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INSTITUTIONAL TRANSFORMATIONS AND EFFICIENCY OF THE AGRICULTURAL SECTOR OF UKRAINE

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Abstract: *The article analyzes the essence, key components and the process of formation of the institutional environment, which began after the destruction of the planned-directive economy, and the formation of a market economy. In this context, the procedure for classification of business entities by main types of economic activity and their statistical accounting in the branches of primary production and industry for the production of food, beverages and tobacco products adopted in Ukraine is revealed in detail. The results of generalization of changes in the organizational structure of business entities under the influence of the formation of a holistic and balanced institutional environment from 2000 to the present are highlighted. Weak competitiveness, low efficiency and insufficient resistance to difficult conditions of such business structures as production cooperatives, state enterprises, farms and even personal farms have been established. At the same time, despite the increased exogenous and endogenous turbulence of the national economy, including the agricultural sector, private enterprises and other forms of economic activity were much more stable and even widespread, indicating their much higher adaptability to the market system. The role of agricultural holdings as an effective subject of concentration of dispersed resources of agriculture, especially land, as well as an effective intermediary for establishing direct links and development of integration processes between raw materials and processing industries to ensure the production of finished foods. The reasons for the prolonged entry of agriculture to the level of production in the base year and more than three times faster - the processing industry, as well as the role of factors that allowed much lower indicators of its economic efficiency compared to primary production.*

Key words*: institutional environment, organizational structure of entities, agriculture, food industry, types of economic activity, production efficiency*

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1. Introduction

Since Ukraine's political independence, the national economy has faced a difficult choice: to remain an important raw material appendage for the developed world or to find its own paradigm of development that will lead to a self-sufficient economic system that operates on an open economy. Thus, the economy of Ukraine, as an important component of the economic complex of the former union and closely connected with it by various ties, embarked on a path of deep transformations that were to ensure the transition from a planning and directive system to a market economy. In almost all of the 1990s, the foundations of the planned economy were destroyed and the primary elements and mechanisms of the market economy were created. In particular, there was privatization and privatization of state property and land unbundling and privatization of property of agricultural

enterprises. Privatization in agriculture has become the starting point for launching a series of successive processes that still have a turbulent impact on the development of various sectors of the national economy. The ties and trends in the development of agriculture and the food processing industry are especially strongly and deeply intertwined. They were very close in Soviet times, when the implementation of planned tasks was an indisputable priority and to achieve them, all possible levers of administrative influence for that period of time were used to overcome intersectoral obstacles. Among them the most important are: a significant imbalance between procurement prices for agricultural raw materials and wholesale and retail prices for finished food products; as a rule, the lack of common economic interests of agricultural producers and processors, and hence the discriminatory nature of economic relations between them; the dominant role of state property in relation to collective and individual, etc.

The change of forms of ownership in the early 1990s — state and collective to private, joint-stock, individual, and municipal — led to the creation of a new type of enterprise in the second half of the 1990s. At the same time, an appropriate institutional environment was formed in order to balance the interests of business entities of different organizational and legal forms and forms of ownership. At different periods of time, rapid changes in the institutional environment of the economy and the organizational structure of economic entities can either contribute to or inhibit the achievement of positive changes in the economic activity of business structures. Moreover, the lag of the structure of the institutional environment from the turbulences in its exogenous shell, which occur much faster, slow down the transformation processes and preserve the outdated organizational structure of the economy and its individual industries. Thus, it can slow down the positive trend and cause the deterioration of economic indicators of economic activity and socio-economic situation in the country, and in some cases - even direct its development towards destabilization.

2. The degree of study of the problem at present and the purpose of the study

The issues of forming a holistic and balanced institutional environment and its impact on relations between organizations have been and are the subject of research by many well-known foreign and Ukrainian economists. Among them: T. Veblen, A. Hrytsenko, R. Kouz, Y. Lopatynskyi, O. Liakhovets, O. Molodtsov, D. Nort, K. Polani, O. Uiliamson, O. Shpykuliak, E. Furubotn and R. Rikhter [1-11] and others.

The above and other scholars have studied the evolution of the structure of the components of the institutional environment over a long historical period, the impact of its perfection on the organizational structure of the economy and its individual sectors, as well as the reverse effect of abrupt transformations and progressive changes in technology and management methods. complementary institutes. At the same time, it was found that not any changes, especially abrupt ones, in particular in the transition from an administrative-planned to a market economy, can provide a positive impact on business in general and individual industries. This is due to the emergence of specific problems for the transition period, which in specific circumstances and times become turbulent and do not fit into the theoretically defined parameters. The point is that both permanently and spontaneously due to exogenous changes there are transformations in the institutional environment, which has its impact on the organizational structure of the economy, its intersectoral complexes and individual industries. Accordingly, the organizational structure of entrepreneurial formations in different industries has a diverse impact on the efficiency of economic activity of business entities. Thus, the purpose of our study is to establish the compliance of the existing in specific circumstances and for a certain period of time the institutional environment to the organizational structure of the agricultural sector and its impact on ensuring the achievement of expected performance and efficiency.

3. Applied research methods and materials

They include a systematic analysis of changes in the institutional environment of the economy and its comparison with the process of transformation of the organizational structure of the agricultural sector, as well as assessing the impact of these changes on performance and economic indicators of

their economic activity. The study involved analytical materials and statistics on economic performance and efficiency since 2000 and until now.

4. Obtained results and discussions

For further research, it is advisable to determine the starting point. For our conditions, it can be taken as the period of time when, in general, the main stage of privatization in agriculture was completed and the "bottom" of the agrarian crisis was passed. The practical implementation of measures to reform industrial relations in the 1990s resulted in the following: almost all collective and state-owned agricultural enterprises were radically reorganized and new ones were created on their basis, but on the basis of private ownership of the means of production, including land. It should be noted that the share of agricultural land, which in 1990 was state-owned (100%), decreased to 26.2% in the 1990s, and 73.8% became state-owned, respectively (more than 72% in private ownership). , collective - less than 1%) [12, p. 72-73]. Therefore, it is logical to accept the statistical reporting for 2000 as a starting point for assessing changes in the organizational structure of agriculture.

For further analysis, it is advisable to pay attention to the following. It is about the possibility of applying the ideas expressed by Douglas North in his report on the impact of institutional change on economic growth (March 1996), to assess the transition processes in Russia, the validity and direction of the measures taken. North drew attention to the situation when it is necessary to solve a triple problem, each face of which contradicts the other. The essence of this task is that, firstly, it is necessary to master changes and new mechanisms, secondly, to overcome the negative consequences of changes and mistakes and, finally, to preserve the valuable heritage of the past. Douglas North's position on this legacy seems reasonable and rational: regardless of your attitude to the past, you need to consider what people are used to. The strategy and tactics of reforms cannot ignore this. The basis of people's representation is not a single knowledge gained during the life of one person or one generation, but their amount accumulated over a long period "[13, p. 9].

Therefore, when designing the provisions expressed by D. Norton to analyze the situation in the agricultural sector of Ukraine on the impact of institutional changes on organizational structure and economic growth in transition, it is necessary to take into account the following. Practice has shown that there is no direct effect of institutional change on economic growth: the impact is complex, indirect and long-term. This is largely due to the fact that it includes not only institutions and organizations, but also individual producers (households). However, it is through the consciousness of individual and collective producers that the penetration of requirements and restrictions in force for a specific period of time, which are focused in institutions, and their implementation in the practice of multifaceted relations between actors (organizations).

