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ВДОСКОНАЛЕННЯ ІНСТИТУЦІЙНОГО РЕГУЛЮВАННЯ УКРАЇНСЬКОГО РИНКУ МОЛОКА І МОЛОЧНИХ ПРОДУКТІВ В ВОЄННИЙ І ПОВОЄННИЙ ПЕРИОДИ

Актуальність. Ринок молока та молочних продуктів має стратегічне значення для забезпечення продовольчої безпеки країни у воєнний та повоєнний періоди. Важливість цього ринку визначається високою соціальною значимістю молочної продукції, яка є важливою складовою раціону харчування населення. Подібно часіннституційне забезпечення функціонування ринку молока та молочних продуктів не в повній мірі відповідає умовам і вимогам воєнного часу, що потребує додаткових досліджень.

Мета та завдання. Метою статті є визначення інституційних проблем розвитку вітчизняного ринку молока і молочних продуктів, розробка пропозицій щодо вдосконалення інституційного регулювання релевантного ринку в воєнний і повоєнний періоди.

Матеріали та методи. Результати теоретичного узагальнення наукових праць і методичних підходів у сфері молочного ринку, що висвітлені в публікаціях фундаментального і прикладного характеру, а також аналіз норм діючого законодавства що регламентує правовідносини між суб’єктами молочного ринка, формує інформаційний і методичний базис дослідження. Для вирішення поставлених завдань використано методи системного, структурно-логічного, порівняльного, статистичного аналізу.

Результати. У дослідженні визначено інституційні проблеми розвитку вітчизняного ринку молока та молочних продуктів, серед яких: відсутність нормативно-технологічного регулювання використання молочної сировини нижчого класу; недосконалість механізмів державної підтримки експорту молочних продуктів з доданою вартістю; відсутність державного регулювання виробництва та реалізації конкурентоспроможної молочної продукції на рослинній основі. Проведено структурний аналіз видів державної підтримки молочного ринку; забезпечення державного контролю та нагляду у сфері виробництва, переробки, реалізації, експорту та імпорту молочних продуктів; міжнародного співробітництва у сфері безпеки та якості молока, молочної сировини і молочних продуктів. Узагальнено напрями державної політики, що регламентують діяльність суб’єктів ринку молока.

Висновки. Наукова новизна дослідження полягає в розробці теоретичних засад вдосконалення національного законодавства з метою регулювання розвитку молочного ринку в умовах безпекових ризиків і внутрішніх трансформацій, вирішуючи стратегічні завдання відновлення в воєнний і повоєнний періоди. Практична значимість отриманих результатів визначається можливості використання науково-прикладних засад дослідження органами влади різних рівнів в ході вдосконалення механізмів регулювання молочного ринку в умовах нестабільності.

Ключові слова: ринок молока та молочних продуктів, інституціональні заходи, регулювання самозабезпечення молочними продуктами.
IMPROVEMENT OF INSTITUTIONAL REGULATION OF THE UKRAINIAN MARKET OF MILK AND DAIRY PRODUCTS DURING THE WAR AND POST-WAR PERIODS

Topicality. The market of milk and dairy products is of strategic importance for ensuring food security of the country in the war and post-war periods. The importance of this market is determined by the high social importance of dairy products, which are an important component of the population’s diet. At the same time, the institutional support for the functioning of the market of milk and dairy products does not fully meet the conditions and challenges of wartime, which requires additional research.

Aim and tasks. The purpose of the article is to determine the institutional problems of the development of the domestic market of milk and dairy products, to develop proposals for improving the institutional regulation of the relevant market in the war and post-war periods.

Materials and Methods. The results of the theoretical generalization of scientific works and methodological approaches in the field of the dairy market, which are highlighted in publications of a fundamental and applied nature, as well as the analysis of the norms of the current legislation regulating legal relations between the subjects of the dairy market, form the informational and methodological basis of the study. Methods of systemic, structural-logical, comparative, and statistical analysis were used to solve the tasks.

Research results. The study identified institutional problems in the development of the domestic market of milk and dairy products, including: lack of regulatory and technological regulation of the use of lower-class dairy raw materials; imperfect state support mechanisms for the export of dairy products with added value; lack of state regulation of the production and sale of competitive plant-based dairy products. A structural analysis of the types of state support for the dairy market was conducted; ensuring state control and supervision in the field of production, processing, sale, export and import of dairy products; international cooperation in the field of safety and quality of milk, dairy raw materials and dairy products. The directions of state policy regulating the activity of milk market subjects are summarized.

