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TRENDS AND PROSPECTS FOR THE DEVELOPMENT OF ENTERPRISES FOR THE PRODUCTION AND PROCESSING OF OILSEED PRODUCTS IN RISKY CONDITIONS

Ensuring efficient operations is important for oil industry enterprises and plays a key role in the implementation of food strategies. It has been proven that the current state of war in Ukraine is characterized by the sharp decline of agribusiness and the food industry in most regions, the loss of positive trends and dynamics of the development of related industries, and the high risks of providing accompanying services. The development of oilseed production and processing in Ukraine creates competitive advantages in meeting demand on the foreign market and ensuring domestic needs. The purpose of the study was to analyze the current state and justify the priorities for the further development of enterprises for the production and processing of oilseed products based on the factors influencing its formation. It was found that the researched type of activity has prospects of high efficiency of enterprises, associated with the conditional zero-waste production and the possibility of expecting a favorable market situation under the existing conditions of storage of finished products of oil crops. Therefore, competitive advantages can be achieved through a certain multiplier effect in inter-industry connections and alternatives of economic behavior. The dynamics of the production indicators of the main types of oilseeds were revealed and trends were revealed. Based on the results of the analysis, the main priorities of oil industry producers for 2023 are justified. In this regard, the key factors that should be taken into account when determining the model of economic behavior of enterprises in this field in modern conditions were also investigated. It is proven that when defining this model of economic behavior, one should rely on global trends, internal and regional risks and drivers not only in this, but also in related industries.

Keywords: *development priorities, enterprise efficiency, production of oil crops, economic behavior, foreign markets, internal needs*

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1. INTRODUCTION

Nowadays, ensuring efficient operation is important for any enterprise in the oil industry and plays a key role in the implementation of food strategies. The standard of living of the population, positioning, state of economy and security of Ukraine depends on the level of development and stability of their functioning. The relevance of these issues is confirmed by the fact that today in the nutrition structure of the population of most countries of the world there is a reorientation in the consumption of vegetable fats instead of animal fats, the use of oil for technical needs and production waste as an alternative fuel is also significantly increasing. All this contributes to the development of oilseed

production and processing in Ukraine, which creates competitive advantages in meeting demand on the foreign market and ensuring domestic needs.

2. ANALYSIS OF RECENT RESEARCH AND PUBLICATIONS

In order to increase the efficiency of production and processing of oil products, first of all, it is necessary to identify issues that are triggers and restraints for the further development of enterprises in this area. Theoretical and practical aspects of conducting research on manufacturers and processors of oil products are reflected in the works of domestic and foreign scientists, in particular, such as: S. Bojko,

O. Bronin, I. Drahan, V. Harbar, L. Hejko, V. Piddubnyj, S. Prysiazhniuk, L. Starshyns'ka, A. Snetkova and others. However, the correct determination of the development priorities of oil industry enterprises will depend on a clear justification of the expediency of a set of measures based on the identification of key problems in this area, based on the specifics of the oil business in the conditions of military rule.

3. FORMULATION OF THE OBJECTIVES OF THE ARTICLE

The purpose of the study is to analyze the current state and justify the priorities for the further development of enterprises for the production and processing of oilseed products based on the factors influencing its formation.

4. PRESENTATION OF THE MAIN MATERIAL OF THE RESEARCH WITH FULL JUSTIFICATION OF THE OBTAINED SCIENTIFIC RESULTS

Presentation of the main material of the study with a full justification of the obtained scientific results. The current state of war in Ukraine is characterized by the sharp decline of agribusiness and the food industry in most regions, the loss of

positive trends and dynamics of the development of related industries, low competitiveness and high risks of providing accompanying services. So, it should be noted that such conditions require new approaches not only in planning the assortment of oilseed products and services in this area, but also in the formation of new approaches to increase the efficiency of the production enterprises based on strategic marketing.

The basis of the offer on the market of oil crops is formed by three crops: sunflower, soybean and rapeseed. The price of sunflower in Ukraine varies significantly depending on the region, percentage of oil content, delivery conditions and lot size. It should also be noted that there is a stable demand for Ukrainian sunflower from Romania and Bulgaria, and farmers are also aware of a request from China to purchase a large batch of Ukrainian sunflower oil.