According to D. Norton, institutions include all forms of restrictions, including formal (rules invented by people: constitutions, laws, regulations) and informal, or "unwritten" (conventional conventions and codes of conduct)…. The concept of "organization" includes political bodies and institutions (political parties, Senate, city council, control agency), economic structures (firms, trade unions, family farms, cooperatives), public institutions (churches, clubs, sports associations) and educational institutions (schools, universities, vocational training centers). An organization is a group of people united by the desire to jointly achieve any goal…. Institutions influence the economic process by influencing the costs of exchange and production. Along with the applied technology, they determine the transaction and transformation (production) costs, which together constitute the total production costs [7, p. 18-21].

It should be noted ***that the concept of institutional environment, which forms a set of institutions and institutions, has become commonplace today.***

The distinction between the two key concepts of "institutions and institutions" is that the former means a set of norms, rules, traditions that regulate relations between people in society, and institutions - are organizational formations, complexes of interaction of institutions designed to ensure compliance [14, p. 59]. The institutional environment concerns both the national economy and its crucial component, ie the agricultural sector. Its influence is prevented by the formation of institutions and is realized during the transformation processes by creating a rational spatial and organizational structure of business entities. Thus, we are talking about the ***formation of institutional architecture of***

the economy, including the agricultural sector. Note that the authors consider institutional architecture as "a fundamental structure of institutions consisting of rules, norms, stereotypes, traditions, guidelines and other social formations in their relationship with the overall aesthetic plan for building a holistic social system" [2, p. 9]. In the integral socio-economic system of the agricultural sector there are ***basic laws of architecture: the law of equilibrium, the law of the golden mean and the law of structuring*** [2, p. 10]. The essence of the role and practical significance of each of the laws for economic development is revealed as follows:

- ***the essence of the law of equilibrium***, in particular, is that all the elements of a holistic system move in the direction of rest relative to other elements or are in this state. This means that all elements of the construction of the agricultural sector must be changed and improved in such a way as to bring the whole system closer to a state of equilibrium in which it will function most effectively, ensuring the coherence of economic interests of all economic entities that form it;

- ***the law of the golden mean gives*** a spatial and quantitative characterization of the agricultural sector through the interaction of its homogeneous elements as a whole system that is in constant motion and integrates the action of all elements into a certain characteristic that reproduces the integrity of the system relative to other systems. This law allows to assess, for example, the average level of profitability (profitability) of individual segments (agricultural and agro-industrial production, processing, infrastructure, social sphere) and track their changes in space and time, which is important in analyzing the effectiveness of institutional changes in agriculture;

- ***the law of structuring*** characterizes the relationship of elements that have internal development factors and are able to unite into certain holistic formations and be structured within a broader integrity, which is important in the study of formation and development of the agricultural sector and synchronous institutionalization of change [15 , p.23].

The formation of the institutional environment took place in the process of destruction of the administrative-planning system and the transition to a market economy. In particular, agrarian and land reforms were carried out in the agrarian sphere, but these processes were prevented and accompanied by the development, adoption and implementation of a large number of laws and regulations, as well as their impact (various types of state monitoring). According to the estimates of well-known scientists who were nominated for the State Prize of Ukraine in the field of science and technology in 2015, in 1991-2014, 61 Decrees of the President of Ukraine, 97 laws and resolutions of the Verkhovna Rada of Ukraine, 176 Decrees and resolutions of the Cabinet of Ministers . In the process of their practical implementation, 450 scientific and practical approbations were conducted (including 224 seminars and 76 conferences, 111 proposals were prepared by government agencies), 873 works were published (including 110 monographs and 68 methodological and practical recommendations and 625 scientific articles), and 246 dissertations were defended (76 of them were doctoral and 170 were candidate's) [16, p. 6-7].

The formation of the legal and regulatory framework for agrarian and land reforms is the activity of public authorities to create a set of necessary institutions, and in a broad sense - the development of a modern institutional environment. One of the possible directions of its influence and the practical implementation of which is the reason to consider the creation of modern organizational forms of management that best meet the current challenges and real conditions of economic activity.

Thus, due to the conformity of the structure and number of different organizational forms of economic activity to the institutional environment available for specific conditions and time, on the one hand, but on the other, while maintaining the synchronicity of changes in the institutional environment with economic transformations and influence of a number of other components and efficiency of production activity will be formed.

As for the agricultural sector, it is here that the efficiency of production depends very closely on a number of other factors, namely: the natural and climatic conditions of a particular area, the ratio between individual and corporate sectors, the share of agricultural land included in land banks of agricultural holdings, the level of mechanization and provision of skilled labor, etc. It is important to keep in mind that the efficiency of agriculture, the volume of production of food raw materials, largely depends on the provision of its capacity in the food processing industry, and hence its efficiency.

In Ukraine, in relation to the agricultural sector, ie agriculture and food processing, there are two state registers:

- ***Register of AGRO*** - producers of products and services related to economic activity, classified in ***section A*** (Agriculture, forestry and fisheries) ***NACE-2010*** [17];

- ***Register by sections 10 + 11 + 12*** (food production + beverage production + tobacco production) of ***section C*** (processing industry) Classification of economic activities ***(NACE-2010)*** [18].

It should be noted that ***the objects of classification in the NACE*** are the types of economic activity of legal entities, separate divisions of legal entities and natural persons-entrepreneurs (hereinafter - entities), which are grouped at the highest levels of classification in the industry. As the above-mentioned Registers differ significantly from each other, they reveal not only the differences between them and between the subjects of activity, but also the compliance of the organizational structure of different industries with the institutional environment of the agro-sphere in general.

In particular, ***the AGRO Register includes three modules:*** "Profile enterprises", "Non-core enterprises" and "Local units". Enterprises, depending on their activities, are divided into groups:

- ***profile enterprises*** - enterprises in which the Unified State Register of Enterprises and Organizations of Ukraine (abbreviated - ***USREOU***) specifies the types of economic activity listed in section A "Agriculture, forestry and fisheries" NACE-2010. Section A is divided into three sections (01; 02; 03), which cover seven, four and two economic activities and the provision of various related services, respectively;

- ***non-core enterprises*** for which the USREOU does not specify the types of economic activity referred to in section A of the NACE-2010, but which carry out agricultural, hunting, forestry or fishery activities (designations respectively C, M, L, R) and meet the following conditions:

1) or own and / or use more than 1 hectare of agricultural land;
2) or kept at the beginning of the year: from 5 heads of cattle, or pigs, or sheep, or goats; from 3 heads of horses; from 200 birds; from 20 heads of fur animals, rabbits; from 5 bee families;
3) or carry out ancillary activities in agriculture and post-harvest activities;
4) or have in use hunting grounds;
5) or have forests in use;
6) or engaged in fishing and fish farming.

Statistical information on ***non-core enterprises*** is not singled out when calculating a number of indicators. This feature was allocated by the State Statistics Service of Ukraine for internal use (to form a set of surveyed enterprises) to cover all types of primary activities of enterprises in a given area. This affects the specifics of the organization and statistical study of the results of these activities, the number of products and services created in its process.

Regarding the legal status, ***the units-enterprises of the AGRO Register are***, as a rule, legal entities or separate subdivisions of legal entities (branches); ***local units*** - production structural subdivisions of enterprises (*productions, branches, sections, brigades, etc.)* located outside the location of enterprises, without the status of legal entities, or separate subdivisions of legal entities (branches), but with certain economic and managerial powers and able to be potential respondents production, market statistics.

Peculiarity of management - a characteristic feature or a set of characteristic features, which distinguishes the enterprise (local unit) from the general population according to a certain criterion, emphasizes its (its) originality. For example, an enterprise (local unit) is the only producer of a certain type of product in a district, region, country (these include: cultivation of crops - 8 species; breeding of farm animals - 8 species).