The peculiarities of using the mechanism of public-private partnership for the development of the dairy market of Ukraine in the war and post-war periods are determined. Attention is focused on the need for state participation in supporting commodity producers in the subject-object dimension. A conceptual idea regarding the application of the public-private partnership mechanism in solving the problem of reducing unrealized grain remains by using it in the fodder base of the raw market sector through state procurement for technological animal breeding and dairy raw material production is offered. It is substantiated that in the post-war period, a promising mechanism for restoring and modernizing the market of milk and dairy products can be a public-private partnership based on state orders.

Conclusion. The scientific novelty of the study consists in the development of theoretical foundations for the improvement of national legislation in order to regulate the development of the dairy market in the conditions of security risks and internal transformations, solving the strategic tasks of recovery in the war and post-war periods. The practical significance of the obtained results is determined by the possibility of using scientific and applied principles of research by authorities at different levels in the course of improving the mechanisms of regulating the dairy market in conditions of instability.

Keywords: market of milk and dairy products, institutional measures, regulation of self-sufficiency in dairy products.

Problem statement and its connection with important scientific and practical tasks. The current state of production of milk and dairy products in Ukraine has a number of problems that hinder the effective and productive development of the market. Manufacturers of milk and dairy products are trying to free production processes from Soviet standards and switch to European standards of technological processes. Despite the unsatisfactory state of production processes, the dairy market is one of the leading markets, the purpose of which is to provide the population with food products, as a component of the food security of the state, which determines the urgency of the work.

In the economic development of Ukraine, the market of milk and dairy products is the structure of the state of food security of the state, as milk is one of the basic food products and a component of a healthy diet. Milk and dairy products are included in the list of necessary goods in the consumer basket, the costs of purchasing these goods make up approximately 18% of the food costs of the population of Ukraine (State Statistics Service of Ukraine, 2021).

Analysis of recent publications on the problem. The market of milk and dairy products receives attention in the researches of foreign and domestic scientists. The impact of threats related to economic crises and military actions on the milk market of Ukraine encourage us to consider them in terms of functioning according to the requirements of the European market in the works of: Borawski, Dunn, Harper, & Pawlewicz (2019); Borawski, Pawlewicz, Parzonko, Harper, & Holden (2020); Pouch & Trouve (2018).

Problems and trends in the development of the Ukrainian dairy market are studied in the works of
the following domestic scientists: T. L. Mostenska, P. G. Sabluka, N. S. Skopenko, V. I. Yemtseva, V. M. Marchenko. In particular, O. A. Kozak (Kozak, 2020) identified the main factors influencing the development of the global dairy industry, which stimulate further structural changes. The research by M.V. Misyuk and M.V. Zahodym (Misyuk and Zahodym, 2021; Misyuk et al., 2020) presents the results of the analysis of the general trends of the domestic milk market in the context of ensuring food security of Ukraine. Actual issues of activity and interaction of the constituent sectors of the dairy market are highlighted on the platforms: International Dairy Federation (IDF) (International dairy federation, 2021), Global Dairy Platform (GDP) (Global dairy platform, 2021), European Dairy Association (EDA) (European Dairy Association, 2021), International Dairy Comparison Network (IFCN) (IFCN Dairy, 2021) and many others. Discussions regarding the development of the domestic dairy industry are conducted by the following sectoral public organizations: Infoagro (Infoagro, 2021), Association of Milk Producers (Association of Milk Producers, 2021), Union of Dairy Enterprises of Ukraine (Union of Dairy Enterprises of Ukraine, 2021).

Allocation of previously unsolved parts of the general problem. Taking into account the results of research on the problems of the development of the dairy market of Ukraine, the issue of improving its institutional support in the war and post-war periods remains insufficiently researched.

In the conditions of European integration, an important step towards the development of the dairy market is compliance with successful international agricultural practices and food safety standards. Non-compliance with any such requirements in Ukraine means significant differences between the requirements of the Ukrainian market and international markets, which not only hinders the export of food products, but also leads to market fragmentation: enterprises that invest in the implementation of ISSN 2311-2379 standards get the opportunity to work for export, but these additional costs make them uncompetitive in the domestic market.

The joint support of the state and the activities of private economic entities, taking into account international experience, will make it possible to improve the state of providing the population with high-quality dairy products in the necessary quantity, reduce imports, implement advanced resource-saving technologies, and ensure food security of Ukraine as a whole. (Rahman, M. S., Grizo, D. A., 2021).

Formulation of research objectives (problem statement). The purpose of the article is to identify the institutional problems of the development of the domestic market of milk and dairy products, to develop proposals for improving the institutional regulation of the relevant market in the war and post-war periods.

