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DEVELOPMENT OF AGRICULTURAL ENTERPRISES IN THE UNITED TERRITORIAL COMMUNITIES**D. Shelenko, PhD (Economics)****ORCID ID: 0000-0002-9214-7258****Vasyl Stefanyk Precarpathian National University**

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<https://doi.org/10.31734/agrarecon2018.03.041>**Шеленко Д. Розвиток сільськогосподарських підприємств в об'єднаних територіальних громадах**

Розглянуто функціонування і вплив сільськогосподарських підприємств в об'єднаних територіальних громадах, які займають важливе місце як на державному, так і на місцевому рівні. Виділені основні завдання, заходи та управлінські рішення органів влади щодо розвитку територіальних громад.

Визначено позитивний та негативний вплив сільськогосподарських підприємств на розвиток об'єднаних територіальних громад.

Метою дослідження є узагальнення основних понять і напрямів забезпечення розвитку добровільно об'єднаних територіальних громад та ролі сільськогосподарських підприємств у такому об'єднанні на основі аналізу нормативно-правових і наукових джерел. Завданнями нашого дослідження виступали розгляд та визначення сутності добровільно об'єднаної територіальної громади та формування теоретичного й методологічного підґрунтя для створення ефективно функціонуючих на зазначеній території сільськогосподарських підприємств.

Розглянуто вплив сільськогосподарських підприємств на розвиток добровільно об'єднаних територіальних громад. Обґрунтовано збільшення обсягів виробництва сільськогосподарської продукції та забезпечення нею комунальних закладів за рахунок оптимізації структури виробництва. Показано зайнятість населення територіальних громад, його інтелектуальний ріст, у тому числі за рахунок частки кваліфікованої праці. Розглянуто питання спрямування податків і доходів фізичних осіб до бюджету ОТГ, які можна використати на ремонт доріг, утримання соціальних закладів, проведення ярмарків, масових свят.

Вирішення проблеми збалансованого розвитку добровільно об'єднаних територіальних громад сприятиме поліпшенню якості життя на селі.

Ключові слова: добровільні об'єднання, зайнятість населення, сільськогосподарські підприємства, територіальні громади, сільське безробіття.

Shelenko D. Development of agricultural enterprises in the united territorial communities

The functioning and influence of agricultural enterprises in the united territorial communities which takes an important place both at the state and local level has been considered. The main tasks, measures and administrative decisions of the authorities, concerning the development of territorial communities have been singled out.

The positive and negative influence of agricultural enterprises on the development of united territorial communities has been determined.

The purpose of the research is to identify the main concepts and directions for the development of a voluntary united territorial community and the role of agricultural enterprises in this unity on the basis of the analysis of the normative and legal and scientific sources. The task of our research was to consider and define the essence of the voluntarily united territorial community and to form the theoretical and methodological grounds for the creation of agricultural enterprises that are effectively functioning in this territory.

The influence of agricultural enterprises on the development of voluntarily united territorial communities has been singled out. The increase of volumes of production of agricultural output and providing by it communal facilities due to the optimization of the production structure has been substantiated. The employment of the population of territorial communities, its intellectual growth, including the share of qualified work has been

shown. The taxes direction of individuals income to the UTCs' budget, which may be used to repaire roads, the maintenance of social institutions, holding fairs and mass holidays.

Solving the problem of balanced development of voluntarily united territorial communities will be favorable for improving the quality of life in the countryside.

Key words: *voluntary unions, employment, agricultural enterprises, territorial communities, rural unemployment.*

Formulation of the problem. In a market economy, agricultural enterprises, which operate in a united territorial community (UTC) are valued not only by how much they manufacture products, but first and foremost, as they are for the benefit of a separate UTC. The unification of settlements in the UTC should provide the opportunity to improve the social and economic situation of villages, as well as to ensure the occupancy of population. Solving complex social problems of UTC is organically associated with the development of organizational and legal forms of agricultural enterprises.

