

DOI: 10.46299/979-8-89692-747-1.3

3. Environmental and economic aspects of the development of the agricultural sector of the economy in the context of enhancement of social responsibility of business

Ukraine has a developed food complex, which is able not only to fully provide the country's population with food products, but also to form an active position of the country on the international markets of a number of key agro-food products. Thanks to traditionally strong food exports, Ukraine is one of the guarantors of food security in the world. Before the full-scale war, in terms of export volumes, Ukraine was one of the five largest grain exporters in the world, exported $\frac{3}{4}$ of what it produced, domestic grain consumption was only 20-25%. Ukraine supplied 10% of world wheat exports, more than 14% of corn and more than 47% of sunflower oil [69]. Currently, thanks to the help of partners, Ukraine remains a key supplier on the world markets of grain and sunflower oil, with a share of more than 10% of international trade. In 2023, 16.1 million tons of wheat were exported to 65 countries, 26.2 million tons of corn to 80 countries, and 5.7 million tons of sunflower oil to 130 countries of the world [70].

At the same time, the military actions taking place in Ukraine as a result of the large-scale aggression of the Russian Federation on February 24, 2022, led to the deterioration of food security in Ukraine, which is caused, in particular, by broken logistics chains, destroyed infrastructure, farms and productions, a decrease in the amount of food produced at working enterprises. As of June 2023, the amount of direct damage caused to the agro-industrial complex of Ukraine is 8.7 billion dollars. USA (losses related to the destruction and damage of agricultural machinery amount to more than 4.7 billion US dollars; losses due to the destruction and theft of manufactured products are estimated at 1.9 billion US dollars). Indirect losses of the agro-industrial complex are estimated at 40.3 billion dollars. USA [71].

According to FAO estimates, rural households in Ukraine suffered about 2.25 billion dollars as a result of the war. US losses. Of them, about 1.26 billion dollars. In the USA, losses were incurred in the field of crop production and 0.98 billion dollars.

USA - animal husbandry. In Ukraine, 25% of agricultural households stopped or reduced the volume of production due to the war, in the frontline regions – 38 % [72].

The restoration of the agrarian sector on modern foundations will be the driving force for the significant activation of the development of adjacent sectors of the economy, which include the processing of agricultural products and the food industry, the production of fertilizers, agricultural machinery, bioenergy, segments of the IT industry involved in the digitalization of agricultural production and logistics. It is important to inform potential investors about the investment opportunities and attractiveness of these industries, as well as monitoring and determining the needs of agricultural enterprises, including the goods and services of related industries. The formation of agro-food clusters, the attraction of investments in the horizontal diversification of agribusiness, and the creation of conditions for the localization of related industries on the territory of Ukraine will serve to optimize intersectoral interaction [73].

In conditions of rapid changes in the external environment, a modern agricultural enterprise can become efficient and competitive thanks to its ability to adapt to new realities. An important factor of market success is the consistency of the internal environment of the enterprise with external requirements. This encourages agrarian enterprises to constant transformations.

The growing pace of changes in agricultural markets emphasizes the need for appropriate adjustment of the internal processes of enterprises. Changes in their environment must meet current and future challenges from the outside world. Therefore, it is important for every agricultural enterprise to carry out its activities on the basis of social responsibility, which involves active interaction with society [74, 75, 76].

Social responsibility is a complex multifaceted phenomenon that encompasses commitments that companies voluntarily undertake to address socially significant issues both within the business community and beyond, including industrial, municipal, regional, national, and global levels. In general, social responsibility implies

that the enterprise must take into account the interests of society and bear responsibility for the impact of its decisions and activities on the environment, consumers, employees, partners, suppliers, managers and other stakeholders.

The formation of ecologically oriented enterprises began in the 1960s and 1970s of the last century, which was due to the following factors [77]:

- processes of ecologization of the economy;
- achievements of scientific and technical progress;
- the results of the activities of the "Club of Rome" organization;
- society's awareness of the importance of environmental problems;
- the movement of "green" parties;
- the policy of states regarding environmental protection.

Initially, it was believed that it would be enough to organize environmental services at enterprises, which would be responsible for environmental protection activities, and the situation would be resolved. However, it soon became clear that this is not enough, because the importance of environmental issues permeates almost all spheres of the enterprise's functioning. Gradually came the realization that ecology is a holistic and multi-level problem that requires complex solutions and a systemic approach.

The activities of the first companies in the field of ecological entrepreneurship were focused on the disposal of industrial waste. First, they appeared in the USA, then in Japan and Canada, and later in European countries, where a powerful industry of waste collection and processing with a billion-dollar turnover emerged in two decades.

Ecologically oriented enterprises conduct their activities, focusing on innovations in the field of ecology, striving for the maximum possible profit while simultaneously meeting the ecological needs of society. Environmental innovations include new or improved products, processes, technologies, as well as systemic changes and practical experiences that are aimed at reducing the negative impact on the environment.