Materials and Methods. The results of the theoretical generalization of scientific works and methodological approaches in the field of the dairy market, which are highlighted in publications of a fundamental and applied nature, as well as the analysis of the norms of the current legislation regulating legal relations between the subjects of the dairy market, form the informational and methodological basis of the study. Methods of systemic, structural-logical, and comparative analysis were used to solve the tasks.

An outline of the main results and their justification. The milk market in Ukraine during the war is in difficult economic conditions, the regulation of which is carried out in accordance with the harmonization of national legislation to regulatory regulation according to the standards of the European Community. The process of harmonization of legislation creates grounds for the expansion of the sales market for national producers, defines technological requirements for production processes, establishes regulations for dairy products.

Due to the low quality of dairy raw materials, as well as the non-compliance of small processing plants with the norms and principles of the EU regulation, dairy production enterprises cannot be certified by the international commission on dairy export issues, and therefore do not have access to European sales markets.

For these reasons, national producers cannot fully compete with Western producers, not only because of the high resource intensity of their own production, but also because of the inconsistency of the quality assessment system of dairy products to the world level.

At the same time, the use of high-tech equipment is required to meet the conditions of high milk quality. In addition, the indicator of milk quality and productivity of animals depends on the breed of animals and the conditions of their keeping, on the quality of the fodder base.

These conditions require capital investments with a long payback period (6-8 years). Small and even medium-sized farms in Ukraine are financially incapable of implementing new milk production technologies. At this time, in the European Union, dairy raw materials for
processing are subsidized in one form or another at the expense of state support.

In this way, European countries stimulate milk producers to preserve and increase the number of highly productive dairy breeds. When the state applies the conditions of real financing of the regulation of the dairy market, it will give domestic producers the ability to compete on the European market of dairy products.

According to the processes of harmonization of national legislation to EU legislation, issues of introduction, transformation and modernization of production of the latest technologies, increase of production capacities, with the aim of production of products meeting the requirements of European standards, are becoming relevant.

Transformations require and create conditions for the production by national producers of dairy products of a quality capable of competing with goods produced by European producers. But the processes of harmonization of national legislation to the standards of the European Community do not regulate state support for costs in the production of national dairy products. On the basis of which, according to the price indicator, dairy products produced by national producers are not able to meet the demands of consumer demand.

In the European Community, the cost of milk raw materials is regulated taking into account state support for the production process. In general, the national legislation defines direct regulation of milk processing production. But the norms of legislative regulation have shortcomings that create risks and obstacles to the sustainable development of dairy market participants, which ultimately leads to:

- limited state support for producers;
- lack of regulatory regulation of the number of animals;
- the presence of extended and complex institutional control of regulation, according to a large number of normative legal acts, requirements for the criteria of technological processes and the quality of dairy products;
- lack of methodology for calculating indicators of necessary state support for producers;
- absence of a state order for the purchase of dairy products;
- lack of a single classifier of requirements for the quality of the production process;
- lack of regulation of organizational and economic mechanisms for the use of dairy products except for the "extra" class.

The legal basis of state support for the production of milk, dairy raw materials and dairy products is implemented based on the priority of the development of the dairy market. In accordance with the goal of stimulating the retention of milk quality and its production, the implementation of state support is determined through financing pillars from the State Budget of Ukraine, namely: development programs and measures, subsidies and support for dairy production, provision of preferential short-term and long-term credit resources, provision of leasing services.

But the direct participation of the state in the production cycle is not regulated.

To support the solvency of the demand of national consumers of livestock products and to introduce conditions for the emergence of unprofitable Ukrainian producers of such products, a budget subsidy is provided, the provision of which is regulated by special legislative norms in the field of state support for agricultural commodity producers, which take into account the regulation of producers of milk and milk raw materials, and namely the Law of Ukraine "On State Support of Agriculture" dated June 24, 2004 (Law of Ukraine "On State Support of Agriculture" No. 1877-IV dated June 24, 2004 / https://zakon.rada.gov.ua)

Financing of state support for the dairy market is carried out from sources of financing from the State Budget of Ukraine, based on the priority of its development, at the expense of the following measures:

- programs for the development of selection and breeding work in dairy cattle breeding, anti-epizootic measures of national importance;
- subsidies for extra high, first and second grade milk and non-condensed cream;
- supporting the production of baby food products;
- provision of preferential short-term and long-term credit resources;
- leasing services regarding the purchase of equipment of domestic and foreign production for technical re-equipment and introduction of modern technologies for the production and processing of milk and dairy products by economic entities subject to this Law;
- stimulating the improvement of the quality of milk, which meets the requirements of regulatory and legal acts, through additional payments as a percentage of the purchase price: for milk of the extra grade - 25 percent; for high quality milk - 20 percent.