Profile activity - economic activity of the enterprise by types of activity, which are referred to section A of NACE-2010 (signs of profile activity and code: Agriculture - 1; Hunting - 2; Forestry - 3; Fisheries - 4; Not active - 0).

All of the above is included in **Part 1 of the "Enterprise" of the Register of AGRO**, and its **part II "Local Councils"** is designed to collect and accumulate generalized information about households with registration of residence in rural areas (***rural households***) - potential producers of

agricultural products . The carriers of this information are local councils, which are subordinated to rural settlements [17, p. 6-9].

Thus, ***the AGRO Register*** provides a statistical assessment of activities related to the use of natural resources, including land, plants and animals, as well as the use of biological transformation of living organisms, has its own organizational and economic features. size, legal status and organization, economic orientation and degree of integration of participants in the industry register due to specific criteria allows to take into account these participants, to study and make sets of potential respondents more adequate and manageable, and to control and observe phenomena occurring in the process economic activity of subjects [17, p. 4].

Since we are talking about the agricultural sector, it is appropriate to assess the "contribution" of each industry to the overall result. The statistical data and calculated indicators given in Table 1 are the basis for the conclusion that the analysis justifies the focus on only two key areas: agriculture and food processing, as the other two - forest (of which only - wildlife harvesting). non-timber products) and fisheries - the real contribution to the formation of food resources, compared with agriculture, together are less than 0.3%.

Table 1. Branches of the agricultural sector in the economy of Ukraine * in 2018

Types of economic activity	**The popula-tion is busy**		**Employees**		**Fixed assets****		**Production**		**Added value**	
	thousand people	**%**	**thousand people**	**%**	**UAH million**	**%**	**UAH million**	**%**	**UAH million**	**%**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
Total for the national economy	**16360,9**	**100**	**6959,9**	**100**	**7733905**	**100**	**5626437**	**100**	**2310581**	**100**
Including										
1. Primary production	***2937,6***	***17,96***	***564,8***	***8,11***	***341622***	***4,42***	***600955***	***10,68***	***201938***	***8,74***
from it:										
- **agriculture, hunting and related services**	**2871,5**	**17,55**	**501,5**	**7,21**	**335302**	**4,34**	**579686**	**10,30**	**191228**	**8,28**
- forestry	34,8	0,21	33,2	0,48	5115	0,07	20012	0,36	10340	0,45 **11**
including harvesting wild non-wood products	н/д	-	н/д	-	н/д	-	53	…	30	…
- fisheries	31,3	0,19	30,1	0,43	1205	0,02	1257	0,02	370	0,02
2. **Manufacture of food products, beverages and tobacco**	**322,7**	**1,97**	**321,5**	**4,62**	**182445**	**2,36**	**610374**	**10,85**	**121658**	**5,27**

* Compiled and calculated according to the State Statistics Service of Ukraine for 2018.
** Statistics for 2017

Therefore, taking into account the above methodological approaches and practical proposals, we will assess the compliance of the organizational structure of agricultural production to the institutional environment available for specific circumstances and time period, which was formed in the process of agrarian and land reforms.

Taking into account 2000 as a point of transition from the already largely destroyed administrative-planning system to key market elements (private ownership of land and means of production, lack of state support for producers and employment guarantees, etc.) and on this basis, taking into account the realities of the time, theoretical knowledge and practical ideas about the effective development of agriculture, there was a formation of the organizational structure of agricultural production (Table 2). The extent to which it corresponded to the institutional environment at the time can only be verified over time, ie by comparing it with the corresponding structure, which transformed over the next 18 years and led to significant changes.

The analysis suggests that under the influence of various circumstances, including increased endogenous turbulence, weak competitiveness of new business structures, low or unprofitable efficiency, the spread of destructive demographic processes and complex and contradictory conditions of formation and market environment in the organizational structure. In particular, the segments of production cooperatives (four times) and state-owned enterprises (almost twice), as well as farms (every seventh-

eighth of them ceased to exist after 2000). Also, even with the spread of mass unemployment in rural areas, the segment of personal farms has narrowed significantly (almost a quarter), mainly due to those who were unable to provide full employment in the economically active age.

Table 2. Structure and dynamics of existing agricultural enterprises (SGP) by organizational and legal forms of management * and personal farms (OSG) in 2000-2018 ** at the end of the year; units; %

Forms of economic gift (units / interest)	Periods by years:										2018 to 2000, %;
	2000	2005	2008	2010	2013	2014	2015	2016	2017***	2018	
1	2	3	4	5	6	7	8	9	10	11	12
I. Total PF, of them:	**51588**	**57858**	**59059**	**56493**	**49046**	**46199**	**45379**	**47697**	**45558**	**49208**	**95,4**
	100	100	100	100	100	100	100	100	100	100	X
Business associations	**6718**	**7545**	**7879**	**7769**	**8245**	**7750**	**7721**	**8700**	**6967**	t/d	**100,8**
	13,0	13,0	13,3	13,8	16,8	16,8	17,0	18,2	15,3	t/d	+2,3
Private companies	**2519**	**4112**	**4326**	**4243**	**4095**	**3772**	**3627**	**3752**	**3215**	t/d	**127,6**
	4,9	7,1	7,3	7,5	8,4	8,2	8,0	7,9	7,1	t/d	+2,2
Production cooperatives	**3136**	**1373**	**1101**	**952**	**809**	**674**	**596**	**738**	**448**	**735**	**23,4**
	6,1	2,4	1,9	1,7	1,6	1,5	1,3	1,5	1,0	1,5	-4,6
Farms	**38428**	**42932**	**43894**	**41726**	**34168**	**33084**	**32303**	**33682**	**34137**	**33164**	**86,3**
	74,5	74,3	74,4	73,8	69,8	71,5	71,2	70,6	74,9	67,4	-7,1
State enterprises	**385**	**371**	**354**	**322**	**269**	**228**	**241**	**222**	**199**	t/d	**51,7**
	0,7	0,6	0,6	0,6	0,4	0,5	0,5	0,5	0,4	t/d	-0,3
Enterprises of other forms of management	**402**	**1525**	**1505**	**1481**	**1460**	**691**	**891**	**603**	**592**	t/d	**147,3**
	0,8	2,6	2,5	2,6	3,0	1,5	2,0	1,3	1,3	t/d	+0,5
II. PF (thousands)	**5200,0******	**4915,3**	**4666,0**	**4540,4**	**4241,6**	**4136,8**	**4108,4**	**4075,2**	**4031,7**	**3975,1**	**76,5**
Certificate:											
Share of PF products, in%	38,4	40,5	46,0	48,3	54,0	55,3	55,1	57,0	56,4	58,8	+20,4

* Legal entities and their separate subdivisions engaged in activities related to the cultivation of annual, biennial and perennial crops, plant reproduction, animal husbandry, mixed agriculture and ancillary activities in agriculture and post-harvest activities

** Compiled and calculated according to the statistical collections "Agriculture of Ukraine" for the respective years.

*** As of November 1, 2017, legal entities and their separate divisions, for which the main activity was the cultivation of annual, biennial and perennial crops, plant breeding, animal husbandry, mixed agriculture and ancillary activities in agriculture and post-harvest activities (including farms regardless of the main activity).

**** Determined by calculation.

P.S: t/d - there is no data.