Analysis of recent research and publications. Problems of the development of agricultural enterprises operating in this voluntarily united territorial community are gaining special attention today. Due to this, the interest of scientists economists in the study of this problem becomes clear. Theoretical and methodological aspects of the creation and development of voluntarily united territorial communities have been worked out in the works of scientists economists, in particular R. Dudiak, R. Fediv, R. Khirivskiyi, I. Lysenko, O. Pidkuiko, V. Roshylo, I. Sembay, K. Vaskivska, L. Verbovska and other.

A number of authors conduct the study of territorial communities, based on the human potential. In particular R. Khirivskiyi explores the development of human resources potential of United territorial Communities, which highlights the priority directions of personnel policy improvement, formation of an effective and optimal structure of these subjects, increase efficiency of their activity and authority of officials, and improve of the system of professional development and creation of effective mechanisms for the demand of personnel (2017, p. 81). I. Lysenko considers the territorial community as a system of civil society (2009, p. 374). L. Verbovska examines the role

of leaders who must form young people to work in UTC as well as create comfortable conditions for attracting investment to ensure the competitiveness of communities (2018, p. 209).

K. Vaskivska and I. Sembay consider Territorial communities, as a conceptual basis for development. They proposed the concept of balanced economic development of territorial communities, the creation of new jobs in the UTC, ensuring economic stability at a specific UTC, creation of a diversified economic basis for the development of OTG (2009, p. 29). O. O. Pidkuiko proposed conceptual foundations for the development of the territorial community (2012, p. 341).

Another opinion is adhered by the group of scientists R. Khirivsky, R. Dudiak, R. Fediv (2017, p. 68) consider positive effects and certain risks of effective formation and use of United territorial Communities budget. V. Roshylo focuses on the problems and prospects of forming budgets of the united territorial communities (2016).

However, despite the large number of scientific works, the elaboration of the theoretical foundations for the effective functioning of agricultural enterprises in a voluntary united territorial community remains controversial and unresolved.

Setting of objectives. The purpose of the study is to identify the main concepts and directions for the development of a voluntary united territorial communities and the role of organizational and legal forms of agricultural enterprises in this association on the basis of the analysis of the conceptual apparatus of normative and legal and scientific sources. The purpose of our research was to consider and define the essence of the voluntarily united territorial community and to form the theoretical and methodological grounds for the creation of agricultural enterprises that are effectively functioning in this territory.

Methodology of scientific research and materials. Our research allowed us to use the following methods: comparisons and generalizations that made it possible to analyze and sum up the notion of the term “territorial community”, which in turn helped determine the positive and negative impact of the territorial community on the functioning of organizational and legal forms of management.

With the help of the abstract method, we have developed and scientifically substantiated the rules and regulations that encourage local authorities to cooperate with the organizational and legal forms of agricultural enterprises, which are precisely the basis for fruitful cooperation.

The application of the method of ascent from concrete to abstract, was being carried out in the process of developing the conditions of activity of organizational and legal forms of management in voluntarily united territorial communities.

The method of scientific abstraction and historical method helped to identify the problem of cooperation between different organizational and legal forms of management with the territorial community.

This work reveals the peculiarities of the influence of organizational and legal forms of agricultural enterprises on the development of territorial communities not with the help of systematic *approach and their impact.*

Presentation of research results. Art. 140 (in the) Constitution of Ukraine, determines that local self-government is carried out by the territorial community, both directly and through local self-government bodies – village, settlement, city councils and their executive bodies (Constitution of Ukraine).

On February 5, 2015, the Law of Ukraine “On voluntary association of territorial communities” came into force (Law of Ukraine. 2015). The need to regulate the association of territorial communities of villages, settlements, cities, led to the creation of this Law. It outlines the procedure of association of territorial communities in order to support their capacity. However, there is no link between the association of territorial communities and the perspective plan for the formation of communities of the region approved by the regional council and affirmed

by the Cabinet of Ministers of Ukraine.

The “Constitutional Territorial Communities” website offers the following interpretations of the term “territorial community”:

- association of local residents, who permanently reside within the administrative and territorial unit;

- a public owner, that is, the unification of all citizens of the administrative and territorial unit (village, town, city, district of the city), which by a simple majority from its composition, on the basis of the general meeting in accordance with the Constitution of Ukraine, may decide questions regarding its common, indivisible public property;

- an administrative and territorial unit (Site Constitutional).