In fig. 1. the dynamics of such indicators of the production of the main types of oilseeds as areas to be harvested (items 1, 2 in thousand hectares) and production volumes (items 5, 6 in thousand tons) taken for 2021 and 2022, respectively, are given.

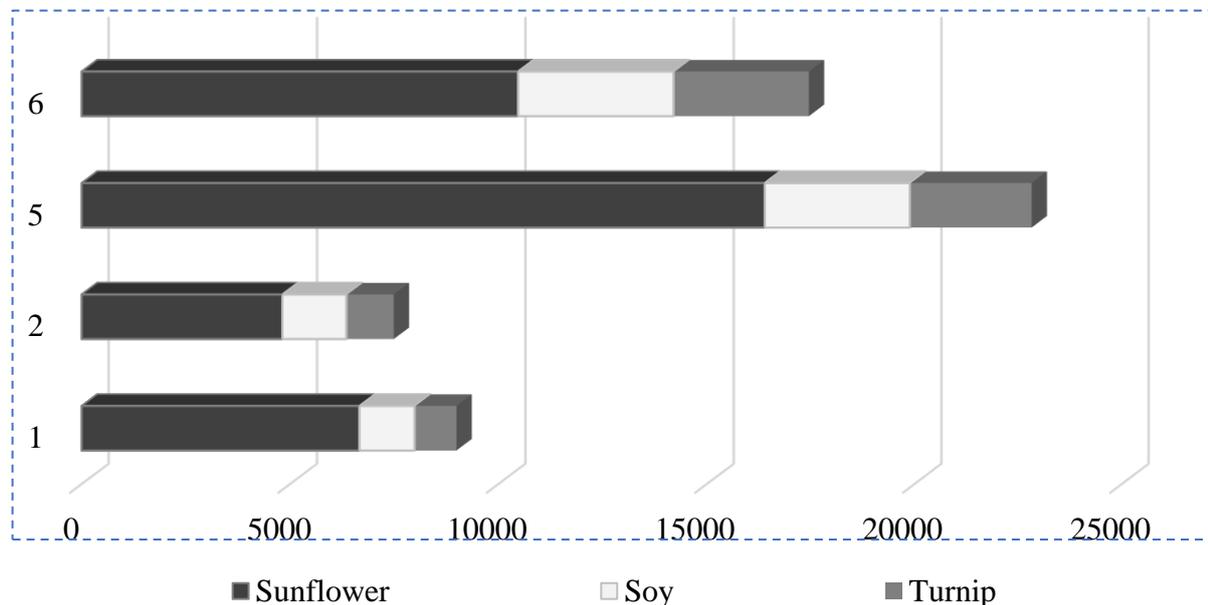


Fig. 1. Dynamics of production indicators of the main types of oilseeds (2021-2022)

Source: created by the author based on the report of the association "Ukroliyprom" [4]

As can be seen from fig. 1, the total area and production volumes for 2022 have significantly decreased, compared to the indicators of 2021. The decrease was almost 28% and 36%,

respectively. But there is one feature that indicates a change in the structure of indicators. Thus, in the volume of production, sunflower increased its share in the total volume in 2022 to

71.8%, which is almost 12% more than the previous period. At the time, soybean volumes decreased by 6%, and rapeseed - by 6.3%.

According to analytical data on plans for 2023, this trend will continue. The rapid rate of growth of consumption and demand for vegetable fats resulted in a sharp redistribution of cultivated areas in favor of the group of oil crops, where the main role was played by sunflower, even during the first decade of the current century. And today it remains one of the most profitable crops.

And although the yield per hectare of oil crops is lower, because they give a smaller gross harvest in weight, the cost is 2-2.5 times higher than grain crops. The Ministry of Agrarian Policy and Food of Ukraine expects that during the spring sowing campaign in 2023, farmers will reduce the sown area by at least 20% compared to 2021 [2]. This will be offset by the higher cost and more favorable logistics inherent in oilseeds. It is also noted that oil crops in Ukraine will be export-oriented.

