

## THE MAIN PREREQUISITES FOR THE FORMATION OF THE AGRICULTURAL LAND MARKET IN UKRAINE

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***Summary.** The prerequisites for the land market formation are identified. They include the provision of opportunities to buy lands only for physical persons; establishment of the maximum size and reasonable price of a land plot for the buyers; consideration of professionals in agriculture as potential buyers of lands; maintenance of a high level of soil fertility.*

***Keywords.** Agricultural land market, landowner, humus level in the soil, owner of land shares, soil fertility.*

**Research questions.** According to the researches of the National Scientific Centre "O.N. Sokolovsky Institute of Soil Science and Agrochemistry", Ukraine suffers an annual loss of over 20 billion UAH due to the soil degradation [1]. Over the past two decades, the humus level in the soils of Ukraine has been annually decreasing by 0.22%, and in the last few decades it has decreased by 20-30% in total [2]. Unless the situation is changed, there is a high probability of the dramatic reduction in the arable land area of the country with an unavoidable decrease in the land supply for Ukrainian citizens [3]. As one of the solutions to the problem, we suggest the transfer of land to really effective landowners, but only after the preliminary legitimation of at least five mandatory conditions.

**Data and methods.** A dialectical approach is applied to investigate the main peculiarities of the land market formation. Methods of analysis and synthesis are used to study the essence and features of institutional factors influencing on the transformation of land relations; a systematic approach is used to identify and disclose the main contradictions arising in the process of the land market development.

**Main results.** Since preservation and further increase in the fertility of Ukrainian soils is impossible without their effective owner, he should be created - obviously, by opening the market of agricultural lands. However, we assume that it should be introduced only after the preliminary legitimation of at least five mandatory conditions mentioned below.

*The first condition.* The landowner can only be a natural person, not a legal entity, and solely a citizen of Ukraine. This is the only acceptable way to develop the land market at this stage. In the future, with gaining relevant experience in this area and intensifying collaboration with the European Union countries, it might be

possible to investigate and evaluate opportunities for foreign individuals and legal entities to become landowners in Ukraine.

*The second condition.* The price of the land, which is now owned by the state, should be affordable to the majority of potential buyers at the land market. Though, it does not mean its depreciation. It means that not only oligarchs will have an opportunity to buy land as it might happen in case of using high prices and, moreover, taking into account an unfavourable credit policy which still exists and is likely to continue for some time in our country. It should be also noticed that the purpose of the land market formation is the establishment of an effective mechanism to use the most important natural wealth of the country - agricultural land resources rather than the volume of funds rose from the land sale.

*The third condition.* The monopolistic and ownership is impossible. The society has to agree and legally establish the maximum possible size of a land plot that can be bought by one individual person.

*The fourth condition.* The buyer of land should prove his ability to manage land resources effectively. Otherwise, it might lead to dramatic consequences for the entire society of our country. A degree in agricultural science or practical farming experience in the past can be considered as indicators of an effective landowner. Nowadays, Ukraine provides a lot of opportunities to get an appropriate education in the agrarian sphere due to the great variety of agrarian universities.

*The fifth and most crucial condition.* The land should be used exclusively for the intended purpose that can be changed only in case of force majeure of the national significance. In addition, the deterioration of soil fertility should be strictly monitored. For example, the humus level in the soil can serve as an indicator of fertility. To illustrate this, let us assume that a certain owner of the land plot at the time of purchase had a humus level of  $3.8 \pm 0.2\%$ . This value of this index lies within the confidence interval, which is equal to 3.6-4.0%. If, after a certain period (year or two, for example), it turns out that the humus level in the plot still lies within the confidence interval (in this case it is 3.6- 4.0%), then the land is exploited by the owner in an appropriate manner. If the humus level is increased by more than 4.0%, the owner of this land should receive an appropriate financial incentive from the state for the effective land management. At the same time, if, at the time of inspection, the humus level of the studied land plot fell below the confidence interval and became less than 3.6% (3.4%, for example), it should be irrevocably and permanently withdrawn from its owner, and the latter should reimburse damages (loss of humus level by 0.2%), caused by his ineffective land management.

**Conclusion.** Summarizing, we can say that the considered legitimised conditions are a mandatory prerequisite for the opening of land market as one of the ways to form a careful and efficient landowner. However, it is important to bear in mind that the adoption of the law on the land sale cannot demand its obligatory implementation from the current owners of land shares. Also, it cannot cancel the current lease relations, especially if they satisfy both landlords and tenants. But, again, these relationships should be provided only on the terms of the maintenance of soil fertility – our main national wealth.

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## **TRENDS IN HIGHER EDUCATION. FUTURE CHALLENGES FOR UKRAINE**

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**Summary:** *Ukraine is a member of the European Higher Education Area (EHEA) since 2005. Paris Communiqué declared ambitious guidelines for the EHEA developments. The mismatch between the competencies and skills of the Higher Education (HE) graduates and the requirements of the employers is increasing. The technological development, environmental changes, and geopolitical processes are reshaping the global labor market. Future is requesting new skills and another kind of HE.*

**Keywords:** *higher education, employability, lifelong learning, work-based learning, future skills.*

Ukraine has chosen the Western way of country development after the declaration of State Sovereignty (16-07-1990) and Independence from the Soviet Union (24-08-1991). The will of Ukraine academic community to join the European Higher Education Area has been realized by becoming the full member of the Bologna Process since 2005. Ministry of Education and Science has approved the National Strategy for the Development of Higher Education by 2020.

Ukraine achieved a certain structural result of the development in the National Higher Education system according to the “Overview of the Higher Education System”, 2017, done by the EACEA on the basis of contributions from the Ukraine National Erasmus+ Office and the authorities of the country<sup>1</sup>. The possibilities of further development and improvements in the HE sector were mentioned in this document as well. Despite the EU Tempus and Twinning projects contribution, the absence of the Lifelong Learning strategy was mentioned as one of the important directions of the modernization of HE in the closest future. It is particularly important to have a flexible and efficient system of financial support for learners. Student loans system could be an additional instrument for the facilitation of the

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<sup>1</sup> [https://eacea.ec.europa.eu/sites/eacea-site/files/countryfiches\\_ukraine\\_2017.pdf](https://eacea.ec.europa.eu/sites/eacea-site/files/countryfiches_ukraine_2017.pdf)