The main purpose of ecologically oriented enterprises is that they form a framework that allows smoothing the contradictions between ecology and economy, as well as combining environmental protection measures with production and management processes.

Analyzing the relationship between environmentally oriented activities of the enterprise and its competitiveness, Michael Porter noted that "environmental pollution is a form of economic waste, when production waste, harmful substances and certain forms of energy enter the environment in the form of pollution or wasteful use of resources" [77]. In addition, as a result of such emissions, enterprises bear additional costs for eliminating their consequences. These costs affect the price of products without adding anything to their consumer value." Thus, he proves that environmental protection and the competitiveness of the enterprise are inseparable categories.

In the context of Ukraine's integration into the global economic space, the agricultural sector is one of the priority and strategically important branches of the national economy. The strategic importance of the agrarian sector of the Ukrainian economy is due to its place in the system of production relations, powerful export potential, dominant contribution to the formation of national and global food security [78, 79, 80].

In difficult economic conditions, despite all difficulties and military aggression, the agricultural sector has become almost the only branch of the Ukrainian economy that has favorable conditions for development and can become a locomotive for the recovery of the entire national economy, provided that the appropriate state agrarian policy and financial support are provided. For the future reconstruction of the national economy, the Government has developed the Recovery Plan of Ukraine for the period 2022-2032, according to which the main mission (vision) of recovery of Ukraine is "Strong European country - a magnet for foreign investments." This document is aimed at accelerating sustainable economic growth, which defines a list of national programs for achieving key results. As part of the program "Development of sectors of the economy with added value", projects related to the rural economy are presented, the

implementation of which will require investments in the amount of 36.6 billion dollars.

USA, viz:

- development of processing (starch, syrups, gluten, lecithin, protein, premixes, meat, milk) – 10.2 billion dollars. USA;

- construction of an irrigation system for 1 million hectares - 4 billion dollars. USA;

- development of agricultural products with high added value (vegetables, fruits, berries, seeds) - 7.7 billion dollars. USA;

- reclamation of damaged lands - 1.6 billion dollars. USA;

- increase in the production of meat, milk, eggs - 5.5 billion dollars. USA;

- promoting the transition of the agro-food sector to "green" growth - 1.1 billion dollars. USA;

- operational recovery after the war of 10.5 thousand agricultural enterprises - 6.5 billion dollars. USA [81, c. 21].

As part of the studies carried out by the Center for Economic and Social Research of the National Academy of Sciences of Ukraine on the determination of priorities for ensuring the liquidity of the industry and the agricultural sector of the economy of Ukraine in the conditions of a full-scale war [82], it was established that the following are important directions for ensuring stability in these sectors of the economy: the development of industrial policy to ensure the ability of industry to effectively meet the needs of the front and the civilian population in wartime, as well as the involvement of drivers of structural change and innovative growth in postwar reconstruction; improvement of agrarian policy regarding ensuring the efficiency of agricultural activity, strengthening food security, increasing the export of agro-industrial products.

In the context of our research, we identify the priority directions for strengthening the agrarian sector of the economy [82]:

1. Stimulating the use of climate-neutral, low-carbon, circular production models in industry, strengthening the potential of the processing industry for the production of

energy from alternative sources, increasing the contribution to the state's energy security and reducing critical dependence on imported energy sources, which will accelerate the involvement of Ukraine in the European agenda of industrial modernization in the context of the implementation of the "green course", the integration of Ukrainian manufacturers into European value-added chains, will provide additional volumes of sustainable energy resources for the economy. For this it is necessary:

- ✓ to improve the legislative framework of the "green transition" of the economy by bringing the goals and indicators in line with military realities, in particular, in the way of making changes to the Updated Nationally Determined Contribution of Ukraine to the Paris Agreement, the National Energy Efficiency Action Plan for the period until 2030 (implementation of the planned indicators seems unrealistic due to military actions), Concepts for the implementation of state policy in the field of climate change for the period up to 2030 (inconsistent with the legislation in the field of waste management), Low-carbon development strategy of Ukraine until 2050 (does not contain the principles of circular economy, except for the processing of waste from the oil refining industry);

- ✓ develop "green transition" strategies for industries that exert the greatest pressure on the environment or are the most promising in terms of the use of secondary resources (steel, chemical, production of construction materials, certain sub-sectors of machine-building, food, light industry, etc.), which, in particular, will provide for the introduction new standards of production and eco-design, extending the life cycle of goods (repair, upgrading), processing of industrial waste and industrial symbiosis. Explore the possibilities of attracting EU funds and tools for sustainable development financing (European Investment Bank, EBRD, etc.) to finance these strategies;