The lack and obsolescence of storage facilities can be attributed to the main problems of oil industry enterprises. This fact has been proven by both practitioners and scientists. Thus, the presence of a general shortage of elevator capacities in Ukraine in the study [3, p. 82] was determined at the level of 29.6 million tons. The situation is complicated by the uneven distribution of the elevators themselves on the territory of Ukraine. This problem is now exacerbated not only by changing climate conditions and weather, but also by military actions. According to agricultural analysts [4], the transport infrastructure does not allow the unhindered export of the volumes of products produced by Ukraine. Of course, the "grain corridor" partially solves the situation, but this is work in a mode of uncertainty, because in the event of a negative scenario, we will have to return to solving problems with the release of wagons and maintenance of multi-kilometer queues at the border.

It should be noted that business does not stand still, problems are solved. Thus, climate change has revealed the need to identify new approaches to the cultivation of oil crops. The search for new methods of mechanization and automation of technological processes of cultivation leads to the selection of the latest approaches to resource-saving technologies, namely: provision of seed material resistant to a long-term lack of moisture in the soil, use of

moisture-retaining technologies (technologies for protecting the soil surface from excessive overheating - the no-till system) [5].

Although the human factor in decision-making and the availability of practical experience of farmers should not be excluded. According to the data of the EOS Crop Monitoring platform, a significant amount of arable land in some regions (up to 165,000 hectares in total) was cultivated in violation of crop rotation norms, leading to the depletion of land fertility. In some regions, about 70% of sunflower fields are sown two or even more times in a row [2]. Everyone has their own reasons, from the desire to get maximum profit to carelessness and indifference to the consequences of actions.

The transition to the latest, scientifically proven systems of cultivation of oil crops will provide Ukraine with the opportunity to continue to maintain a high export potential and increase foreign exchange earnings from the export of oil crops and their processing products.

O. Bojko and L. Hejko also drew attention to the prospects of high efficiency of enterprises for the production and processing of oilseed products [6, p. 33], explaining this fact by the conditional non-waste of the oil and fat industry. Examples are the use of oil in the production of chemical compounds (oil, paints, lubricants); cakes as a component of compound feed for animals and birds; husk in granulated form is used as biofuel, etc. Therefore, enterprises of this sphere, on the one hand, are customers, and on the other, consumers of agricultural raw materials and products of other industries, which ensures their competitive advantages due to a certain multiplicative effect in inter-industry relations. A feature of the production process is the period of grain, soybean, sunflower, and rape seed dormancy, which, as noted by L. Petryshyn [7, p. 56], gives a wide circle for maneuver in anticipation of favorable market conditions and thereby creates additional competitive advantages.

The main strategic goal should be to ensure an optimal balance of the interests of producers of production and processing of oilseed crops, the state and local authorities. As well as the restoration of trends and indicators of economic growth based on the investment and innovation component, which will become a prerequisite for solving socio-economic problems, raising the level and quality of life of the population.

In such conditions, it is expedient to define the following as the main priorities of oil industry producers for 2023:

- formation of competitive and viable economic behavior of the enterprise, taking into account conditions of uncertainty;
- focus on the principles of energy efficiency and the development of alternative energy;
- improving the quality of oil crops products;
- creation of appropriate conditions for the comprehensive and full-fledged development of logistics, taking into account security issues;
- ensuring the development of consumption culture (from healthy eating to the use of biofuel);
- formation of a favorable investment image of the region and the country.

The conducted study of the current state of the oil industry of Ukraine and the peculiarities of the work of enterprises showed that the industry is developing dynamically, revealing wide prospects even in the current difficult conditions. The priority oil crop is the sunflower, which is most adapted to our natural climatic conditions. And it is precisely this culture that is in demand on foreign markets. Soy and rapeseed are also considered export-oriented crops. The increased demand for oil not only as an exported product, but also as a food and technical product in the domestic market leads to an increase in production volumes and processing capacities. Although the anticipated increase in processing capacity and the good harvest of past periods have led to a shortage of raw materials for processing enterprises or their incomplete loading.

As it was found out, based on the conclusions of the agrarians, in modern conditions, the main factors of the lack of harvest of oil crops include violations of the basic requirements of crop rotation and cultivation technology, insufficient attention to the selection of hybrids, reduced availability of quality seed material, which only worsens in the conditions security risks and already suffered damage from military aggression.