Control and supervision by the state in the field of production, processing, sale, export and import of dairy products is implemented with the application of the functions of the central executive
body, which implements the state policy in the field of veterinary medicine, in the field of safety and certain indicators of the quality of food products, metrological supervision, state control according to the requirements of the legislation on the protection of consumer rights and advertising in this area, namely:

- compliance with veterinary and sanitary requirements in the process of keeping animals, production of milk, milk raw materials, use of equipment, containers, vehicles, constant control, supervision of monitoring studies on their safety indicators, during export and import of dairy products;
- compliance with sanitary norms and rules for dairy products, determination of their safety indicators and periodic supervision in the process of production, circulation and import of dairy products, as well as the use of equipment, containers, vehicles;
- according to the manufacturer's compliance with the requirements of technical regulations related to product quality (except for veterinary and sanitary requirements), periodic state metrological supervision and requirements of legislation in the field of consumer rights protection.

State control and supervision in the field of state support for the dairy market can be seen in fig. 1.

![Diagram](image)

**Fig.1 State control and supervision in the sphere of state support milk market**

*author's own development*

International cooperation in maintaining the proper safety and quality of milk, dairy raw materials and dairy products is implemented through: participation in international organizations; conclusion of international agreements; coordination of regulatory documents, norms and rules with international standards, norms and rules that determine requirements for the safety and quality of milk, dairy raw materials and dairy products, as well as veterinary and sanitary requirements; exchange of information on the measures taken to ensure proper safety and quality of milk, dairy raw materials and dairy products.

The regulation of relations related to the implementation of state control over animal byproducts imported (forwarded) to the customs territory of Ukraine, with the aim of checking their compliance with the legislation on animal byproducts, is carried out on a risk-oriented approach in accordance with the provisions of the Law of Ukraine "On state control over compliance with the legislation on food products, feed, by-products of animal origin, animal health and welfare".

The provisions of national normative acts regulate the state regulation of assessment, analysis and control of risks affecting the safety of animals, products of animal origin, reproductive material, biological products, veterinary drugs, substances, etc., and the implementation of technical functions, the regulation of which is defined in international normative acts, is determined (Lysyuk V.M., Tarakanov N.L., Makoveyev A.P. (2012)).

Relations arising during the production, transportation, processing, storage, sale, import into the customs territory and export from the customs territory of Ukraine of milk, dairy products, raw materials and dairy products are regulated by the Law of Ukraine "On Milk and Dairy Products", which defines the general conditions state policy on ensuring the quality and safety of milk and dairy products, requirements for packaging and labeling of dairy products, veterinary and sanitary requirements for the production of milk, dairy raw materials and dairy products, etc.

Financial state support for producers of milk, dairy raw materials and dairy products is regulated by the Cabinet of Ministers of Ukraine in agreement with the committees of the Verkhovna Rada of Ukraine on agrarian policy and land relations and on budget issues. Yes. According to the procedure for paying additional payments for milk, livestock and poultry, which are sold to state resources No. 10-08 dated 15.08.94 (The procedure for the payment of supplements for...
milk, livestock and poultry that are sold to state resources is approved by the joint order of the Ministry of Finance of Ukraine, the Ministry of Agriculture and Food of Ukraine, the Ministry of Statistics of Ukraine, the Ministry of Economy of Ukraine, and the National Bank of Ukraine No. 10-08 dated 15.08.94 / https://zakon.rada.gov.ua, it is determined that the payment of surcharges is carried out at the expense of the value added tax from the sale of products by agricultural enterprises and enterprises of the meat and dairy industry of all forms of ownership, which is transferred to a special account of the Ministry of Finance, which is opened in the institutions of the National Bank of Ukraine at the location of the financial authorities. According to this Procedure, the funds are used for additional payments to producers (including farmers) and the population that sell products to state resources.

Also, financial state support of producers who are participants in legal relations of the milk market and sell dairy products to the population is defined in the provision of grants, subsidies or loans.

According to the norms of regulation of the dairy market, its financing is determined at the expense of budget funds, the formation (replenishment) of which is carried out from the receipts of payments from value added tax on sold dairy products (Fig. 2).

