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# METHODOLOGICAL COMPONENT OF FORMING THE MARKET OF GOAT PRODUCTS IN UKRAINE

Urgency of the research. The article describes the main macroeconomic indicators of development of agricultural sector of the economy. The results of the state prediction of economic and social development of Ukraine are considered. The dynamics of GDP, GVA in agriculture, current state of crop and livestock production, dynamics of food production, and the structure of export-import of agricultural products, the using of material and technical resources for agricultural production are analyzed. The perspectives of agricultural production development are considered.

Target setting. The article aims at studying the problems of goat industry functioning. It promotes the development of methodological foundations for solving the problem of replacing import products at a domestic market with domestic goat products and providing the population with affordable food products.

Actual scientific researches and issues analysis. Many leading scientists and economists elaborate the issue of focuses of regulating the areas of an agrarian sector of economy and the study of peculiarities of structuring the production of agricultural products. Among them there are S. M. Kvasha, V. Ye. Andriyevsky, A. D. Dibrova, N. M. Korobova, S. M. Chystov, A.-M. Slaughter, J. E. Stiglitz and many others authors

Uninvestigated parts of general matters defining. The problem that hinders the development of goat industry as an area is its separation from sheep industry. Thus there are opportunities which should be used to provide the population with appropriate food.

The research objective is to identify a methodological component of forming the goat products market in Ukraine taking into account modern global components of economic development of an agrarian sector.

The statement of basic materials. The adaptation of economic processes in Ukraine to the chosen European integration focus has stimulated the reforming of the focus of development of livestock products production. In terms of general state of economy of Ukraine, objective regional and industrial problems the modern state of goat industry is suffering the state of the lack of industrial complexes when productive resources are concentrated in people's households.

**Conclusions.** The development of an agrarian market requires the improvement of standard and legal framework for goat industry in Ukraine. The increase of the offer for goat products is hindered by a poor mechanism of state regulating the development of this area.

**Keywords:** goat industry; production; a mechanism; a market; a biological asset; a regulation; a methodology; an area; an agrarian sector.

## МЕТОДИЧНА СКЛАДОВА ФОРМУВАННЯ РИНКУ ПРОДУКЦІЇ КОЗІВНИЦТВА В УКРАЇНІ

Актуальність теми дослідження. У статті висвітлено методичні складові регулювання вітчизняної галузі козівництва в контексті формування глобальних продовольчих систем та локальних ринків. Розроблено пропозиції для функціонування ринку вітчизняної продукції козівництва.

Постановка проблеми. Стаття спрямована на дослідження проблем регуляторної бази функціонування галузі козівництва. Зроблено акцент на необхідності розроблення методичних та науково-практичних рекомендацій з метою досягнення імпортозаміщення на внутрішньому ринку продукцією вітчизняного товаровиробника.

Аналіз останніх досліджень і публікацій. Питання напрямів державного регулювання виробництва сільськогосподарської продукції знаходяться в центрі уваги багатьох провідних вчених-економістів С. М. Кваші, Андрієвського В. Є., Діброви А. Д., Чистова С. М., Сокол Л. М., Слотера Е.—М., Стігліца Дж. Е., та інших.

Виділення недосліджених частин загальної проблеми. Основною проблемою, що стримує розвиток козівництва, є відсутність методичної складової автономного її функціонування в складі галузі вівчарства та на аграрному ринку.

Постановка завдання. Розкрити методичну складову формування ринку продукції козівництва в Україні з урахуванням сучасних євроінтеграційних складових економічного розвитку.

Викладення основного матеріалу. Адаптація економічних процесів України до обраного євроінтеграційного руху стимулювала реформування розвитку виробництва продукції тваринництва. Сучасний стан козівництва у зв'язку із загальним станом економіки України, об'єктивними регіональними і галузевими проблемами переживає стан фактичної відсутності промислових комплексів, при якому виробничі ресурси зосереджені у домогосподарствах населення. Виокремлення козівництва в окремий біологічний актив є концептуальною методичною засадою відродження та сталого розвитку галузі в умовах сучасного ринку. Державне регулювання України у галузі сільського господарства є глибоко трансформаційним з чітко окресленою векторністю до становлення та ведення конкурентоспроможного аграрного бізнесу.

