

PECULIARITIES OF INTRODUCTION OF THE LAND MARKET IN UKRAINE**Kainara D.O.***Zaporizhzhia National University
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The article considers the current problem of the introduction of the land market in Ukraine. Based on the analysis of scientific publications, the author determined the benefits that the introduction of the land market in Ukraine has. The continuation of the moratorium on the sale of land has been found to be a matter of no economic justification. In this case, as a result of the moratorium on the sale of land, the shadow market of land was actually formed, where using the schemes it is possible to transfer ownership of land. As a result, as we see, the moratorium caused an imbalance in the land market, as a result of which part of the land is in a long-term lease, in which tenants do not have incentive mechanisms for the development of leased land. As a result, through the cultivation of aggressive crops (sunflower and rapeseed), the quality of the land fund is gradually depleted. Also, within the framework of economic exchange, there is a gradual distribution of economic resources into more effective owners. Thus, in fact, 25 years - the time for which land reform is taking place in Ukraine has actually been blocked redistribution to owners who can effectively dispose of land. On the other hand, it is impossible to say exactly when Ukrainians can compete with foreigners for having enough money on equal rights to buy land. That is, it is a very and very controversial question, where there are a lot of questions that no one can answer today.

ОСОБЛИВОСТІ ВПРОВАДЖЕННЯ РИНКУ ЗЕМЛІ В УКРАЇНІ**Кайнара Д.О.***Запорізький національний університет
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ринку землі, розвиток ринку землі, впровадження ринку землі, мораторій на продаж землі.

Розглянуто актуальну проблему впровадження ринку землі в Україні. На підставі аналізу наукових публікацій автор визначив вигоду, яку має впровадження ринку землі в Україні. Виявлено, що продовження мораторію на продаж землі стало політичним питанням, що не має економічного обґрунтування. При цьому в результаті дії мораторію на продаж землі фактично сформувався тіньовий ринок землі, де, використовуючи схеми, можна передати право власності на землю. Мораторій спричинив дисбаланс на ринку землі, отже, більшість землі перебуває в довгостроковій оренді, при якій орендарі не мають мотиваційних механізмів для розвитку орендованої землі. У результаті, через вирощування агресивних культур (соняшника та рапсу) відбувається поступове виснаження якості земельного фонду. Також у межах економічного обміну відбувається поступовий розподіл економічних ресурсів серед найбільш ефективних власників. Отже, 25 років – час, упродовж якого відбувалася земельна реформа в Україні. Фактично було заблоковано перерозподіл серед власників, які можуть ефективно розпоряджатися землею. Проте, зважаючи на дефіцит коштів у малого та середнього бізнесу для купівлі земельних ділянок, складно визначити час, коли вони на рівних правах зможуть конкурувати з іноземними компаніями. Тобто це питання досить дискусійне, адже існує велика кількість проблем, які сьогодні ніхто не може вирішити.

Statement of the problem

The creation of a market for agricultural land had become a very contentious issue before the adoption of the relevant law and had a political connotation.

The fact is that the moratorium on the sale of agricultural land, which is in force in Ukraine for just under 20 years, raises the issue of property rights, enshrined in Article 13 of the Constitution. According to the text of the article, it is the State that protects this right and ensures the equality of all subjects of this right before the law.

Unfortunately, the lifting of the moratorium is not the first year that the various political forces have come to power. However, no one went further than extending the moratorium.

Analysis of recent studies and publications

The problem of introduction of the land market was dealt with by many scientists both in Ukraine and abroad. First of all, the works of Salnikov T.V. and Kolesnik. O. [1], in which the transformation of the land market and the consequences of its introduction in Ukraine were considered. Prospects for the introduction of the land market were also considered by Ozhelevskaya T.S. and Korolik M.O. [2]. Vira Komutenko and Oksana Volkova [3] it was shown that the introduction of land reform is a necessary stage of the development of the Ukrainian economy. Also, Loizinskaya [4] was shown how the introduction of the land market will affect the economic security of the country.