Fig. 2 Procedure for financing dairy market entities

*author's own development

Norms of national legislation, established by the Cabinet of Ministers of Ukraine by order No. 447 of August 17, 2002. "On the approval of the Concept of state policy in the field of quality management of products (goods, works, services)" (Concept of state policy in the field of quality management of products, processes and services, approved by the Decree of the Cabinet of Ministers of Ukraine dated August 17, 2002 No. 447-r / https://zakon.rada.gov.ua) defined the support of enterprises and organizations in meeting the needs of consumers by improving the quality and competitiveness of products. on domestic and foreign markets, ensuring on this basis the sustainable development of Ukraine's economy and its integration into the world economy; satisfying the population's demand for high-quality, health-safe dairy products, promoting the employment of the population, the growth of demand to a solvent state, as a condition for raising the standard of living (Burkynskyi B.V., Nikishina O.V. Tarakanov, M.L. and Zerkina, O. O. (2022)).

According to the analysis of the current legislation of Ukraine and draft legislative acts of the war period, the main principles of the state policy on maintaining the quality and safety of milk and dairy products are not aimed at:

- ensuring the internal needs of the state in a wide range of dairy products and increasing their export;
- monitoring the quality and safety of milk, milk raw materials and milk products;
- promoting the development of integration processes between the producer, processor and distributor;
- monitoring of the market of milk and dairy products;
- improvement of the customs tariff and price policy in terms of protection of domestic producers of milk and dairy products;
- development of national programs for the development of breeding and breeding.

The main principles of state policy, which regulate the activity of dairy market entities in the direction of ensuring the quality and safety of milk, are presented in fig. 3
Fig. 3 The main directions of state policy regulating the activities of the milk market

*Author's own development*

Current regulations do not fully overcome the negative phenomena that have arisen under the influence of safety risks, with the aim of creating economic efficiency of production in the dairy market, which prompts regulatory support, namely (Burkynskyi, B.V., Tarakanov, M.L. & Lysyuk, V.M. et al. (2022)):

- cost reduction on the basis of increased productivity of cows and labor, reduction of costs for fodder, fuel, electricity per unit of production;
- improving the organization of milk collection through milk reception points, restoring the functioning of many of them, and creating new ones, first of all, in villages remote from district and industrial centers, as well as under contracts with public sector farms;
- creation of a stable sales market for the producer throughout the year, guaranteed supply of milk raw materials to milk processing enterprises;
- uninterrupted supply of the population with products of daily demand (whole milk, sour milk products, cheese, sour cream, etc.). At the same time, technological chains "production - procurement - processing - sale of products" must be implemented in a coordinated and rhythmic manner;
- consolidation of the efforts of the main subjects of the dairy market (raw milk producers, industrial processing plants and suppliers of equipment, feed, etc.) for the implementation of a win-win strategy (when positive results can be achieved only through joint efforts);
- modernization of existing and development of new capacities (dairy farms for at least 1,000 heads to ensure a sufficient level of margin) and the introduction of modern technologies (including digital) and equipment for the production of dairy raw materials in the required volumes and of appropriate quality with a simultaneous reduction in production, administrative and marketing costs;
- strengthening the cooperation of agricultural producers and their further integration with industrial enterprises in order to increase competitiveness and expand the prospects of entering foreign markets for dairy products;
- formation of elements of the developed infrastructure of the domestic milk market, in particular in the following segments: collection and storage of raw milk, as well as its quality control; supplies of feed and veterinary drugs; sales of finished products; education and training of qualified entrepreneurs-farmers and processors of dairy raw materials (by creating special training centers);
- the creation of waste-free production facilities with complex deep processing, which involves the maximum inclusion of dairy raw materials, in particular secondary (skimmed milk, buttermilk and whey) in industrial processing, its rational use and, on this basis, the production of competitive products on the world market with improved organoleptic indicators and longer lasting expiration date. The most relevant types of such productions at this stage are: whey processing (including up to the level of obtaining milk sugar, milk fat and protein hydrolysates, lactose derivatives), obtaining functional drinks from dairy waste, as well as dairy products used in the production of sausages products.

The most relevant such productions at this stage are: processing of milk whey (including up to the level of obtaining milk sugar, milk fat and protein...
hydrolysates, lactose derivatives), obtaining functional drinks from dairy industry waste, as well as dairy products used in production sausage products. In wartime, there is no implementation of regulation and control of these problems due to the lack of their regulatory regulation.

These circumstances do not allow the production of dairy products to be fully realized to the extent of meeting the demand and simultaneously ensuring the national food program in the war and post-war periods.

For which, the state needs to support the dairy market, by regulating the activities of producers, protecting investment contributions to dairy production, controlling the quality of dairy products, ensuring the sale of produced dairy products, organizing markets for the sale of dairy products, unifying dairy market producers for achieving fair competition between them and the possibility of state regulation of the price of dairy products.