- ✓ to initiate a dialogue with the EU regarding the application of an individual approach to Ukrainian producers within the framework of the future application of the Carbon Border Adjustment Mechanism through the postponement or application of a

transition period sufficient for the post-war recovery and ecological modernization of the production capacities of Ukrainian exporters;

- ✓ to stimulate the production and consumption of alternative types of fuel, which requires the provision of a state order for solid fuel boilers of domestic and foreign production with their further installation in social facilities (kindergartens, schools, hospitals);

- ✓ introduction of preferential lending to domestic biofuel production companies certified according to European standards;

- ✓ in the project of the National Recovery Plan of Ukraine, determine the list of reforms, legislative and regulatory initiatives necessary to ensure the energy security of industrial consumers in the conditions of war and post-war recovery of the economy;

- ✓ bring Ukrainian legislation on promoting the development of alternative energy in line with European legislation by implementing the provisions of Directive 2009/28 of the European Parliament and the Council of the EU dated 23.04.2009 "On encouraging the use of energy produced from renewable sources", including – finalization and submission to the Verkhovna Rada of Ukraine of the Law of Ukraine "On Amendments to the Tax Code of Ukraine and other legislative acts of Ukraine regarding the single contribution and accounting of denatured ethyl alcohol and chemical and technical products" (No. 7233 dated 30.03.2022). In particular, he proposes a reduction of VAT to 7% and the abolition of the excise tax on alternative fuels until martial law is lifted.

At the same time, it is necessary to postpone until the abolition of martial law the norm provided for in the draft law regarding the mandatory share (not less than 10%) of the content of liquid biofuel in volumes of automobile gasoline.

In the conditions of post-war recovery, it is important to ensure the diversification of the development of agricultural production on the basis of increasing the capitalization and investment attractiveness of agricultural enterprises, the formation of market institutions, which will provide for the improvement of the efficiency of the resources used in agriculture, strengthening the country's food

security, developing multi-productivity, increasing the export of goods with greater added value, ensuring comfortable living conditions in the countryside. This requires the implementation of certain tasks and measures. In particular, in the context of our research, we consider it necessary to pay attention to Strengthening the decentralization of the agrarian economy. For this it is necessary:

- ✓ to support and develop farms and personal peasant farms as points of economic growth, which ensure the livelihood of a significant part of rural areas and integrate around them small farms of the population, promote their interaction with service cooperatives to strengthen the connection with product sales markets and the processing industry;

- ✓ to increase opportunities for employment / self-employment in the agricultural sector by involving the population in opening their own business in the field of household, social, educational and other services for residents of rural areas;

- ✓ support advisory services with a priority focus on creating conditions for self-sufficiency of the population with agricultural products, development of organic production, as well as export activities of producers of agricultural products;

- ✓ promote the expansion of the use of forest by-products (honey, wild fruits, nuts, mushrooms, berries) and medicinal plants in production processes, as well as their local processing;

- ✓ promote self-sufficiency of communities with organic fertilizers, agricultural machinery used on cooperative principles, natural means of combating diseases and pests of plants and animals.

2. Ensuring sustainability of agricultural production, development of organic (biological, ecological) production, formation of principles of agricultural production taking into account agro-climatic changes. This direction requires the implementation of such initiatives:

- ✓ promote the introduction of innovative, environmentally friendly technologies in agriculture, ensuring rational agricultural land use, reducing the man-made load of agricultural production on the environment;

- ✓ promote the introduction of waste-free and environmentally safe agricultural production processes into agricultural production, as well as the minimization of product losses during harvesting;
- ✓ to provide organizational and methodological support for enterprises that independently refuse to use pesticides or carry out their regulated use only for seed processing;
- ✓ to provide support to agricultural producers for conducting agricultural and non-agricultural business, taking into account the impact of climate change on this process (in particular, by providing them with "green" and "climate" loans, development of agricultural insurance, etc.);
- ✓ provide scientific support for the development and implementation of measures to prevent and adapt agriculture to climate change; conduct scientific research in certain sub-branches of the agricultural sector;
- ✓ implement community training tools on the peculiarities of ecological practices in agriculture [82].

As M. V. Zos-Kior notes in his research, the achievement of higher ecological and economic potential is one of the main resulting characteristics of the development of agricultural enterprises. One of the main tasks of managing an agricultural enterprise is establishing and maintaining a balance between the components of ecological and economic potential. It is impossible to achieve full use of the ecological and economic potential of an agrarian enterprise with an imperfect management system [83].

The formation of an economic potential management system, which guarantees the integration of economic processes at an agricultural enterprise, reflects the system's ability to organize the processes of its potential formation in accordance with the inherent internal laws of economic activity.

The basis for realizing the ecological and economic potential of agricultural enterprises is the identification of the most effective ecological motivations in agricultural development in the form of strategic tasks, the specification of tactical decisions regarding practical implementation, the combination of ecological

prerequisites, requirements, decisions and consequences in the system of agricultural management.