Висновки відповідно до статті. Виокремлення козівництва в окремий біологічний актив є концептуальною засадою відродження та сталого розвитку аграрного сектору економіки в контексті формування глобальних продовольчих систем та локальних ринків.

**Ключові слова:** козівництво; виробництво; механізм; ринок; біологічний актив; регулювання; методика; галузь; аграрний сектор.



**Urgency of the research.** The modern development of the domestic market of food products, the implementation of international standards are characterised by separating new areas of production by means of differentiating the structure of an agrarian sector. The increase of goat products demands raising the problem of improving the existing and finding new mechanisms of regulating the development of the area. The article presents methodological component of regulating Ukrainian industry of goat products in terms of forming global food systems and domestic markets. Some ideas are developed for the domestic market of goat products to function.

**Target setting.** The article aims at studying the problems of goat industry functioning. It promotes the development of methodological foundations for solving the problem of replacing import products at a domestic market with domestic goat products and providing the population with affordable food products. The article considers the issues of regulations for functioning the industry of goat products. The necessity to develop methodological and scientific and practical recommendations is emphasised to achieve the goal to replace import products with products of domestic producers.

**Actual scientific researches and issues analysis**. Many leading scientists and economists elaborate the issue of focuses of regulating the areas of an agrarian sector of economy and the study of peculiarities of structuring the production of agricultural products. Among them there are S. M. Kvasha, V. Ye. Andriyevsky, A. D. Dibrova, N. M. Korobova, S. M. Chystov, A.-M. Slaughter, J. E. Stiglitz and many others authors [1; 2; 3; 5; 7].

Uninvestigated parts of general matters defining. The scientific and professional works deal with questions of finding the ways to increase the competitiveness of domestic producers. The problem that hinders the development of goat industry as an area is its separation from sheep industry. Thus there are opportunities which should be used to provide the population with appropriate food. The main problem that hinders the development of the goat industry is the lack of a methodological component of its autonomous functioning as a part of sheep industry as well as its functioning at the agricultural market.

The research objective is to identify a methodological component of forming the goat products market in Ukraine taking into account modern global components of economic development of an agrarian sector.

The statement of basic materials. The adaptation of economic processes in Ukraine to the chosen European integration focus has stimulated the reforming of the focus of development of livestock products production. In terms of general state of economy of Ukraine, objective regional and industrial problems the modern state of goat industry is suffering the state of the lack of industrial complexes when productive resources are concentrated in people's households. Establishing goat industry as a separate biological asset is a conceptual and methodological basis of the revival and sustainable development at a modern market. The state regulation of agriculture is highly transformational with a clearly defined vector focusing the establishment and maintenance of running a competitive agrarian business.

Economic transformations of Ukraine's economy challenge the food focus of the population. Thus effective demand differentiates towards the expansion of food offer of the consumer market. An increasing demand for goat products can be seen together with the demand for traditional leading cattle, pig and sheep products. The conducted analysis shows the significant import dependence of Ukraine in this domain. It is caused by the utmost lack of domestic goat production. Goat industry is one of the areas of the single economic mechanism of an agrarian sector. The intensification of this area development is impossible without a targeted strengthening of state regulation of solving problems of standard and legal support of the development of goat industry according to international safety standards and product quality [1; 2]. The formation of global food systems and domestic markets stimulates and enhances the development of different livestock products. It also reveals the necessity of its areas structuring. In terms of general state of Ukraine's economy, objective areas problems the modern state of goat industry is in the state of utmost lack of industrial complexes. Here, productive resources are mostly concentrated in people's households.