This can be implemented through the definition of state support programs for the armed forces, preschool and school feeding programs, patenting by the state of new menus of types of dairy products and their storage conditions, purchasing dairy breeds of cattle, implementing the construction of milk production and processing farms and transferring them to use in production process to partners (Nikishina O.V., Tarakanov M.L., Bochkaryev D.O., Chebotaryova N.Y.(2022)).

In wartime, prior to the regulation of legal relations in the dairy market to ensure access to essential dairy products for broad segments of the population and to prevent the decline of domestic animal husbandry, the implementation of financing programs for the promotion of dairy products, the delegation of the state’s authority to control the dairy market to its participants, and making producers responsible for its development under the condition of good faith behavior on it, for which the necessary changes to the national legislation are required in terms of regulation of assistance in the support and development of the dairy market, related to the following legal relations on (Nikishina O.V., Tarakanov M.L. (2020)):

- improving the conditions for promoting dairy products and introducing innovations aimed at increasing the competitiveness of dairy products;
- construction of new facilities that meet modern economic and environmental requirements; creation of highly efficient and financially stable enterprises, in which the production cycle is defined as profitable;
- regulating the deficit of investment capital in the conditions of post-war recovery; ensuring sustainable long-term development of the dairy market;
- providing children and adults with trace elements (iodine, vitamins A and D);
- the attitude of the population to dairy products as necessary for maintaining health, as well as safe and useful and, as a result, the increase in demand for natural dairy products;
- balancing the demand and supply for dairy products, lowering prices and speeding up, in accordance with the best world experience: construction of livestock complexes; organization of technological processes of raw milk processing and production of dairy products;
- creation of conditions for fair competition between producers of natural dairy products and those that use substitutes for milk components in production.

Implementation of these changes to the legislation, possibly through the creation of funding programs for the promotion of dairy products and innovations in production; update of state support programs for milk production and dairy farming; introduction of mandatory fortification of dairy products; Introduction of self-regulation and transfer of a share of regulatory functions from the state to producers of the dairy market; approval of dairy production standards to modern technical requirements, provisions for the construction of fixed assets and technological processes; development of recipes for the production of dairy products and their patenting; ensuring compliance with consumers’ right to reliable information when choosing food products in trade establishments.

The programs for the promotion of dairy products and innovations in production are supposed to support the dissemination of information about dairy products, as a useful and necessary product to support human life, with the aim of offering dairy products to consumers for greater consumption.

The purpose of the program is to provide proposals to increase consumer demand for dairy products.

In order to update the state support programs for milk production and dairy farming, it is determined the need to define new forms of participation in supporting dairy producers, other than the provision of budget subsidies, subsidies and grants. According to these programs, it is implied that the state participates in providing state financing of production processes, providing state support for investments aimed at dairy production,
and stimulating the development of production.

The introduction of legal regulations on the fortification of dairy products is aimed at the production and sale of useful dairy products to prevent deficiency states of the consumer's body, treating dairy products as necessary for health, as well as safe and useful. This will support the growth of demand for natural dairy products, as well as increase production.

The introduction of self-regulation and the transfer of a share of regulatory functions from the state to producers of the dairy market is aimed at creating associations of producers of milk and dairy products operating in one or more regions in the relevant territory to match the supply with market requirements and restore the overall economic potential of dairy production.

The application of international experience in the construction of livestock complexes and the organization of technological processes for the processing of dairy raw materials and the production of dairy products will lead to a reduction and acceleration of costs, design, organization of construction and operation of engineering protection of the territory, buildings and structures, mechanisms and equipment used in dairy production.

The approval of new state norms for the production of dairy products, the development of recipes for the production of dairy products and their patenting, will define the state as a participant in the production process, which aims to participate in achieving an economic result, providing its own offers to consumer demand.

Regulation of the conditions for fair competition between producers of natural dairy products and those that use substitutes for milk components in production should be ensured through compliance with the right of consumers to reliable information when choosing food products in trade establishments through the introduction of special labeling of products.

In wartime, the implementation of normative regulation of the support and development of the dairy market is possible due to the state's support of interest in private partners - participants in the relations of existing sectors of the commodity markets of the economy, which will be a prerequisite for reducing investment risks and increasing the reliability of investment projects for credit organizations. This can be implemented at the expense of the institution of public-private partnership.

Public-private partnership in Ukraine is defined by a system of relations between public and private partners, in the implementation of which the resources of the economic opportunities of both are combined in accordance with the distribution of risks, responsibilities and compensations, in order to achieve the goal of mutually beneficial cooperation on a long-term basis in the creation (restoration) of new and/or modernization (reconstruction) of existing or requiring investment in the use (operation) of existing facilities.