Objectives of the article

The purpose of this work is to consider the problems and prospects of market introduction in Ukraine. The goal is also the expected changes in economic indicators as a result of the introduction of the land market in Ukraine.

The main material of the research

In the explanatory note of the last draft law on the extension of the moratorium, it was said that the land market should be fair, transparent and competitive in Ukraine, as well as in such a way that any abuses in the land sphere would not be possible.

However, today there is a unique situation when owners can lease them, exchange for another plot of land, or leave it as an inheritance. However, it is not possible to sell it. Nor can they change the purpose of the land, or make its rights a part of the company's authorized capital.

It is interesting that the following article of the Basic Law of Ukraine already says that it is the land that is the main national wealth of our state, and it especially protects it.

At the same time, we, as in any civilized country, guarantee and protect the right of ownership, can be acquired and implemented according to the laws of our state.

At the same time, article 22 of the same basic law of Ukraine says that the content and scope of rights that already exist cannot be limited. However, this is what makes the moratorium on land circulation, as discussed above. That is, we have a clear violation of the law. Moreover, the land moratorium contradicts not only the above-mentioned articles and legislation of Ukraine. It is also contrary to international law, namely the Convention for the Protection of Human Rights and fundamental freedoms.

The reason is that owners do not receive compensation for the fact that they cannot have economic benefits from their property.

Again, the need to introduce the land market is also explained by the fact that Ukraine has formed and long

ago there is an illegal market of land from which taxes are levied on the state budget.

That is, this negatively affects the economy of Ukraine. It is necessary to add here, that rental relations, widespread in Ukraine - is the result of the moratorium on the sale of land for almost 20 years [1].

It is known that all contracts for the lease of land are concluded about 5 million on land with a total area of almost 17 million hectares. And that is almost 50% of all privately-owned land.

Moreover, there are about 60,000 leases for state-owned agricultural land. Their area is about 3 million hectares. This is almost 25 per cent of the entire land owned by the State [5].

The problem is that the opaque land market that de facto exists in Ukraine has a negative impact on the quality of Ukrainian land. The fact is that today the law says that the lease of land for less than 7 years is impossible, and ecological and economic grounds for sowing need not be done.

Therefore, we have a situation that different producers grow only crops that produce maximum profits and deplete the land. At the same time, no one is doing anything to preserve the quality of the land and restore it.

Moreover, without a land market, we face another problem that must not be turned into a blind eye. The fact is that in Ukraine 7 million people have privatized land. And more than 1 million of these people have died. That is, no one can get this land and use it. And no one can support its characteristics.

And the problem is that 80% of the 7 million people are people over 50. Moreover, of these people, almost half are over 60. That is, the problem will only intensify and the time will come when it will become just threatening. At the same time, only and only the land market can solve it until serious problems have begun. At the same time, the absurdity of the moratorium is so serious that it has even attracted the attention of international organizations. The International Monetary Fund has been demanding Ukraine to open the land market for several years.

The Fund understands that the agricultural sector in Ukraine is one of the most promising areas of the economy. More than one-third of the country's GDP is concentrated in this area, and people bring just under half of the total currency to Ukraine.

Moreover, despite the availability of inexpensive and highly skilled labour, Ukraine can indeed count on serious success in this area. That is, Ukrainian land is a very valuable, practically "golden" asset, which interests not only Ukrainian, but also foreigners.

And the latter are richer and can easily buy a lot of land. At the same time, it is impossible to prevent foreigners from being allowed, because it will be very difficult to call this market. Moreover, foreigners will bring to Ukraine another culture of agriculture and will raise it to a new, better level [2].

On the other hand, it is impossible to say exactly when Ukrainians can compete with foreigners for having enough money on equal rights to buy land. That is, it is a very and very controversial question, where there are a lot of questions that no one can answer today.