At the same time, even taking into account the increased exogenous and endogenous turbulence in the national economy, and especially in its agricultural sector, private enterprises proved to be extremely stable and very competitive, with almost 28% increased and the segment of other enterprises expanded 1.5 times (joint with foreign legal entities, family, collective, etc.). And this despite the fact that due to the illegal occupation of the Autonomous Republic of Crimea and some districts of Donetsk and Luhansk regions, in 2014, compared to the previous year, the total number of agricultural enterprises decreased by 5.8% (by more than 2.8 thousand units) and this, in turn, left an imprint on almost all components. The most stable was and remains the segment of business associations, ie former collective agricultural enterprises, which managed to significantly preserve the material base created in the pre-reform period, arable land and labor collectives.

However, on the downward trend of the segment of economic entities in general in primary production, including agriculture and fisheries (Table 3), there was an increase in their number in the following groups: cultivation of perennial crops (twice: more than 2.4 thousand mainly due to micro-enterprises - up to 10 employees), mixed agriculture (one and a half times: almost up to 1.6 thousand, mainly due to micro-enterprises), harvesting of wild non-wood products (almost twice: up to 466 units, but mainly due to micro-enterprises that were created PE).

Table 3. Dynamics and structure of large, medium, small and micro enterprises by types of economic activity *, units

Types of economic activity and their codes	Years, % (2018 to 2010)	Number of business entities (total and by business groups):								
		Entrepreneurs (E) by groups:					From them physical persons-entrepreneurs (PE) on groups:			
		Total E	including:				Total PE	including:		
			great	average	small	of which micro		average	small	of which micro -
1	2	3	4	5	6	7	8	9	10	11
Total Agriculture, forestry and fisheries (A)	**2010**	**80321**	**13**	**3445**	**76863**	**72421**	**29655**	**5**	**29650**	**29449**
	2018	**76328**	**23**	**2307**	**73998**	**68492**	**25824**	**9**	**25815**	**25585**
	%	**95,0**	**177**	**67,0**	**96,3**	**94,6**	**87,1**	**180**	**87,1**	**86,9**
- Agriculture, hunting and related service activities (01)	**2010**	**72697**	**13**	**3078**	**69606**	**65529**	**23637**	**3**	**23634**	**23510**
	2018	**69596**	**23**	**1988**	**67585**	**62505**	**20943**	**5**	**20938**	**20851**
	%	**95,7**	**56,5**	**64,6**	**97,1**	**95,4**	**88,6**	**60,0**	**88,6**	**88,7**
- cultivation of annual and biennial crops (01.1)	2010	57521	6	2120	55395	52364	13380	2	13378	13312
	2018	54812	17	1521	53274	48987	12393	3	12390	12347
	%	95,3	28,3	73,1	96,2	93,6	92,6	150	92,6	92,8
- cultivation of perennial crops (01.2)	2010	1228	0	119	1109	1021	710	0	710	700
	2018	2434	0	68	2366	2249	1074	1	1073	1068
	%	198,2	-	57,1	213,3	220,3	151,3	-	151,1	152,6
- reproduction of plants (01.3)	2010	400	0	7	393	368	323	0	323	316
	2018	411	0	2	409	380	257	0	257	256
	%	102,8	-	28,6	104,1	103,3	79,6	-	79,6	81,0
- Livestock (01.4)	2010	5170	6	771	4393	3786	2610	0	2610	2598
	2018	4406	6	335	4165	3796	2185	0	2185	2177
	%	85,2	100	43,5	94,8	100,3	83,7	-	83,7	83,8
- mixed agriculture (01.5)	2010	1012	0	2	1010	966	633	0	633	627
	2018	1576	0	10	1566	1481	529	0	529	527
	%	155,7	-	500	155,0	153,3	83,6	-	83,6	84,1
- activities auxiliary to agriculture and post-harvest activities (01.6)	2010	7027	1	58	6968	6749	5970	1	5969	5946
	2018	5418	0	51	5367	5213	4489	1	4488	4460
	%	77,1	0	87,9	77,0	77,2	75,2	100	75,2	75,0
- hunting, trapping and related service activities (01.7)	2010	339	0	1	338	275	11	0	11	11
	2018	439	0	1	438	399	16	0	16	16
	%	77,2	-	100	129,6	145,1	145,4	-	145,4	145,4
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
- forestry and logging (02)	**2010**	**3315**	**0**	**326**	**2989**	**2785**	**2449**	**1**	**2448**	**2405**
	2018	**3422**	**0**	**304**	**3118**	**2790**	**2439**	**3**	**2436**	**2311**
	%	**103,2**	**-**	**93,2**	**104,3**	**100,2**	**99,6**	**300**	**99,5**	**96,1**
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
- harvesting of wild non-wood products (02.3)	2010	252	0	6	246	237	211	1	210	209
	2018	466	0	1	465	462	437	1	436	436
	%	184,9	-	16,7	189	195	207	100	207,6	208,6
- fishery (03)	**2010**	**4309**	**0**	**41**	**4268**	**4107**	**3569**	**1**	**3568**	**3534**
	2018	**3310**	**0**	**15**	**3295**	**3197**	**2442**	**1**	**2441**	**2423**
	%	**76,8**	**-**	**36,6**	**77,2**	**77,8**	**68,4**	**100**	**68,4**	**68,6**

* Compiled and calculated by: Number of large, medium, small and micro enterprises by type of economic activity in 2010-2018. URL: https://ukrstat.org/uk/operativ/menu/menu_u/sze_20.htm.

Thus, the formation of the organizational structure of agricultural entities at the stage of transition to the market was mainly by trial and error. However, over time, the practice made significant adjustments to the structure of enterprises, as well as the corresponding improvement of the institutional environment. Moreover, the processes took place both sequentially and in parallel, but with a certain shift in time, and in addition, often the real practice even preceded the creation of the appropriate legal field. This was due to the practice of supporting the development of a new macroeconomic system, on the one hand, the urgent need to expand and strengthen the institutional (regulatory) infrastructure of the market for the active introduction of new economic relations at all levels: between businesses (actors), with the state, with actors external environment; on the other hand, - initiating the formation and development of the regulatory framework for safety and quality infrastructure and the implementation of its requirements for agricultural products, which were put forward by market surveillance authorities of EU member states and other international organizations.

Thus, both the institutional environment and the organizational structure of agricultural entities have been and continue to be in constant motion, ie rapid internal changes under the influence of both the requirements of effective development of the industry and due to various transformations in the external environment. But one of the most powerful catalysts for influencing the development of agriculture has been, is and will be the food processing industry.

Food and processing enterprises are a key link in the agri-food chain, as they provide processing of primary raw materials coming from agricultural producers and production of finished food products that enter the trade network or are sent for export. In the transition from the planning and directive system to a socially oriented model of market economy, it has been significantly transformed. In particular, as new forms of ownership emerged, this led to the emergence of new organizational forms of entrepreneurial activity and organizational and production forms of management. In the context of the above-mentioned changes, several stages of reforming property relations in the processing and food industry of Ukraine have been identified (Table 4).