The future prospects of Ukraine's agricultural development based on greening will depend on balancing the interests of stakeholders: society, state institutions, and agribusiness entities. A combination of environmental motivations is important: objective (environmental requirements, regulations, standards, technical regulations, etc.), subjective (voluntary entrepreneurial initiatives of an ecological direction in innovative forms of agricultural management and other types of activities (green tourism, cultural-historical and ethnic elevation of rural areas) into a single system of ecological dominants in the development of the agrarian sector of the national economy (Fig. 1) [83].

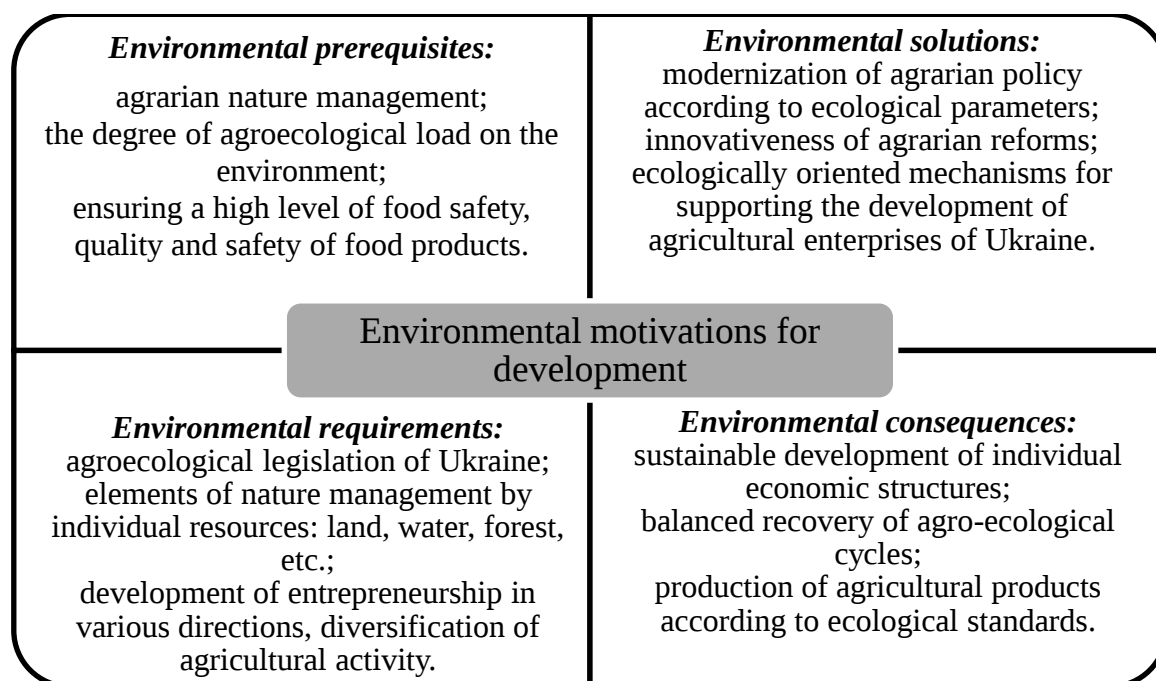


Fig. 1. Ecological motivations for the development of agrarian entrepreneurship

The environmental orientation of the business certainly affects the environmental strategies and programs, and accordingly affects the production structure and the behavior of the personnel. Ecological strategies show long-term ways of possible improvement of the ecological state of production processes and products, without hindering the economic success of an agricultural enterprise.

The environmental program contains a description of specific environmental goals, measures, terms and responsibilities. Its implementation requires the support of the institutional structure and environmentally conscious behavior of the staff.

The transition to low-waste or zero-waste technologies in agricultural enterprises as part of the implementation of ecological and economic potential can contribute to solving problems related to disposal. An example can be the concept of "zero waste". The theoretical constructions of this concept are based on the concept of two cycles: biological cycle – for organic materials and substances that, after the end of their useful life, can be safely returned to the natural environment, where they will be involved in biological cycles as a result of the vital activity of individual microorganisms; technological cycle - for materials that can and should be reused in the economic system. Therefore, considering absolutely all waste as a source of resources, this concept serves to justify the obligation to divide waste: first into organic and inorganic, and then by types of waste and the degree of recycling.

The introduction of social responsibility as a separate and specific direction for improving the social development of agricultural enterprises is a necessity determined by modern realities. In the context of a socially oriented economy, constant price increases and significant inflation, social responsibility is usually manifested through charity, philanthropy and sponsorship. This is due to the lack of finance and the unwillingness of enterprises to integrate social responsibility more deeply into their activities, which may lead to the absence of positive changes in this area.