Further successful development of oil industry enterprises is possible during the development of strategic areas of activity using innovations based on scientific and technical competitive advantages and monitoring market needs.

Among the key factors that should be taken into account when determining the model of

economic behavior of enterprises in this field in modern conditions are:

- 1) world redistribution of trade flows of sunflower processing products;
- 2) list and positioning of key producers and exporters in the new season;
- 3) capacity utilization and efficiency of processing in Ukraine in conditions of high uncertainty of domestic and foreign markets;
- 4) global trends of the world market of vegetable oils and their impact on Ukraine;
- 5) state and trends of the oil products and biofuel market as a key price driver;
- 6) determination of the position regarding the processing or export of high-oleic sunflower;
- 7) changes in legislation, in particular tax legislation, during the period of martial law and the post-war period.

So far, it should be stated that fierce competition between processing enterprises and increased demand for oil products on foreign markets is a factor in keeping the purchase prices for oil crops at a high level.

Practice shows that the development of profitability of enterprises is hampered by the unsatisfactory state of infrastructure development for the transportation, storage and sale of oil crops. This leads to an increase in logistics costs and an increase in the risk of loss of oil crops, which, against the background of military operations, further deepens the problem.

5. CONCLUSIONS FROM THIS STUDY AND PROSPECTS FOR FURTHER INVESTIGATION IN THIS DIRECTION

Taking into account the conclusions regarding the current state and the identified main problems of the development of production and processing of oil products, as well as taking into account the preservation and strengthening of Ukraine's leading position in the world oil market, it is necessary to emphasize the strategic importance of business activities in this area. In turn, the enterprise needs improvement of organizational-economic, technical-technological, informational and innovative support, as well as a significant increase in the quality of finished products and their compliance with international standards. When determining the model of economic behavior of enterprises producing oilseed products, one should rely on global trends, internal and regional risks and drivers not only in this, but also in related industries.

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Анотація

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Тенденції та перспективи розвитку підприємств з виробництва та переробки продукції олійних культур в ризикових умовах

Забезпечення ефективної діяльності важливе для підприємств олійної промисловості та відіграє ключову роль в реалізації продовольчої стратегії. Доведено, що сучасному воєнному стану в Україні характерний різкий занепад агробізнесу та харчової промисловості у більшості регіонів, втрата позитивних тенденцій і динаміки розвитку суміжних галузей, високі ризики надання супроводжуючих послуг. Розвиток виробництва та переробки продукції олійних культур в Україні створює конкурентні переваги у задоволенні попиту на зовнішньому ринку та забезпеченні внутрішніх потреб.

З'ясовано, що досліджуваний вид діяльності має перспективи високої ефективності підприємств, пов'язані з умовною безвідходністю виробництва та можливістю очікувати сприятливу ринкову кон'юнктуру за наявних умов зберігання готової продукції олійних культур. Отже, конкурентні переваги можуть досягатися через певний мультиплікативний ефект у міжгалузевих зв'язках та альтернативах економічної поведінки. Досліджено динаміку та виявлено тенденції показників виробництва основних видів насіння олійних культур.

На основі проведеного аналізу визначено, що до основних проблем підприємств олійної промисловості можна віднести брак та застарілість потужностей зберігання (елеваторів), зміну кліматичних умов, обмежену ефективність транспортної інфраструктури, що не дозволяє у зв'язку з військовими діями безперешкодно експортувати ті обсяги продукції, які виробляє Україна. Частково вирішує ситуацію «зерновий коридор», також сам бізнес не стоїть на місці, а пристосовується, змінюючи економічну стратегію.

За результатами проведеного аналізу обґрунтовано головні пріоритети виробників олійної промисловості на 2023 рік. У зв'язку з цим досліджено також ключові фактори, які слід враховувати при визначенні моделі економічної поведінки підприємств в цій галузі в сучасних умовах.

Ключові слова: пріоритети розвитку, ефективність підприємств, продукція олійних культур, економічна поведінка, зовнішні ринки, внутрішні потреби

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