For the adoption of effective management decisions concerning the contemporary development of territorial communities, it is expedient:

- to study the peculiarities of the regions, taking into account the use of resources available to them;

- to ensure the expansion of the rights and real powers regarding the autonomy of the regions and increase of the initiative and efficiency of the village workers;

- to render the control over the implementation of plans and programs for their development.

The article 169 of the Civil Code of Ukraine (Civil Code, 2003) comments that territorial communities can create communal enterprises, joint communal enterprises, educational establishments, business associations, participate in their activities on general grounds, unless otherwise provided by the law.

The result of the balanced development of voluntarily united territorial communities should improve the quality of life in the countryside. In order to ensure the uniting territorial communities, it is necessary to balance the need for funds, land, communal property and various organizational and legal forms of management in the countryside.

O. Lysenko argues that the most important direction of social and economic development of United territorial Communities is the achievement of positive dynamics of welfare of the population at the expense of increasing demand, increasing wages of the working

population, increasing the level of labor income, reducing wage arrears and implementing measures to stimulate development of agricultural enterprises (Lysenko, 2009, p. 191).

The program of social, economic and cultural development of Ivano-Frankivsk region for 2018 identifies the following main tasks and measures of local authorities:

- attracting investment and financial resources for social and economic development of territorial communities;
- introduction of alternative energy;
- creation of a favorable and stable investment climate for earnings in the region's economy;
- carrying out works on improvement of territorial communities;
- ensuring the saturation of the consumer market with quality goods;
- revitalization of business activity in the region, creation of favorable conditions for business development by reducing the regulatory burden on business and activating the dialogue between business and government;
- construction of effective and convenient regulation of administration in those areas of the regional economy where it is necessary;
- promoting the deepening and expansion of interregional and cross-border cooperation;
- creating a supportive environment for the development of small and medium-sized businesses through the introduction of effective democratic governance (Program of social and economic, 2018).

Having analyzed the role of agricultural enterprises in the voluntary association of territorial communities, one can generalize that specific conditions of management of organizational and legal forms are still significantly different from market conditions presented on Fig. 1.

Investigation the development of organizational and legal forms of management in Ukraine gave the opportunity to identify the influence of territorial community on their functioning and development.

The positive influence, in particular, includes:

- professional training and staff retraining;
- informational and consultative support of entrepreneurial activity;
- change of the employment structure of the population;

- assistance in finding foreign investors;
- assistance in the sale of agricultural products;
- receiving profit from the provision of own resources (land and property shares) for lease;
- joint organization of various activities in the villages of the community;
- provision with schools, kindergartens located within the given territorial community agricultural products;
- integration of organizational and legal forms of management;
- investments in agrarian production;
- improvement of social infrastructure, which helps to consolidate labor resources in the territorial community.

The negative influence on the development of organizational and legal forms of management include:

- unsatisfactory transport connection between settlements of voluntarily united territorial community;
- low labor activity of its inhabitants;
- insufficient transparency of local authorities in the adoption of financial and economic decisions and highlighting their activities.

The impact of agricultural enterprises on the development of voluntarily united territorial communities is shown on Fig. 2.

The conditions of activity of organizational and legal forms of agricultural enterprises are different and have different effect on the development of UTC:

- in particular, negative: due to the deterioration of the demographic situation, agricultural enterprises suffer from a shortage of labor, especially in the spring-autumn period; there is an increase in the proportion of the population aged above 60 years – from 3-4 % at the beginning of the XX century, to 21 % at the beginning of the XXI century (13); migration of a significant number of skilled workers; due to the acceleration of technical re-equipment at agricultural enterprises, processes of displacement of workers from production are intensifying, which subsequently leads to rural unemployment; unsatisfactory tax and credit policy;
- positive: diversification of agricultural production according to UTC needs; ensuring optimal land use.