In the world, there are two main models of building social responsibility between the relevant business entities: American and European. In the American model of social responsibility, the philanthropic approach prevails, which is based on the distribution of a part of the company's profit for the purpose of investing in its socially useful initiatives, this activity has a charitable nature and is not related to the main activity, depending on the policy of the corporation and its economic situation, it may be shortened. Today, the American model of social responsibility is the most widely used, which can be explained as follows:

1. it is easy to implement, and the results of its implementation are mostly public, the social activity of the company characterizes it for investors as socially sustainable and more attractive for external investments;

2. this model has the most positive recommendations from citizens and companies, because it allows them to perceive the company as one that solves the problems of the city and the region [84].

In European countries, social responsibility is mostly regulated by the state based on standards, norms and laws, which is a feature of the European model of social responsibility. The activities of enterprises related to social responsibility, according to the European model, are directly related to the solution of their business tasks and are a component of the strategy for achieving the highest level of investment attractiveness. The law, which obliged pension funds to provide information on the investment of income in socially responsible activities of enterprises, became a driving force for the development of social responsibility [85].

In today's transformational conditions, social responsibility of domestic enterprises becomes an objective necessity. It requires further improvement in the following directions: inclusion of legislative norms that stimulate social responsibility in the system of state regulation; expansion of the information space and provision of public reporting to assess the state of social responsibility of agrarian enterprises; increasing the effectiveness of personnel training for the implementation of social responsibility programs.

The war showed that socio-economic systems in the conditions of globalization and military conflicts, as in the case of Ukraine, are under significant pressure, which negatively affects the environment. This underscores the critical importance of investment in environmental protection.

Investments in ecology should be perceived not only as expenses, but as a strategic investment in the future. They consist in the allocation of financial resources to projects, companies and regions that contribute to the achievement of both positive environmental and financial results. By investing in environmental initiatives, we can:

reduce the negative impact of human activity on the environment; reduce the eco-destructive effects of production, consumption and disposal processes; preserve and rationally use natural resources; improve the natural resource potential of the territories and ensure the country's environmental safety. As a result, it will contribute to: improving the health of the population; economic growth; improving the quality of life; creating new jobs and strengthening the international image of Ukraine.

Preservation of the environment and rational use of natural resources are becoming the main tasks of great economic importance. The development of a new type of ecological and economic growth should be based on the principles of sustainable development, which provide for a harmonious combination of economic and social goals with the protection of nature.

Taking into account the current trends of economic development, resource conservation is a method of management in which the rational use of all resources of the enterprise is necessarily accompanied by the introduction of resource-saving technologies and the adoption of effective management decisions regarding them [86]. Resource conservation should be considered as a process that is constantly repeated and takes place within the framework of extended reproduction, where resources are actively moving during production. First, the essence of resource conservation is the saving of socially necessary labor, which is manifested in the reduction of production costs, the increase in profitability and the reduction of the negative impact on the environment. Second, this process is implemented through concrete forms such as material conservation, land conservation, labor conservation and energy conservation. Thirdly, resource conservation should be considered as a continuous process, which is achieved through the introduction of innovations and more efficient use of traditional production factors [87, c. 22]. During the management of resource conservation, a justified choice of the main areas of resource conservation is made at the enterprise in general and for each structural unit in particular; formation of complex target programs, definition and specification of tasks according to the goals of these programs, definition of criteria and confirmation by executors; establishment of calendar terms for work on

projects; calculation of the need for resources and their distribution by performers [73]. Resource conservation management at agricultural sector enterprises is a key element of modern agricultural management, as it directly affects the sustainability, profitability and long-term viability of the industry. Despite the potential benefits of resource conservation, agricultural enterprises face numerous challenges and problems that limit their ability to use resources sustainably [88].

Green technologies and ecological approaches should be implemented in all spheres of social life: from science and industry to agriculture, social sphere, law and management.

S. M. Lutkovska and O. V. Lebid identified several key ecological and economic conditions that can contribute to the activation of investments in the agricultural sector of the regions [89]:

1. Creating a favorable ecological climate. Ensuring effective environmental legislation, control over the implementation of environmental standards, as well as implementation of measures to reduce emissions and pollution of all links of the agro-food chain.

2. Development of green technologies. Investing in research and implementation of environmentally friendly production technologies that allow reducing the negative impact on the environment and increasing productivity.

3. Support of agroecological practices. Encouraging farmers and agro-industrial enterprises to use stress-resistant agro-ecological practices such as agroforestry, waste processing, organic production and other methods aimed at preserving soil fertility and biodiversity.

4. Creation of infrastructure for processing and storage. The development of infrastructure for processing agricultural products, storage and transportation will reduce losses during storage and transportation of products, as well as stimulate the development of agro-industrial enterprises.

5. Financial support for investments. Provision of financial incentives for investors in the form of tax incentives, subsidies, low-interest loans or grants for the development of environmentally friendly technologies and practices in agriculture.