Table 4. The main stages of reforming property relations in the food industry of independent Ukraine * and the entry of agricultural enterprises into global markets

№	Stage	Characteristics of the stage
1	Transition (1992-1995)	Ownership structure,%: state - 88.6; collective - 8.7; cooperatives for the production of goods and services - 1.5; property of citizens - 1.2
2	1995-1999	According to the Decree of the Cabinet of Ministers of Ukraine and the Law of Ukraine "On Peculiarities of Privatization of Property in the Agro-Industrial Complex" of 17.05.1995, 90% of state-owned food industry enterprises were transformed into joint-stock companies and, first of all, enterprises with fast capital turnover (brewery, non-alcoholic)
3	1999-2002	Full privatization of oil and fat, tobacco, confectionery, beer and soft drinks, canning, pasta, grain processing enterprises and enterprises of the corporation "Baby Food". By the end of 2002, no more than 3% of enterprises remained in the public sector
4	2002-2005 pp.	Completion of the restructuring of the institutional structure of food enterprises and organizations and the globalization of private property. Dominance of private ownership (over 90%)
5	2005-2014 pp.	Increasing competition in the market. Attracting foreign capital. Introduction of mechanisms of corporate social responsibility
6	From 2014 to the present	Reforming standardization and certification of products, adaptation to the requirements of world standards, in particular the EU
7	Final period: introduction of techno-regulatory and veterinary-sanitary	Implementation of HACCP and ongoing procedures based on the principles and requirements of HACCP, in enterprises and farms of the food industry, increasing the number of participants (up to 200 IE at the beginning of 2020) and exports of agricultural products (over 22.1 billion. USD in 2019) and integration of agribusiness entities (153 IE at the end of 2019) into the internal market of the European Union

* Supplemented and adapted by O. Varchenko, D. Krysanov and K. Tkachenko using the source [19, p. 64].

Note that the key condition for the institutional transformation of food and processing industry (then it was called) was the privatization and privatization of property by labor collectives, as well as the transfer of ownership of agricultural producers 51% of the shares of privatized food companies. But, on the one hand, this led to a large degree of monopolization of the food industry (especially in tobacco, brewing, production of juices and soft drinks), and on the other - caused a lack of interest of farmers to ensure proper quality of food raw materials [20, p. 9]. Thus, the transformation or transition period began approximately in the mid-1990s and lasted until the early 2000s: this is evidenced by the systematization of organizational and legal forms of economic activity, which was published in 1994 in SC 002-94 [21]. Note that in 2000 in the food and processing industry there were 3103 large and medium and 6651 small enterprises [22, p. 222-225], and together amounted to 9754 business entities.

In the updated version of the State Classifier SC 002: 2004 [23] it is established that the ***organizational and legal form of management*** is a form of economic (including business) activity

with the appropriate legal basis, which determines the nature of relations between founders (participants), property regime responsibilities for the obligations of the enterprise (organization), the order of creation, reorganization, liquidation, management, distribution of profits, possible sources of financing, etc. The following basic and transitional (dying) forms of management are allocated: 1) ***Enterprises*** (15 subspecies, from them - 5 dying out, ie new such subspecies are not created and are not registered); 2) ***Business Associations*** (JSC - respectively 10 and 2); 3) ***Cooperatives*** (8 and 2); 4) ***Organizations (institutions, establishments)***, (9 and 2); 5) ***Associations of enterprises*** (legal entities), (7 and 0); 6) ***Separate Subdivisions*** without the status of a legal entity (2 and 0); 7) ***Associations of citizens, trade unions, charitable organizations, and other similar organizations*** (12 and 0); 8) Other organizational and legal forms (respectively 9 and 1).

Later, SC 002: 2004 Classification of organizational and legal forms of management (COLFM) introduced the necessary changes and clarifications for the appropriate identification of the needs of practice. This, in turn, led to changes in the number and structure of organizational and legal forms of management, ie abolished obsolete, legalized and acquired "citizenship rights" new organizational forms of economic activity, as well as clarified their essence in accordance with new requirements.

According to the definition of NACE-2005 [23], which since 2014 has replaced NACE-2010 [24], the main statistical units in Ukraine are ***enterprise*** (legal unit, which always consists of one or more units of local units) ***and local unit*** (enterprise or its part, located in a geographically defined place and dependent on only one enterprise), which are identified in the USREOU. Considering the production in the form in which it is organized, ***allocate a unit by type of economic activity (UTEA)***, which combines the homogeneous activities of the enterprise at the level of the NACE subclass and is not identified in the USREOU separately.

In the process of privatization and completion of privatization of property by labor collectives, the "outer shell" of the food industry changed dramatically, ie, legally new organizations were created that were identical in name or close to their predecessors. At the same time, all constituent documents were issued to new owners, co-owners and / or shareholders. But the internal organizational and production units (main shops and auxiliary sections, infrastructure components, transport and logistics) with the available material and technical base and manpower of enterprises that technologically ensured their operation, remained unchanged and only eventually transformed according to new production tasks. or due to a decrease in the degree of occupancy of existing facilities with food raw materials.

In the process of privatization, the transfer of state property to the labor collectives of enterprises took place by the method of voucher privatization or corporatization. In addition, privatization objects were sold at auctions, tenders and stock exchanges. As a result of privatization, the owners of the vast majority of enterprises became labor collectives and domestic shareholders who bought shares at their own expense. At the same time, foreign investors bought a significant part of the shares at tenders and auctions to acquire the most profitable food processing facilities. Later, the acquisition of the balance of those shares that were owned by minority shareholders was provided in various ways, and then the capacity acquired the status of enterprises with foreign investment. This applied mainly to enterprises producing tobacco products, beverages, vegetable oils, dairy products, and others. Enterprises with foreign investment were in a better economic position as they were subsidiaries of multinational food corporations. On the one hand, it simplified the implementation of innovations that have already been developed and tested abroad in domestic enterprises, and on the other hand, it allowed and allows to use the distribution network and logistics of the parent company to sell products produced in Ukraine abroad.

However, most enterprises in the process of privatization did not receive additional preferences and therefore developed on the existing material and technical base and their own investment opportunities. Since the statistics of enterprises by organizational and legal forms are conducted only at the level of individual or group sections, in particular industry (B + C + D + E), to allocate three sections (10 + 11 + 12) "Manufacture of food products, beverages and tobacco products", or almost every eighth company, is not possible and not appropriate. This is explained by the fact that in the process of integration of technologically related business entities based on different

forms of ownership, it is possible to create extremely complex (or conglomerate) both organizational and legal forms of management and forms of ownership, which still do not even managed to systematize.

In this context, it is appropriate to indicate the "primary" or generic forms of ownership, on the basis of which new organizational and legal forms of management have been created and are being created. For the first time the right of ownership and forms of ownership [25] was legally enshrined in Ukraine in early 1991: private, collective, state, as well as the principle of equality of all forms of ownership.

Later, codes were developed and provided and the following forms of ownership were identified: 10 Private property; 20 Collective property; 30 State property (with separation: 31 National property and 32 Communal property); 40 Property of other states; 50 Property of international organizations and legal entities of other states. These forms of ownership have become sustainable and have become entrenched in the legal and regulatory environment and in practice.

Thus, in the first half of the 2000s, with the completion of the legal framework for the privatization of property in the public sector, including the food processing industry, and its privatization, the necessary institutional environment was created and on this basis the restructuring of institutional and organizational structure of food industry enterprises.

In connection with the transition to the international system of accounting and statistics, the ***classification of economic activities*** (NACE) was developed on the basis of the international statistical classification of activities of the European Union. According to DK 009: 2010 [24], ***the objects of classification*** in the NACE are the types of ***economic activity of legal entities***, separate divisions of legal entities and natural persons - entrepreneurs (hereinafter - entities), which are grouped at the highest levels of classification in the industry. Let's reveal the essence of these concepts.

Economic activity - the process of production (goods and services), which is carried out using different resources: raw materials, equipment, labor, technological processes and more. It is characterized by processes and costs of production and production.

Processing is a technological process, the implementation of which changes the shape, properties or composition of raw materials, semi-finished products or, in some cases, finished products, to obtain new products.

The main type of economic activity is a defining feature of formation and stratification of sets of statistical units for conducting state statistical observations. State bodies statistics calculate the main type of economic activity on the basis of these observations in accordance with the statistical methodology based on the results of enterprises for the year. ***The main*** among several activities is the type of economic activity of the entity***, which accounts for the largest contribution to gross value added*** (or other defined criterion).