Moreover, the value of land in Ukraine did not reach the European average, although its quality is significantly higher than in any European country. And it seems that there may be reasons even to delay introduction of the land market, if it were not for the existence in Ukraine of own large agro-holdings, which benefit from the fact that they pay miserly money to owners of the land and have super profits. That is, they will simply continue to mercilessly exploit the Earth and do everything they want [7].

Of course, each country with a land market regulates the issues of land market turnover, rights to it and other issues related to it, based on different characteristics and interests. In Ukraine, the development of the agricultural sector, as well as the development of rural areas and farming, should be such an interest.

Perhaps a correct approach, one that considers the interests of all, would be to open the land market gradually. For example, it would be right at the beginning to allow only individuals to buy and sell land in order to create competitive conditions for this group of people and opportunities to compete with large land-market players.

Moreover, this would probably help to solve a little the problem of rural employment. The next phase of market opening could include Jurassic farmers. And then it is possible to buy land to foreigners.

However, there may be many ways to solve this issue, so it is necessary to weigh all "pros" and "cons".

However, the situation in Ukraine is special. The fact is that on different land plots it is possible to achieve high efficiency of land cultivation. The question is that in Ukraine the financial opportunities of peasants and farmers are rather small. At the same time, not everyone can afford to purchase good equipment for processing land plots of different sizes [4].

In addition, it is necessary to consider the important factor, which was not practically anywhere when introducing the land market - the presence of large Ukrainian agro-holdings, which to date has already practically become monopolistic owners of the land in our country. In other words, the issue of land plots limitation should be addressed in the light of this factor.

Another important component of the solution of the "land issue" is the implementation of truly effective regulatory mechanisms on the part of the state. In other words, the state should still have the right to restrict the market circulation of certain land plots, to remove them if they are used for their intended purpose, and to control the process of forming prices on the land market, will be introduced. The latter will be particularly important at the beginning of its operation. Moreover, a State should have the right to take away land if the owner of the land had, by negligence, made the condition of the land considerably worse [3].

In this case, however, the State must first develop and implement a truly qualitative and effective legal and regulatory framework that will enable the relevant authorities to carry out truly effective and clear control over the ecological and agrochemical conditions of the soils.

This is necessary because the level of soil plowing is currently one of the highest in Europe and is about 80%, which is a very high indicator and poses a real threat to the economy of Ukraine and its food security.

It should also be noted that the process of introduction of the land market in Ukraine can in no case be one-time. It should be borne in mind that the range of issues that need to be addressed by this reform is very large.

And they cannot be solved in one day, so all the points and problems that can arise in this way must be taken into account. According to estimates of various experts, including international experts, it may take from 2 to 4 years for the full launch of the land market [6].

At the same time, the economic impact of the introduction of the land market is very difficult to overestimate. According to experts' estimates, Ukraine will be able to attract up to 10 billion dollars of investment in the first 2-3 years of the land market operation. Therefore, in general, we can say that Ukrainian land can become a serious driver of economic growth.

At the same time, Ukrainian farmers and peasants will be able to increase their agricultural exports sharply.

This could already lead to a shift in small, technical-crop-growing farms toward gardens, berries, or even organic-only production. Moreover, once land reform is initiated, such farmers will be able to accumulate financial resources, and will be able to use them again. That is, they can lease land, receive bank loans at reduced credit rates for the purchase of equipment, seeds, fertilizers and other necessary materials.

Conclusions

The most optimistic experts believe that the launch of the land market will allow the Ukrainian economy to increase the gross domestic product growth somewhere by +5 annually. That is, in their opinion, the launch and further successful functioning of the land market will allow to reach the largest GDP growth rates in Europe.

Moreover, it would create a large number of jobs. According to some experts, this is about a million, or even one and a half million jobs in the next 7-10 years.

However, it must be said that the introduction of the land market requires not only political will, but also effective and balanced decisions in power circles.

It is necessary to be very careful and to consider very carefully all possible consequences of a decision, to consider all positive and, possibly, certain negative effects. And only the state can do it with a clear and understandable system of control and laws that will allow to establish as clear and understandable "rules of the game" on the land market as possible.

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