the agrarian corporations' (agroholdings') role in ensuring sustainable development of rural areas. To achieve this goal, the current state of the Ukrainian agrarian sector was determined. The influence of localization of agroholdings in rural areas (economic and managerial aspects) is considered. On the opposite side, the current problems of rural areas are identified, which can be solved by the introduction of social programs by agro-corporations. The most perspective aspects for cooperation are determined. Proposed different ways of uncompromising achievement interests simultaneously by both interested parties. The mechanisms of avoiding or leveling the risks of the proposed solutions are established.*

***Key words:** agro-corporations, agroholdings, socio-economic development, rural areas, social development, sustainable economic development, Ukraine agricultural sector.*

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