The mechanism for the development of public-private partnership is concentrated in the activation of the investment direction with the attraction of private investments in strategically important public spheres, ensuring the balance of the interests of the state and the private investor. The experience of the development of public-private partnership in economically developed countries proves that this form of partnership allows attracting capital to infrastructure in a short period of time, as well as ensuring economic development even in the absence of significant investments.

On the basis of which, the public-private partnership is defined as the key among the mechanisms for implementing the policy of modernization of the economy, solving important socio-economic problems. Due to the implementation of public-private partnership, it is possible to reduce the import of dairy products in Ukraine.

The principles of the state system of relations between state and private partners, regarding the regulation of dairy market activities are presented in fig. 4.

State support of dairy market participants through public-private partnership is realized through the participation of the state in the form of an executive body, whose activities are aimed at organizing the processes of production, processing and sale of dairy products, and the development of innovative programs for the development of the dairy market.

In the course of the implementation of innovative development programs, state standards and norms of technological production processes, development and patenting of new dairy products, technological processes of storage and processing, regulation of requirements for fortification of dairy products are being developed. Innovative programs are implemented through implementation for use in production processes by dairy market entities.

The expected result is to support the development of the dairy products market, create conditions for fair competition, ensure production planning, concentration of supply and introduction of products into circulation, optimization of production costs and stabilization of production volumes and prices of manufactured products,

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**Fig. 4 The system of relations between state and private partners in the dairy market**

*Author's own development*
stimulation of highly efficient and financially stable enterprises, solving the problem of investment shortage capital in the conditions of post-war recovery, ensuring sustainable long-term development of the dairy market, by ensuring state orders for dairy products and food security programs.

For the subjects of the dairy market, participating in the public-private partnership, support for the organization of the production process, creation of new jobs, obtaining guarantees for the sale of produced dairy products, conditions of fair competition will be determined, and the economic interest of production development will increase.

Thus, through the implementation of public-private partnership, in the process of production of dairy raw materials and its processing into dairy products, the state will support the development of the dairy market, participants in its production process, and ensure the saturation of the domestic market with dairy products. The provision of dairy products will be implemented by the state order of budgetary support programs for the provision of high-quality food products to the population.

Stopping the replacement of the national supply of dairy market goods by goods of imported origin, support and development of the dairy market itself, is possible by using the remains of unrealized grain products, by using them in the livestock feed base, which arose as a result of the impossibility of timely implementation due to the invasion of the territory of the Russian Federation of Ukraine.

War events do not provide an opportunity for granaries to change the remains of agricultural products by replacing long-term storage grain with new ones, freeing up storage areas. The work of the elevators has been stopped due to their filling.

This circumstance made it impossible to carry out the technological process of processing and storing agricultural products of the 2022-2023 harvest.

Grain producers lost the opportunity to timely sell grown and harvested grain products not only at the price of acceptance at the elevator, but at a price that takes into account the costs of growing and harvesting.

Grain products are stored in the conditions of "hangar storage", without using the technological process of maintaining its freshness and quality before consumption. This leads to a decrease in the sale price.

On the basis of which, during martial law, using state support within the framework of public-private partnership, it is possible to direct budget funds to support grain producers - by purchasing grain products of the current year of cultivation (production) from them, and transferring it under the conditions of the public-private partnership agreement, within the framework of the state order, as a fodder base for use in the technological breeding of animals, with the aim of growing meat mass for sale, nutrition, and obtaining accompanying (additional) products, including dairy raw materials.

The freed areas of land plots from sowing should be transferred to be used for the cultivation of grass fodder and animal grazing.

The allocation of budget funds to support grain producers within the framework of public-private partnership is shown in fig. 5.

*author's own development

That is, under the terms of the public-private partnership, the prerequisites for the selective regulation by the state of emerging threats to the production of commodity products of the dairy market are determined, which can be implemented within the framework of the state order, at the
expense of measures aimed at their support and reducing the burden on the budget at the expense of reducing budget positive programs from the support of the manufacturers of these products.

According to these grounds, the expediency of the state’s participation in the public-private partnership program is determined, which will provide:

- regulating the balance of the volume of production on the dairy market from animal feeding to production and sale;
- support for producers of the dairy market and grain market by purchasing grain products and transferring them to feed animals;
- the availability of goods for the provision of state orders with goods from the sectors of administrative and economic and military security institutions and consumer demand while maintaining food security;
- support and development of marketable agricultural products and consumer products of dairy production;
- maintaining the growth of dairy product prices;
- support of national producers of the dairy market both on the domestic and foreign markets;
- reducing the shortage of raw milk and increasing the number of livestock;
- creation of a system of accounting for the number of cows in the village by producers of individual production.