The food processing industry, on the one hand, is an integral part of the industry as a whole, and on the other hand, is the core of the food complex, as primary production products are raw materials for the food processing industries. The very name of the industry - the production of food, beverages and tobacco products - in a concentrated form summarizes the main types of economic activity. According to SC 009: 2010 [24], the food industry processes crop, livestock or fishery products into food and beverages for human or animal consumption, including the production of various non-food intermediates.

Structural changes due to changes in the demographics of enterprises (born / died - ie, new / removed for various reasons from the administrative register - business entities) in the 2010s and in the main types of economic activity are given in Table. 5.

Analysis of changes in the contingent by different types of economic activity shows that the reduction of entities in the food processing industry was relatively lower than in the processing industry, industry in general and 18 sections (ie, with the exception of three sections: O (Public Administration and defense; compulsory social insurance); T (Activities of households); U (Activities of extraterritorial organizations and bodies);), or almost all NACE 009: 2010 (Table 5): respectively for the period 2010-2018. in%) 89.7; 81.0; 82.8 and 84.2 (ie decreased by: 10.3; 19.0; 17.2 and 15.8 percentage points, respectively). Indicators differ even more by group of individual entrepreneurs

(in%): 91.2, respectively; 77.7; 78.2 and 82.2 (decreased by: 8.8; 22.3; 21.8 and 17.8 percentage points). This indicates not only the increased stability of food processing enterprises, but also their higher density and proximity to producers of raw materials and consumers of food products, as well as real opportunities for the organization of new medium and small businesses.

Table 5. Dynamics of business entities by types of economic activity *, units

Codes and activities	**2010**	**2013**	**2014**	**2016**	**2017**	**2018**	**2018 to 2010=%**
1	2	3	4	5	6	7	8
Total for NACE SC 009: 2010	**2183928**	**1722070**	**1932161**	**1865530**	**1805059**	**1839593**	**84,2**
of them in PE	**1805118**	**1328743**	**1591160**	**1559161**	**1466803**	**1483716**	**82,2**
Industry (B + C + D + E)	151969	121244	131491	127069	123876	125859	82,8
of them in PE	104142	72114	89304	88514	81850	81434	78,2
Processing industry (C)	143012	111901	123108	118527	114773	115949	81,0
of them in PE	101794	70502	87230	86092	79576	79087	77,7
Manufacture of food products, beverages and tobacco (10 + 11 + 12)	**17323**	**14773**	**15517**	**15272**	**15119**	**15544**	**89,7**
of them in PE	**10772**	**8366**	**9989**	**10168**	**9621**	**9829**	**91,2**
Food production (10)	**15128**	**13769**	**14621**	**14447**	**14270**	**14681**	**97,0**
of them in PE	**9422**	**8156**	**9735**	**9866**	**9314**	**9533**	**101,2**
Manufacture of meat and meat products (10.1)	1907	1701	1768	1718	1687	1707	89,5
of them in PE	946	819	1018	1027	936	932	98,5
Processing and preserving of fish, crustaceans and molluscs (10.2)	**521**	**481**	**443**	**426**	**414**	**416**	**79,8**
of them in PE	**259**	**224**	**250**	**255**	**243**	**243**	**93,8**
Processing and preserving of fruits and vegetables (10.3)	604	536	566	532	543	588	97,3
of them in PE	206	179	231	235	227	251	121,8
Manufacture of oils and animal fats (10.4)	**1437**	**1391**	**1552**	**1573**	**1525**	**1521**	**105,8**
of them in PE	**1021**	**884**	**1081**	**1038**	**935**	**894**	**87,5**
Dairy production (10.5)	650	641	655	649	670	709	109,0
of them in PE	201	174	254	294	290	308	153,2
Manufacture of flour and cereal products, starch and starch products (10.6)	**1868**	**1707**	**1839**	**1770**	**1680**	**1604**	**85,8**
of them in PE	**1108**	**939**	**1182**	**1119**	**998**	**922**	**83,2**
Manufacture of bread, bakery and flour products (10.7)	5733	5027	5364	5153	5060	5302	92,5
of them in PE	4234	3665	4206	4146	4924	4227	99,8
Manufacture of other food products (10.8)	**1887**	**1765**	**1891**	**2069**	**2112**	**2281**	**120,9**
of them in PE	**1158**	**1002**	**1222**	**1431**	**1356**	**1480**	**127,8**
Manufacture of prepared animal feeds (10.9)	521	520	543	557	579	553	106,1
of them in PE	289	250	291	321	305	276	95,5
Production of beverages (11)	**2183**	**993**	**887**	**815**	**835**	**844**	**38,7**
of them in PE	**1350**	**210**	**254**	**302**	**307**	**296**	**21,9**
Production of tobacco products (12)	**12**	**11**	**9**	**10**	**14**	**19**	**158,3**
of them in PE	**0**	**0**	**0**	**0**	**0**	**0**	**-**

* Compiled and calculated by: Number of business entities by type of economic activity in 2010-2018 URL: https://ukrstat.org/uk/operativ/menu/menu_u/sze_20.htm.

However, directly in the food processing industry everything is very ambiguous and contradictory, namely:

- ***under section 12*** there is a 1.6-fold increase in the number of business entities (from 12 to 19 tobacco manufacturers);

- ***under section 11*** - reduction of subjects almost in 2,6 times (to 844 enterprises on manufacture of drinks), from them small - in 4,5 times (to 296 units);

- ***under section 10*** - minor changes: reduction by 3 percentage points (by 447 units - to almost 14.7 thousand), but small business structures increased by 1.2% (by 111 units - to more than 9.5 thousand). The increase is observed in groups:
  - 10.4 Production of oil and animal fats (84 - up to 1521 units);
  - 10.5 Production of dairy products (59 - up to 709 units);
  - 10.8 Production of other food products (by 396 - up to 2281 units). In group 10.8, an increase in the number of subjects was observed for the following classes:
    - 10.82 Manufacture of cocoa, chocolate and sugar confectionery (82 - up to 314 units);
    - 10.83 Production of coffee and tea (107 - up to 219 units);
    - 10.84 Production of spices and seasonings (27 - up to 135 units);
    - 10.85 Production of ready meals and dishes (264 - up to 869 units);
    - 10.86 Production of baby food and dietary food products (by 10 - up to 66 units).

The increase in the contingent of economic entities was due to both general economic trends and industry specifics: increasing the cultivation of oilseeds and production of ready meals and dishes for long-term storage, cooperation of producers of raw milk and its focus on processing, increasing consumer demand for specific and ready food consumption, etc. Thus, the organizational structure of entities operating in the food processing industry has been very actively and comprehensively transformed. However, in our opinion, the key role in this was played not so much by the incompleteness of the process and incomplete formation of the institutional environment, but by significant annual differences in growing and harvesting raw materials of different crops, which significantly affected capacity utilization and thus their expansion or collapse, including changes in the number of business entities.

Regarding trends and transformations in the organizational structure of the food processing industry (Table 6), they indicate a shift in the demography of enterprises not only vertically (for the specified period), but also horizontally (both in the structure of business groups and enterprises -legal entities and natural persons-entrepreneurs). The analysis showed that the most stable in terms of increasing turbulence and declining trend were the group of large business (increase by 4 units - up to 62 entities), and among sole proprietors - the group of medium-sized enterprises (growth by 16 units - up to 54 entities).). In the first case, this was done by restoring the temporarily unemployed or modernizing idle meat processing, oil and fat and sugar enterprises; in the second - the creation of new small meat processing, fruit and vegetable canning, oil and fat, milk processing, confectionery and feed production facilities. In our opinion, this indicates that the growth of exogenous and endogenous turbulence in the economy as a whole and in diversified complexes affects the organizational structure of the agricultural sector in various ways, but their integral indicator can be considered the effectiveness and efficiency of business entities.