The goal of ecological and economic development is to ensure uniform and sustainable economic growth, as well as to preserve and restore natural ecosystems. These directions of development will serve as an impetus for raising basic living standards, improving the quality of nutrition, reducing social inequalities and ensuring more effective protection of natural systems.

Companies that are active in attracting financing and promoting their products on international financial and commodity markets are faced with the growing expectations of investors, counterparties, creditors and regulators regarding issues of sustainable development. Today, companies are expected to form a strategic vision in the field of ESG (environmental, social, governance) and implement projects in the field of environmental protection, climate change prevention, reducing the carbon footprint of products, accident-free operation, compliance with the principles of corporate governance and human rights [90].

The integration of sustainable development factors into the business strategy of enterprises can have a multifaceted effect on their financial results [91]:

1. Measures aimed at reducing the negative impact on the environment and preserving resources can significantly reduce energy costs and the costs of using raw materials. This, in turn, will positively affect the overall profitability of the enterprise and ensure its competitiveness in the long term.

2. Integrating social aspects of management, such as improving working conditions, employee development and ensuring a fair and ethical approach to business, can help attract talented professionals and increase productivity. Satisfied employees are usually more motivated and productive, which positively affects the company's financial results.

3. Companies that implement effective risk management and demonstrate a high level of corporate governance can win the trust of investors and consumers. Investors

are increasingly taking ESG into account when making investment decisions, so companies with a strong ESG strategy can raise more capital and gain access to additional investment opportunities.

The ESG strategy is becoming increasingly important and requires companies to be aware of their social responsibility and the principles of sustainable development. It not only helps preserve the environment and improve social justice, but can also have a positive impact on the company's financial results in the long term. [92]. However, generalizing these impacts can be difficult, as results depend on the specific sector and company strategy. However, in general, the integration of sustainable development factors can not only contribute to the achievement of social and environmental goals, but also positively affect the financial stability and success of enterprises.

Social responsibility of enterprises in the agricultural sector is an important component of the ESG strategy and involves various initiatives aimed at supporting local communities, creating safe and fair working conditions, as well as participation in social projects. The table below shows the main areas of social responsibility and examples of initiatives that can be implemented by agricultural enterprises to achieve these goals (Table 1).

Social responsibility of agricultural enterprises is an important factor of sustainable development. The social stability of the regions where enterprises operate depends on the support of local communities and infrastructure development. Improving working conditions can have a positive effect on productivity and staff turnover. Social interaction increases the level of trust on the part of the local population, which can reduce social conflicts and increase loyalty to the company. By using ethical trade initiatives, long-term partnerships with suppliers and customers can be built. The implementation of the ESG strategy allows enterprises in the agricultural sector to increase their competitiveness and make a significant contribution to the development of society and the improvement of the quality of life in the regions where they operate.

Table 1

Social responsibility as a key element of ESG strategy

Direction	An example of initiatives
Support of local communities	Creating new jobs in rural areas, supporting infrastructure development programs, promoting the economic growth of the region.
Improvement of working conditions	Ensuring safe working conditions for employees, implementing a system of social guarantees and medical insurance.
Social interaction	Cooperation with local communities and organizations, involvement of the population in solving environmental and social problems of the region.
Ethical trade	Compliance with the principles of fair trade, transparency in relations with suppliers and buyers, ensuring fair conditions of cooperation.

Source: compiled by the author based on [93]

The goals of implementing social responsibility at an agricultural enterprise in terms of entering international markets in accordance with the goals of sustainable development are: overcoming hunger, improving the well-being of the population, strengthening the health of employees and the population, as well as their well-being; ensuring decent working conditions and economic growth, development of social innovation and infrastructure, development of cities and communities, responsible consumption and production, protection of terrestrial ecosystems, partnership for sustainable development. The principles of social responsibility of agricultural enterprises include: openness and partnership, mutual harmony, environmental friendliness, social orientation, economy and sustainable development. Social responsibility management tools are partnership, energy- and resource-saving technologies, as well as non-financial reporting of the enterprise. Social responsibility management functions (planning, organization, motivation, control) correspond to general management functions, but have a different focus. Planning involves defining a goal for development through social responsibility, setting goals and objectives, developing a social program. The organization envisages directing efforts in three directions: effective partnership, including with communities; implementation and development of corporate social responsibility and environmental care. Motivation includes an effective remuneration system, providing opportunities for employees to

develop through training and professional development, and the application of social programs for occupational health and safety. Control allows you to assess the possibilities of entering new markets, attracting new consumers and retaining existing ones, as well as ensures participation in social and environmental projects.