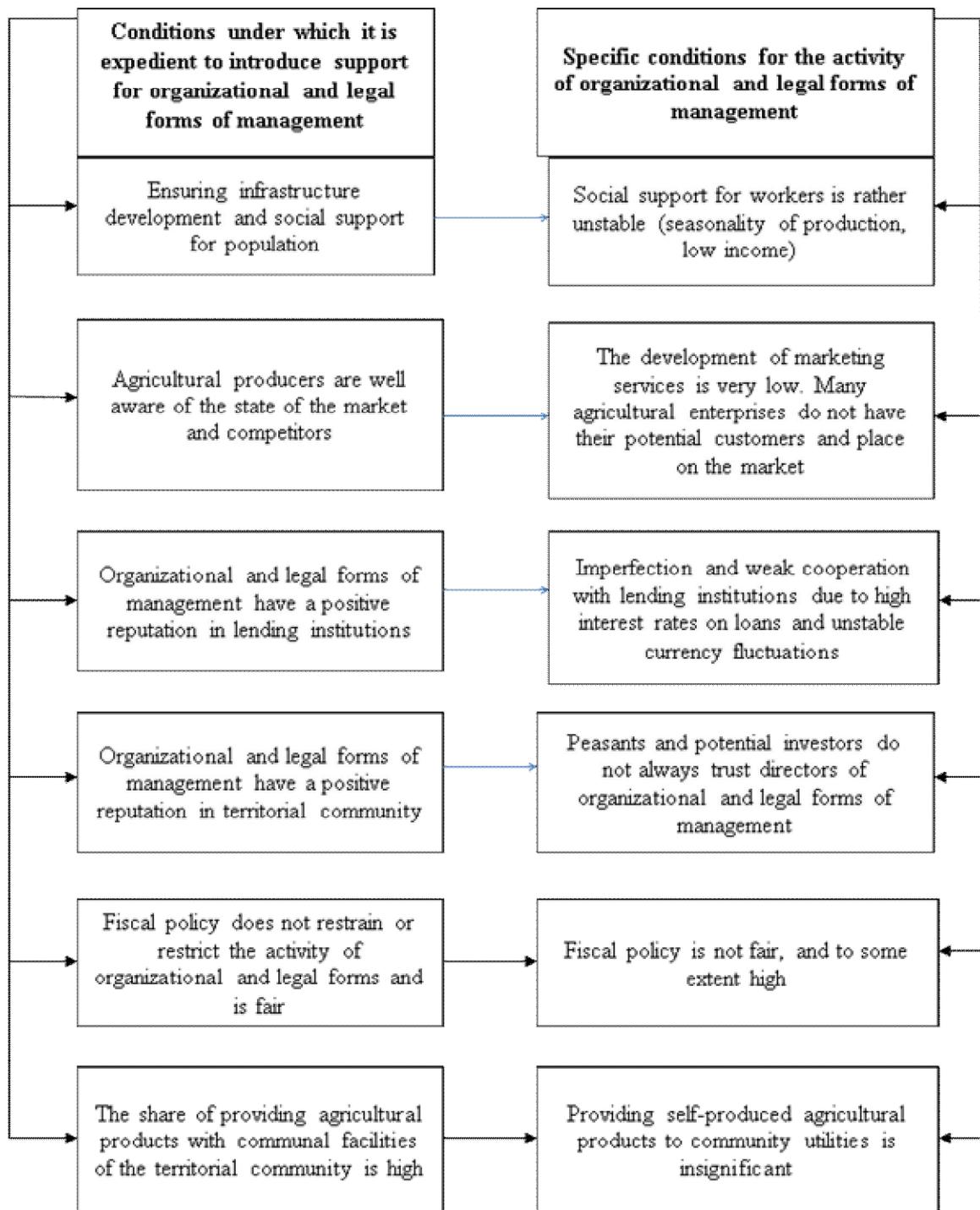


Figure 1. Conditions of activity of organizational and legal forms of management on voluntarily united territorial communities.*

*Source: Author.