At present goat industry in Ukraine is on the way to become a separate area of agriculture. To achieve this goal a set of technological regulations and standards which meet international demands

must be developed. As we can see in order to establish the foundations for Association Agreement between Ukraine and European Union some standard and legal documents were approved. They are about economic mechanism of the development and the formation of the market of livestock products. Among them there are Law of Ukraine: «On breeding business in livestock industry» on 15.12.1993 № 3691-XII., «On basic principles and requirements for food quality and safety» on 23.12.1997 № 771/97-BP, «On the identification and registration of animals» on 04.06.2009 № 1445-VI, «On approval of the concept of State program of the development of an agrarian sector for the period till 2020» on 30.12.2015 № 1437-p, Regulations (standard) of accounting 30 «Biological assets» on 05.12.2005 № 1456/11736, methodological recommendations for accounting biological assets [3; 4; 5; 6]. Scientists, economists and agrarians make attempts to prove that the established legal framework has a stimulating nature. At the same time the lack of a complex of mechanisms, measures and tools for the revival and stimulating the development of the production of goat products is not effective enough and needs developing. According to Regulations (standard) of accounting 30 «Biological assets» on 05.12.2005 № 1456/11736, goat industry is a part of sheep industry in terms of biological assets and agricultural livestock products. This Regulation says: «sheep industry (goat industry) cofine wool, half fine wool, half rough wool, rough wool». This classification does not stimulate the progress of the goat industry in Ukraine, though there are many positive changes in this area. The world experience shows that this area is negatively impacted because goat industry is not acknowledged as a separate area of livestock industry, it is not documentarily identified as a biological asset.

The precondition for the development of goat industry in Ukraine is highly adaptive qualities of goats and the presence of natural and economic conditions in Ukraine. In recent decades significant changes have been taking place in using bio productive opportunities of our planet [6: 7]. In terms of enhanced anthropogenic pressure, influenced by a technological progress, industrial development, increasing intensification of livestock production, there is fresh water depletion and environmental pollution. In recent years, people who live on the territories where livestock products are produced particularly pig and poultry products strike against the pollution of air and surrounding areas with waste products. Here the development of goat industry can provide the population with high-quality milk and meat products without polluting the environment. It is clear that the production of goat products is characterized by eco-friendly production processes and saving fresh water. According to European technological standards of utilizing production areas when producing livestock products one milking cow consumes 48,5 m<sup>3</sup>, one sow with piglets consumes 30 m<sup>3</sup>, and one milking goat consumes 4,4 m<sup>3</sup>. Besides taking into account a complicated epizootic situation in Ukraine due to often outbursts of animal diseases (African swine fever, rabies, brucellosis, tubercle and others), the goat has the highest immunological potential. Goat's resistance for such diseases reduces the cost of veterinary protection and is one of the lowest cost in livestock industry. This animal feature allows reducing risks for running goat business and predicts high profitability of goat products.

Goat industry progress in Ukraine is possible only after goat industry is differentiated from sheep industry. Due to the globalization of sustainable development and multi functionality of this area, the main focus is to take into account the peculiarity of goats as a biological asset and to support goat industry at the legislative level in order to consolidate all possible ways of increasing the profit and preventing further decline in production. The current state is characterized by an autonomous existence of goat industry. It is necessary to emphasize one more time that legally there is no such an area in livestock production as goat industry. Under these conditions it is difficult for this industry to develop. The researches outcomes prove that goat production is mistakenly divided into co fine wool, half fine wool, half rough wool and rough wool. Global goat breeding has defined four main categories of goat productivity and one additional such as milk, meat, down and wool.

The area of decorative goat industry is being developed; it is very popular in countries with high standard of living where goats are grown for aesthetic perception. The current development of the food market stimulates to improve the mechanism of state regulating and solving the problem of separating goat industry from sheep industry and identifying it as a separate biological asset if to take into account the demand for goat products.

Thus, we can draw the following conclusions and recommendations:

- 1. Stimulating the offer at a food market causes the demand for goat products. The development of an agrarian market requires the improvement of standard and legal framework for goat industry in Ukraine. The increase of the offer for goat products is hindered by a poor mechanism of state regulating the development of this area.
- 2. The existing identification of goat industry and sheep industry demands their separation and identifying them as two different areas of economy. The identification of goat industry as a separate biological asset is a conceptual foundation of the revival and sustainable development of an agrarian sector of the economy in terms of forming global food systems and local markets. In these conditions the important thing is to establish the market of goat products in Ukraine taking into account modern globalised components of the economic development of an agrarian sector of economy which are mentioned in this article with clearly defined vector focusing the establishment of a competitive agrarian business.

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