On the basis of which it is necessary to make changes to the Law of Ukraine "On State-Private Partnership" (Law of Ukraine "On State-Private Partnership" No. 2404-VI dated 01.07.2010 / https://zakon.rada.gov.ua) of the existing the organizational and legal form of public-private partnership aimed at ensuring investment attractiveness, preserving the safety of investing funds, taking into account the requirements for state funding or local budgets and other sources in accordance with national and local programs; due to the purchase by the state partner of a certain volume of goods (works, services), which are produced (performed, provided) by the private partner under the contract concluded within the framework of the public-private partnership; through the supply to a private partner of goods (works, services) necessary for the implementation of a public-private partnership; on the basis of concluded agreements on joint activities, defined by the Law of Ukraine "On State-Private Partnership" (Law of Ukraine "On State-Private Partnership" No. 2404-VI dated July 1, 2010 / https://zakon.rada.gov.ua).

The use of products produced by one commodity market by another (within the limits of vertically adjacent markets) consists in the production of fodder for use in the technological breeding of animals, with the aim of obtaining from them not only meat mass for the sale and manufacture of meat food products, but also obtaining accompanying (additional) products, including from cattle breeding - dairy raw materials.

The norms of the Law of Ukraine "On Milk and Dairy Products"( Law of Ukraine "On Milk and Dairy Products" No. 1870-IV of June 24, 2004, /https://zakon.rada.gov.ua) in force during the war do not regulate the responsibility of producers for the results of non-compliance with the technological process of production and the requirements for the organization of dairy production, there is no regulation of the organizational and legal form of business, there is no role of state participation in the interest in economic indicators the results of the production cycle and its provision at the expense of state reserves in order to support food security.

These changes will determine the support of domestic producers of both raw milk (agricultural enterprises) and dairy products (industrial enterprises) during the war period, in order to perform regulatory functions in ensuring the implementation of support for food security, taking into account the development of dairy products in the post-war period.

The development of relations in the field of public-private partnership will be improved by providing a guarantee of the priority right to producers of dairy raw materials for purchase at a fixed price, providing financial and institutional support, which includes:

- development and implementation of appropriate programs to stimulate the development of dairy farming for medium and long-term periods (given the high duration of payback of investments in dairy farming, support for the development of livestock breeding);
- development of credit relations through the creation (in the future) of a mortgage bank and special investment funds, in particular at the regional level;
- further support of cooperatives and coordination of efforts of domestic dairy market subjects in integration processes (in particular, creation of agricultural parks, or through public-private partnership);
- activation of development of transport and logistics infrastructure;
- promotion of adaptation of producers of dairy raw materials and dairy products to European
technological standards of production and product quality control.

**Conclusions and perspectives of further research.** The state of regulatory and legal regulation of the Ukrainian market of milk and dairy products was studied and the main institutional problems were identified. The peculiarities of using the mechanism of public-private partnership for the development of the dairy market of Ukraine in the war and post-war periods have been established.

A structural analysis of the types of state support for the dairy market was conducted; ensuring state control and supervision in the field of production, processing, sale, export and import of dairy products; international cooperation in the field of safety and quality of milk, dairy raw materials and dairy products. The directions of state policy regulating the activity of milk market subjects are summarized. On the basis of the conducted analysis, deficiencies in the legislative field were identified, in particular, the absence of normative legal acts on the leveling of the "shadow" circulation of dairy products, ensuring the necessary quality and safety of dairy products.

It was established that many issues regarding the implementation of public-private partnership remain unresolved. Also, the task of facilitating the adaptation of dairy producers to wartime conditions, creating a legal system of relations between the state partner or local self-government bodies and private partners, for the implementation of which the resources of both partners are combined, with the appropriate distribution of risks, responsibilities and rewards between them, remains normatively undefined. With the aim of mutually beneficial cooperation in the implementation of socially significant projects on a long-term basis.

The combination of these factors dictates the need to improve public-private partnership in Ukraine to increase the effectiveness of institutional regulation of milk and dairy market entities in conditions of instability. A conceptual idea regarding the application of the public-private partnership mechanism in solving the problem of reducing unrealized grain remains by using it in the fodder base of the raw market sector through state procurement for technological animal breeding and dairy raw material production is offered. The practical focus of the obtained research results is the possibility of their use in the process of improving the institutional regulation of the development of the dairy market in the war and post-war periods.

Prospects for further research are the expansion of investment and innovation mechanisms for the development of the market of milk and dairy products, improvement of its institutional support in the conditions and challenges of wartime.

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