It should be noted that since the 2000s, foreign and domestic industrial holdings, concerns, and corporations have begun to actively penetrate the agricultural sector. land banks ". In general, at the beginning of the 2000s, a quarter of agricultural land was managed by agricultural holdings, and the number of holding companies exceeded one hundred. Their appearance accelerated the concentration of capital in the agricultural sector and attract investment resources from other industries, contributed to the formation of vertically integrated structures with a complete cycle of finished food production, increase its profitability, active access of agricultural enterprises to foreign food markets [26, p. 75-79] and so on.

We emphasize that the structure of existing economic entities actually embodies a concentrated reflection of the spatial features of their organization and trends, which symbolize, on the one hand, the initial prerequisites of any production and the results obtained during the previous period of economic activity. year, and on the other - reveal the dynamics of effectiveness and efficiency of business structures for a long period of time. Since the changes in the institutional structure of the subjects were analyzed above, we will reveal the specifics of the formation of economic data on key indicators in the dynamics since 2000.

Table 6. Dynamics and structure of large, medium, small and micro enterprises by types of economic activity *, units

Types of economic activity and their codes	Years, % (2018 to 2010)	Number of business entities (total and by business groups)								
		Entrepreneurs PE by groups:					Of these, individual entrepreneurs:			
		total PE	including:				total IE	including:		
			big	average	small	of which micro -		average	small	of which micro -
1	2	3	4	5	6	7	8	9	10	11
Total (18 sections of NACE 009: 2010, except for three sections: O; T; U)	**2010**	**2183928**	**586**	**21343**	**2161999**	**2093688**	**1805118**	**360**	**1804758**	**1793243**
	2018	**1839593**	**446**	**16476**	**1822671**	**1764737**	**1483716**	**419**	**1483297**	**1471965**
	%	**84,2**	**76,1**	**77,2**	**84,3**	**84,3**	**82,2**	**116,4**	**82,2**	**82,0**
1	2	3	4	5	6	7	8	9	10	11
Industry (B + C + D + E)	2010	151969	347	6168	145454	133443	104142	61	104081	102668
	2018	125869	237	4966	120656	109676	81434	100	81334	79787
	%	82,8	68,3	80,5	82,9	82,2	78,2	163,9	78,1	77,7
Manufacturing (C)	**2010**	**143012**	**224**	**4968**	**137820**	**127465**	**101794**	**60**	**101734**	**100344**
	2018	**115949**	**163**	**4017**	**111769**	**102359**	**79087**	**98**	**78989**	**77472**
	%	**81,0**	**72,8**	**80,9**	**81,1**	**80,3**	**77,7**	**163,3**	**77,6**	**77,2**
Manufacture of food products, beverages and tobacco (10 + 11 + 12)	2010	17323	58	1338	15927	13915	10772	38	10734	10193
	2018	15544	62	1039	14443	12783	9829	54	9775	9332
	%	89,7	106,9	77,6	90,7	91,8	91,2	142,1	91,0	91,5
Food production (10)	**2010**	**15128**	**44**	**1141**	**13943**	**12180**	**9422**	**32**	**9390**	**8919**
	2018	**14682**	**49**	**936**	**13697**	**12170**	**9533**	**53**	**9480**	**9045**
	%	**97,0**	**111,4**	**82,0**	**98,2**	**99,9**	**101,1**	**165,6**	**100,9**	**101,4**
Manufacture of meat and meat products (10.1)	2010	1907	9	178	1720	1413	946	7	939	871
	2018	1707	12	125	1570	1301	932	8	924	856
	%	89,5	133,3	70,2	91,2	92,0	98,5	114,2	98,4	98,3
Processing and preserving of fish, crustaceans and molluscs (10.2)	**2010**	**521**	**0**	**42**	**479**	**393**	**259**	**2**	**257**	**242**
	2018	**416**	**1**	**30**	**385**	**334**	**243**	**2**	**241**	**229**
	%	**79,9**	**-**	**71,4**	**80,3**	**85,0**	**93,8**	**100,0**	**93,8**	**94,6**
Processing and preserving of fruits and vegetables (10.3)	2010	**604**	**3**	**65**	**536**	**432**	**206**	**1**	**205**	**196**
	2018	**588**	**2**	**53**	**533**	**443**	**251**	**3**	**248**	**237**
	%	**97,3**	**66,7**	**81,5**	**99,4**	**102,5**	**121,8**	**300,0**	**121,0**	**120,9**
Manufacture of oils and animal fats (10.4)	**2010**	**1437**	**7**	**67**	**1363**	**1265**	**1021**	**1**	**1020**	**996**
	2018	**1521**	**11**	**100**	**1410**	**1276**	**894**	**4**	**890**	**868**
	%	**105,8**	**157,1**	**149,2**	**103,4**	**100,8**	**87,5**	**400,0**	**87,2**	**87,1**
Manufacture of dairy products (10.5)	2010	650	10	187	453	378	201	1	200	192
	2018	709	10	130	569	484	308	2	306	293
	%	109,0	100,0	69,5	125,6	128,0	153,2	200,0	153,0	152,6
Manufacture of flour and cereal products, starch and starch products (10.6)	**2010**	**1888**	**0**	**96**	**1772**	**1613**	**1108**	**1**	**1107**	**1087**
	2018	**1604**	**0**	**76**	**1528**	**1376**	**922**	**1**	**921**	**896**
	%	**84,9**	**0**	**79,1**	**86,2**	**85,3**	**83,2**	**100,0**	**83,2**	**82,4**
Manufacture of bread, bakery and flour products (10.7)	2010	5733	5	309	5419	4715	4234	17	4217	3934
	2018	5302	2	239	5061	4555	4227	29	4198	3952
	%	92,5	40,0	77,3	93,4	96,6	99,8	170,6	99,5	100,4
Manufacture of other food products (10.8)	**2010**	**1887**	**8**	**158**	**1721**	**1538**	**1158**	**2**	**1156**	**1119**
	2018	**2281**	**10**	**150**	**2121**	**1940**	**1480**	**3**	**1477**	**1444**
	%	**120,9**	**125,0**	**94,9**	**123,2**	**126,1**	**127,8**	**150,0**	**127,8**	**129,0**
Manufacture of prepared animal feeds (10.9)	2010	521	2	39	480	433	289	0	289	285
	2018	306	2	38	266	224	276	1	275	270
	%	58,7	100,0	97,4	55,4	51,7	95,5	--	95,1	94,7
Production of beverages (11)	**2010**	**2183**	**10**	**196**	**1977**	**1729**	**1350**	**6**	**1344**	**1274**
	2018	**844**	**10**	**100**	**734**	**604**	**296**	**1**	**295**	**287**
	%	**38,7**	**100,0**	**51,0**	**37,1**	**34,9**	**21,9**	**16,7**	**21,9**	**22,5**
Production of tobacco products (12)	2010	**12**	**4**	**1**	**7**	**6**	**0**	**0**	**0**	**0**
	2018	**19**	**4**	**3**	**12**	**9**	**0**	**0**	**0**	**0**
	%	**158,3**	**100,0**	**300,0**	**171,4**	**150,0**	**-**	**-**	**-**	**-**

* Compiled and calculated by: Number of large, medium, small and micro enterprises by type of economic activity in 2010-2018. URL: https://ukrstat.org/uk/operativ/menu/menu_u/sze_20.htm.