There are about twenty international standards regulating social responsibility. Among them, we should highlight AA 1000 (Account Ability), GRI (Global Reporting Initiative), ISO 14000, SA 8000 (Social Protection), ISO 26000:2010 (Social Responsibility Guidelines) and others. The common features of all international standards are the mandatory preparation and publication of non-financial reports, an open dialogue with the company's stakeholders, and the loyalty of all divisions to social responsibility approaches. The application of international standards of social responsibility makes it possible to identify the directions of further activity, management methods, creation of a strategy of interaction with interested parties, which will affect international competitiveness through business transformation [94].

The issue of social responsibility of enterprises in the agricultural sector remains relevant, because the post-war reconstruction of communities where they function is an important component of their social responsibility. Finding a balance between social responsibility and economic efficiency is an integral factor in the functioning of modern business, especially in terms of entering international markets. The most important factors that encourage the implementation of social responsibility from the point of view of managers are the requirement of the owners of the enterprise or parent company and moral reasons; and from the point of view of heads of communities, these are the requirements of local authorities and awareness of the need to take the initiative. Therefore, the formation of a model of social responsibility management of agricultural enterprises and the development of an appropriate management mechanism based on the principles of social responsibility and taking into account the influence of the external environment will contribute to a better and faster transformation of business in accordance with the requirements of international standards [95].

In Ukraine, with the development of market relations, the role of entrepreneurship is also growing. The main factors that somewhat inhibit its development are: the absence of a clearly formulated state policy in the field of support through a system of legal acts; an excessive number of administrative barriers (registration, licensing, certification, control and permitting practices, lease relationships, etc.); deficiencies in financial and credit support; frequent changes in the tax policy and reporting system; entrepreneurs' lack of confidence in the stability of the business environment.

It should be noted that assessment of social responsibility in Ukraine is carried out only at the initiative of business entities. It is worth emphasizing that the practice of developing social responsibility in Ukraine is influenced by a number of factors, namely:

1. The structure of the economy. In the agrarian sphere of the economy, a significant share is occupied by agricultural holdings and individual peasant farms. Therefore, the development of social responsibility depends on the policy pursued by agricultural holdings.

2. Inefficient system of social protection. Many business structures have inherited a developed social infrastructure (kindergartens, recreation centers, cultural centers, schools, health care facilities, sports organizations, etc.), which they continue to maintain, considering it a social responsibility.

3. Excessive regulatory influence. Shadow economy, shadow employment with a salary below the subsistence minimum.

4. Weak local communities. Limitation of incentives and opportunities of local self-government bodies to implement social programs.

5. Lack of institutional support. There is no real body in Ukraine that could introduce tools, standards and methods for implementing the policy of corporate social responsibility.

6. Labor legislation. Despite the well-developed labor legislation, its current norms and requirements are often violated, which explains the high level of unemployment, the unprotected labor market.

For the successful development of social responsibility of entrepreneurial activity in the agrarian sphere, it is necessary to implement the following measures: development of civil society, reduction of peasant poverty, improvement of social protection of the rural population and education, support of the social environment with the involvement of environmental programs, which will contribute to the development of the entrepreneurial environment in the agrarian sphere of the economy. It should be remembered that social responsibility does not include: philanthropy, public relations, political slogans and state social programs [96].

Implementing green and environmentally friendly practices in the community creates healthier conditions for the people who live there, enabling them to live longer, happier and more productive lives. This is one of the most important advantages, since a significant number of health conditions and diseases can be linked to adverse environmental conditions. For example, recycling and reducing waste make the environment cleaner and more attractive for recreation. It also reduces the number of pests such as insects and rodents, and therefore reduces the risk of diseases they may carry. Another example is the transition to ecological types of fuel, which provides cleaner air and reduces the likelihood of respiratory diseases in children and the elderly.

The concept of ecologically oriented social entrepreneurship provides a balanced solution to both the economic and social problems of the state, while prioritizing environmental policy to create and maintain a favorable environment, in order to meet the needs not only of people living now, but also of future generations. Ecologically oriented social entrepreneurship makes it possible to ensure stable socio-economic development that does not destroy the natural environment [97].

This model corresponds to the vision of sustainable development of the world and business in general. The transition to sustainable development largely depends on the activities of ecologically oriented enterprises, as they are able to resolve the

aggravation of contradictions between the ecological, economic and social spheres of society, contribute to the preservation of nature, and also reduce the man-made impact on the environment. A clear example of the support of the trend of sustainable development by the international community is the movement for the refusal of many foreign grocery stores and retail chains from packaging goods, known as Unpackaged. Refusal of packaging, which is the worst enemy of ecology and economy, is an example of a return to the tradition of rational management.

There are several varieties of ecologically oriented social enterprises, which are classified according to the types of their ecological activities, namely:

1. Resource conservation: organization of waste collection, sorting and processing.
2. Environmental education: formation of skills of a caring attitude towards the environment; popularization of ecological culture.
3. Energy efficiency: transfer of production to alternative energy sources; energy saving measures.
4. Production of products and services: environmental audit, use of alternative resources, production of alternative products.