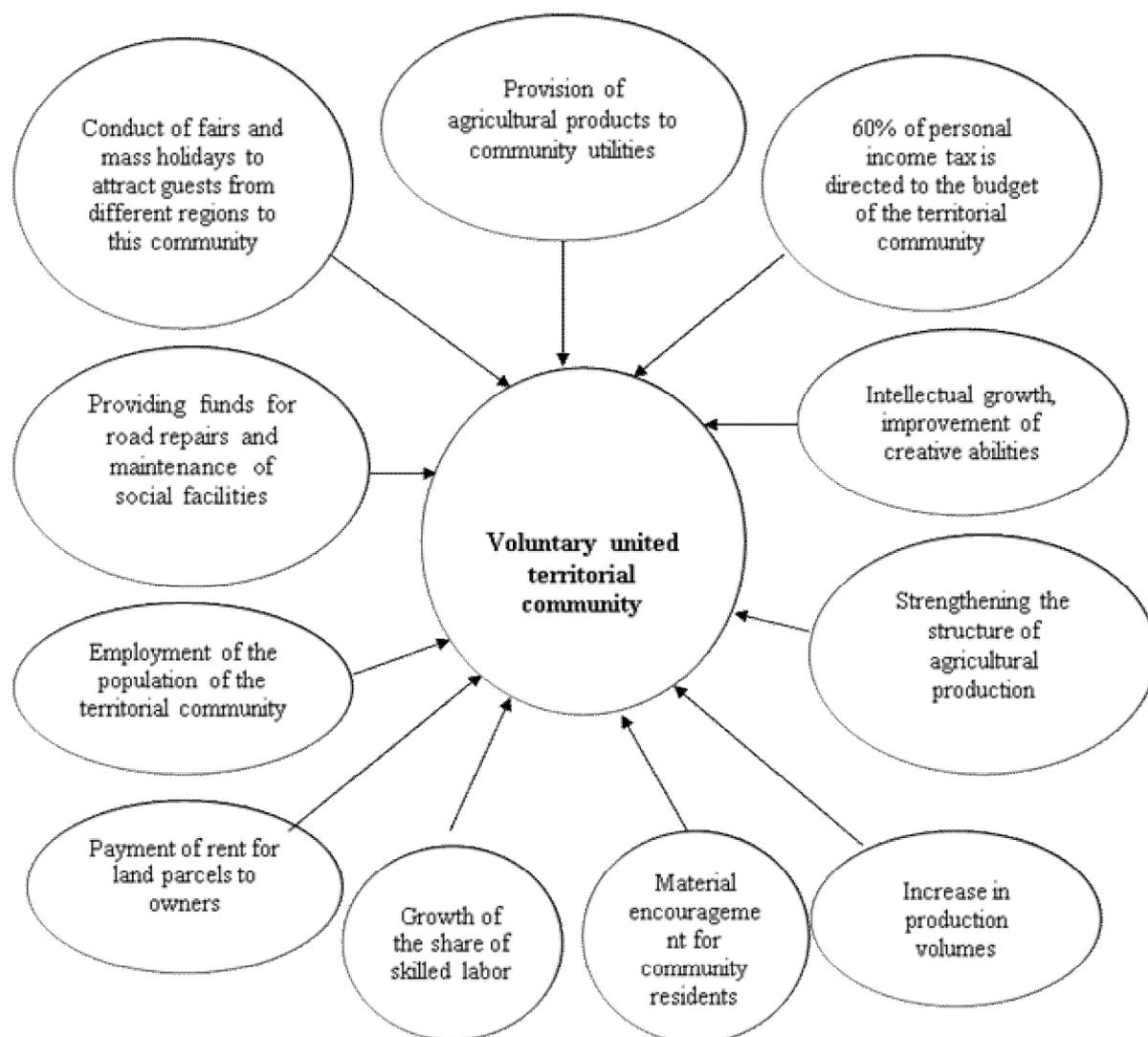


Figure 2. Influence of agricultural enterprises on the development of voluntarily united territorial communities.*

*Source: Author.

Conclusions and perspectives of further research

In the process of researching the organization development of agricultural enterprises in the united territorial community, it is necessary to use a wide range of measures to support their development. The most important thing will be: orientation towards employment for citizens of UTCs, constant search and expansion of partnership relations; mechanisms of cooperation of UTCs with agricultural enterprises. The development of territorial communities should be aimed at developing a scheme of state

support for agricultural enterprises that is intended for the production of ecologically pure products and creation conditions for investments in agricultural production. In the taxation system, it will be expedient to take into account the specifics of agricultural production using the experience of foreign countries.

Further research will be directed to conducting a questionnaire for employees of UTCs with agricultural enterprises to substantiate the problems in functioning and searching further prospects for their development.

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