Table 7.Effectiveness and efficiency of the agricultural sector of the economy of Ukraine *, in %

Code	Indexes		Years:									
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Agriculture, hunting and related services; 01												
01	Gross output		53,4	58,9	59,6	53,0	63,5	63,5	65,1	60,9	71,3	70,0
	Profitability:	AA							7,4	15,1	7,3	8,7
		OA										14,4
Profitable enterprises									67,6	72,0	71,1	69,2
Industry for the production of food, beverages and tobacco products; 10 + 11 + 12												
10+ 11+ 12	Product index		52,1	61,6	66,7	80,1	90,0	102,4	109,3	117,5	115,0	108,1
	Profitability	AA	3,5									
		OA										
Profitable enterprises			46,8									

Continuation and end of table 7

Ко-ди	Indexes		Years:									
			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1	2		13	14	15	16	17	18	19	20	21	22
Agriculture, hunting and related services; 01												
01	Gross output		68,9	82,6	79,0	89,4	92,6	88,2	93,8	91,7	99,1	100,2
	Profitability:	AA	17,4	19,3	16,3	8,3	9,2	30,4	25,6	16,5	14,2	16,1
		OA	24,4	24,7	22,8	11,7	21,4	43,0	33,6	23,2	18,9	19,3
Profitable enterprises			69,6	83,5	76,8	80,3	84,9	88,9	88,4	86,7	86,7	83,4
Industry for the production of food, beverages and tobacco products; 10 + 11 + 12												
10+ 11+ 12	Product index		111,6	110,9	112,7	106,9	109,5	95,2	101,3	108,6	107,0	107,2
	Profitability	AA	0,9	0,8	2,5	2,3	-4,5	-3,3	-1,3	1,4	2,3	4,8
		OA	4,5	4,2	6,4	6,1	5,1	3,0	2,8	5,1	4,9	6,1
Profitable enterprises			58,8	58,1	60,3	62,1	61,6	72,0	70,8	69,1	70,0	70,7

* Compiled and calculated according to the statistical collections of Ukraine for the respective years.
Note: Profitability: AA - all activities, OA - operating activities; blank lines - relevant statistics are archived.

Listed in Table 7 relative or estimated data allow us to draw a number of conclusions about the progress of the agricultural sector of the economy in the direction of achieving the pre-reform level of production, but on a modern institutional and organizational basis. Among them the most important are:

- agriculture has reached the pre-reform scale of gross output (1990 was taken as 100%, and the "bottom of the recession" was noted in 1999 - 48.6%) in almost twenty years (2019 - 100.2%). However, in the same period, it overcame two more agrarian crises (2009-2010 and 2015), which significantly slowed down the upward trend;
- the industry for the production of food, beverages and tobacco products reached the pre-reform volume of output (marketable "bottom of the recession" in 1998 - 37.4%) in seven years (in 2005 - 102.4%), ie more than three times faster than agriculture, which is good reason to perceive this as a real consequence of the accelerated adaptation of entities to the new institutional environment, as well as the active realization of the benefits of a market economy, even with a significant lag with increasing food production;
- much higher profitability of agricultural production, compared with the results of economic activity of food processing enterprises, seems to be somewhat illogical and partly due to a number of factors that were generated by the protracted process of recovery from the recession and the emergence of new challenges. In particular, lower wages in agriculture (14% lower in 2018 compared to food processing industries), reduction of real incomes of food producers based on fictitious operating costs, withdrawal of a certain part of the final food products in the shadow sphere, etc .;
- on an average annual basis for the last ten years, the share of agricultural enterprises that made a profit was 82.92%, and the processing and food industry - 65.35%; the share of natural persons-entrepreneurs was 30.1% and 63.2%, respectively; reduction in the number of agricultural enterprises for the period 2010-2018 amounted to 4.3 percentage points, including PE - 11.4 percentage points, and the food industry, respectively, 10.3 and 8.8 percentage points. Thus, the subjects of entrepreneurial activity in agriculture proved to be more resistant to the changing

conditions of the recession than the processing and food industry, and this had a corresponding effect on the results of management, etc.

5. Conclusions

1. The agricultural sector of Ukraine, after overcoming the protracted downward trend caused by agrarian and land reforms in the 1990s, faced a number of acute and urgent problems. Their solution is associated with the formation of a modern institutional environment and on its basis the formation of a new organizational structure of economic entities. The institutional environment is created by a set of institutions (laws, norms, rules, traditions) and institutions (organizational structures) that must ensure their compliance. The influence of the institutional environment is realized through the creation of a rational spatial and organizational structure of economic entities and as a result is the formation of the institutional architecture of the economy, including the agricultural sector. During the economic activity and in the conditions of increasing competition, not only the number and organizational structure of the subjects changed, but also the institutional environment, which constantly strived for balance and integrity. In the integral socio-economic system of the agricultural sector there are laws of architecture: equilibrium, the golden mean and structuring.

2. The approaches adopted by Ukraine to the classification of economic entities by type of main economic activity indicate the following. The introduction of the established principles of systematization and grouping of enterprises ensured the comparability of the structure of indicators of the real state and results of business structures of Ukraine with similar ones in EU countries and the formation of adequate conclusions and proposals aimed at overcoming declining trends, stabilizing and improving them. At the same time, the establishment of state market surveillance authorities in Ukraine according to the model adopted in the EU, the introduction of technical regulations, sanitary and phytosanitary measures, food and feed safety at enterprises and farms of the agricultural sector has expanded the geography of agricultural exports and increased its role in foreign economic activity.

3. The organizational structure and territorial network of economic entities are constantly being transformed. Theoretically, the purpose of such changes is to ensure the achievement of their optimal structure for a particular stage of economic conditions and to promote the growth of business results. The significant period of time between the formation of a balanced and holistic institutional environment and the implementation of its provisions and practices, based on their awareness of the subjects of production and through specific actions of management, has delayed the creation of a rational organizational structure. Delays in the formation of the optimal composition of economic entities, but with the emergence of a multimillion-dollar sector of smallholders and became a catalyst for foreign and domestic industrial structures in the agricultural sector and their concentration of capital and, above all, land by creating land banks.

4. Constant multifaceted and ambiguous changes in the internal state and exogenous environment in relation to the agricultural sector and their turbulence have actively influenced the demography, structure and sustainability of organizational and legal forms of management. To this was added the complexity of the conditions of formation and the contradictory and divergent nature of changes and the formation of the market environment, very weak competitiveness and low efficiency of new business structures, active penetration and initiative in the agricultural sector of external industrial and investment structures, which together caused significant changes . In particular, the number of production cooperatives and halved state-owned enterprises, as well as partially farms and almost a quarter of private farms have quadrupled in the context of widespread unemployment in rural areas. But even in such difficult conditions, private enterprises, the segment of which has expanded by a quarter, and one and a half times - the subjects of other forms of economic activity have proved to be stable and competitive. Thus, due to a set of objective circumstances, the organizational structure of the entities has been significantly transformed and is much more in line with both the current institutional environment and modern business conditions.

5. Adoption of the Law of Ukraine "On the circulation of agricultural land" will ensure the introduction of the land market in the second half of 2021. Despite the safeguards for the inclusion of limited (marginal) land, past practice has shown that investors with free investment will look for different ways to evade compliance in order to buy the maximum possible amount of agricultural land

and form powerful land banks. Thus, the situation in the field of land redistribution between owners and investors is extremely rapidly transforming and it will require active involvement of scientists in monitoring, objective assessment of agricultural land concentration processes and development of necessary proposals aimed at modernizing the institutional environment and organizational structure. management.

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