Along with this, it is important to be aware of the difference between enterprises working in the ecological sphere and ecologically oriented social enterprises. The latter, in addition to a positive impact on the environment, necessarily set a social goal for themselves, to achieve which they direct part of their own profit and efforts.

Public participation in issues of ecologically safe management is positive. Thus, based on the involvement of more than 20 public organizations in discussions, 7 key principles of "green reconstruction of Ukraine" were formed, which were recommended for implementation for government programs. In particular, these are principles [98]:

1. Cross-cutting nature protection and climate policy in all sectors, which implies a uniformly adopted complementary approach to the formation of any strategic or tactical documents, programs, development plans, etc. in all spheres of public life. The

main priorities are the modernization and decarbonization of the economy, clean industrial production, preservation of biodiversity and the transition to sustainable agricultural practices.

2. The restoration should serve the needs of Ukrainians and contribute to the sustainable development of Ukraine. Any resources received for the recovery of the country should be directed to the formation of a new type of green economy with high added value based on the key principles of sustainable development.

3. The development of a green economy, which involves the formation of a new form of economy, the main features of which are low-carbon, nature-oriented, energy efficiency, which also affect the processes of production and consumption in the country.

4. Environmental standards at all levels. Formation of standards for soil, air, water and environment monitoring and quality, use of only safe technologies for infrastructure restoration, etc.

5. Adherence to European environmental planning tools in the development of Ukraine. In particular, compliance with legislation regarding strategic environmental assessment of proposed plans and programs and environmental impact assessment of planned activities.

6. The role of local self-government, transparency, involvement of the public and communities in decision-making. It is necessary to form a transparent environment for decision-making on the post-war reconstruction of Ukraine, which will involve the active participation of all interested parties, in particular civil society organizations and local self-government. It is important to adhere to the principles of decentralization and subsidiarity.

7. Effective functioning and use of target/donor funds for post-war reconstruction and development of the green economy. Formation of a system of transparent and coordinated administration of the activities of funds that intend to provide assistance to Ukraine for reconstruction, as well as transparency regarding the directions of use of such donor funds.

Analyzing the efficiency of enterprises from an economic point of view is an important aspect of assessing the sustainability of agro-industrial enterprises. It includes assessment of such economic aspects as:

- Profitability: the assessment of the sustainability of the enterprise includes the analysis of its financial productivity and profitability, it covers the assessment of the profitability of production, the efficiency of the use of resources, the profitability of investments and the financial stability of the enterprise.

- Economic risk: performance assessment includes an analysis of the economic risk associated with the company's activities, such as an assessment of factors that may affect the profit and stability of the company, such as changes in the market, competition, fluctuations in the prices of raw materials and changes in legislation.

- Implementation of innovations: performance evaluation includes analysis of the enterprise's ability to innovate and implement new technologies. This includes evaluating research and exploration efforts, investments in research and development, and the ability to adapt to changing market conditions and technology.

- Cost and resource management covers optimizing the use of resources, effective inventory management, cost control and ensuring the efficiency of production processes.

- Market competitiveness includes the study of the market position of the enterprise, the analysis of competitors, the determination of unique competitive advantages and the development of strategies to maintain or increase competitiveness.

- Financial management covers budget planning and management, financial analysis, management of working capital and capital investments, as well as assessment of the financial stability and liquidity of the enterprise.

- Investment attractiveness – assessment of the potential for attracting investments, analysis of risks and return of investments, as well as the ability of the enterprise to provide a sufficient level of profitability for investors [99, p. 75–76].

Assessment of the sustainable development of enterprises in the agro-industrial sector is a key tool for determining their impact on the environment, society and

economy. In the evaluation process, various aspects are analyzed, which help to evaluate the efficiency of enterprises in the context of sustainable development [100].

The environmental aspect focuses on the enterprise's impact on the environment, taking into account the use of resources, energy efficiency, emissions and waste. Analysis of the state of natural resources and ecosystems, as well as the implementation of environmentally friendly technologies and practices, helps to preserve natural resources and reduce the negative impact on the environment.

The social aspect of the evaluation takes into account working conditions, safety and health of workers, development of human capital and support of local communities. The economic aspect focuses on the efficiency of enterprises from an economic point of view, including profitability, economic risk, innovation, as well as cost and resource management.

Assessing the economic benefits and risks of sustainability for business helps businesses understand the potential benefits of implementing sustainable practices, such as reducing energy and resource costs, increasing competitiveness and attracting new customers. At the same time, it allows you to take into account the risks that may arise, for example, the costs of implementing new technologies and compliance with regulatory standards. The integration of innovative technologies and practices that contribute to increased productivity, efficient use of resources and reduced environmental impact is an important element of sustainable development.