SECTION 8. MANAGEMENT

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8.1 Management of the development of agro-industrial enterprises in the post-war period and during the economic recovery of Ukraine

The post-war and recovery period in Ukraine necessitates a rethinking of strategic approaches to the development of the agro-industrial complex (AIC) as a crucial sector of the national economy.

Under current conditions, effective state policy, investment incentives, and the activation of international cooperation are gaining increasing importance. These elements are essential for the modernization of production capacities, the implementation of innovative agricultural technologies, and the integration of Ukraine's AIC into global markets. Ukrainian agricultural enterprises are encouraged to optimize available resources to enhance productivity and efficiency, which involves improving agricultural practices and adopting innovative technologies to increase output and competitiveness [169-170].

The development of financial and institutional mechanisms to support the agricultural sector is becoming increasingly relevant. These mechanisms include preferential lending, guarantees for investment returns, development of public-private partnerships, and the expansion of international technical assistance.

The government plays a pivotal role in shaping policies to support the recovery of the sector, including legislative improvements, the establishment of export infrastructure, and the creation of an environment conducive to innovation and investment [169, 171].

Cooperation with international organizations, financial institutions, and donors may become a decisive factor influencing the capacity to rebuild infrastructure, enhance food security, and establish a resilient agricultural economy. In this context, it is important to note that the potential for the development of Ukraine's agro-industrial complex is shaped by a range of interrelated factors. Donor support and the attraction of foreign investment are of critical importance for restoring infrastructure and expanding production capabilities. This includes investment in logistics, storage, and processing facilities, which are essential for supporting and expanding export activities. The key factors influencing this process include:

- the level of investment attractiveness in the agro-industrial sector;
- the effectiveness of state agrarian policy implementation;
- the condition and quality of infrastructure (logistical and processing capacities, etc.);
- access to financing for economic actors;
- the level of innovation and digital solution implementation;
- human capital and the education system [169, 171].

Climatic and natural resource conditions, as well as external economic factors such as the dynamics of global agricultural markets and geopolitical risks – including the extensive destructive impact of factors resulting from russia's armed aggression – also play an important role.

Moreover, international support in the form of technical assistance, grants, access to concessional loans, and participation in joint projects with international organizations is of considerable significance.

These factors simultaneously represent both challenges and opportunities for the development of domestic agro-industrial enterprises. The main current challenges include:

1. A decline in the export volume of agricultural products, particularly a 16% decrease in 2022 compared to 2021.
2. A fivefold increase in logistics costs, primarily due to port blockades [172].
3. A labor shortage, which has exacerbated production issues. This is primarily associated with a decline in the working-age population, which, according to some estimates, has decreased by 40% [172].
4. A reduction in livestock numbers, which has had a significant impact on producers' prices and has led to a shortage of raw materials for processing [173].

Despite the ongoing military aggression by Russia, the sector retains significant development potential through innovation, the restoration of damaged or destroyed infrastructure, and the implementation of strategic political reforms.

Opportunities for development include:

1. Innovations and digitalization in the use of precision farming and robotics, which contribute to increased production efficiency and competitiveness [174].

2. Infrastructure modernization, such as the upgrading of storage facilities and transport systems. These measures are critical for improving supply chains and reducing costs [172].

3. State support through the implementation of favorable policies, including investment incentives and anti-corruption measures, which serve as drivers for the growth of Ukraine's agro-industrial enterprises [172].

The key strategic directions for the development of Ukraine's agro-industrial enterprises include the formation and enhancement of:

1. Agri-food chains through the restoration and integration of domestic enterprises into global agri-food supply chains to improve recovery and efficiency [169, 175].

2. The production of high value-added goods, which is vital for improving export performance and economic stability [173].

3. Export expansion. Ukraine remains a leading exporter of agricultural products, with strategic focus placed on supporting and expanding export routes, particularly to the EU, Asia, and Africa, in order to strengthen the economic contribution of the national agro-industrial complex [171].

4. Sectoral investment. To increase overall productivity and export potential, it is important to scale up investment in key sectors such as dairy production, vegetable and fruit storage, and sugar beet processing. Ukraine's agricultural sector holds substantial post-war development potential, especially in crop production, dairy farming, and logistics. The unique characteristics of Ukrainian agriculture, including the immobility of its resources, will influence recovery strategies, shifting the focus toward improving production efficiency and export capacity [176].

Although the agro-industrial complex faces considerable obstacles, its recovery and growth potential through strategic innovations and political reforms remains promising. However, continuous investment and support are critical to realizing these opportunities.

While the strategic outlook for Ukraine's agro-industrial sector is optimistic, challenges such as the immobility of resources and the need for structural reforms persist. Addressing these issues through comprehensive strategies and international cooperation will be crucial for sustainable recovery and long-term sectoral growth in the post-war period.

The strategic prospects for Ukraine's agro-industrial complex emphasize adaptation to European standards, enhancing competitiveness, implementing sustainable practices, improving access to finance for small and medium-sized enterprises, and attracting international assistance [177].

Overall, it should be emphasized that the development of Ukraine's agro-industrial enterprises requires the phased implementation of strategies in response to current challenges and in alignment with long-term growth objectives. This involves boosting competitiveness, integrating innovative technologies, and applying sustainable practices. Special attention should be given to supporting small and medium-sized enterprises, which are vital for ensuring a stable domestic market and employment – particularly in rural regions.

The key areas of focus for the development and effective implementation of strategic management approaches for the advancement of agribusiness enterprises in Ukraine should include the following:

1. Investment and financial support. Prioritizing investment in small and medium-sized enterprises (SMEs) is crucial for sustainable development. This includes improving access to financing and utilizing international financial support for the recovery and modernization of the sector. Encouraging international cooperation and leveraging donor assistance can help overcome financial constraints and support recovery efforts [177].

2. Innovation and technology integration. The implementation of innovative technologies and modernization of production processes are critical for increasing productivity and competitiveness. This includes integrating circular economy principles and organic farming practices [178]. Addressing the low level of innovation

through enhanced public financial support and the development of a skilled workforce is necessary for the adoption of new technologies and equipment [170].

3. Structural and organizational reforms. Developing a comprehensive strategy that includes the formation of agroholdings and the consolidation of structures can help absorb small farming enterprises and enhance efficiency [170].

4. Fostering the development of agricultural enterprises, livestock farms, and cooperatives will contribute to rural sustainability and food security [178].

5. The implementation of scientifically grounded approaches to strategic management is essential for the effective use of resources and the achievement of strategic goals [179]. Emphasis on the development of small enterprises, which are key to sustaining rural livelihoods and food security, should be a central focus of the strategy [180].

The development of agribusiness enterprises in Ukraine requires a multifaceted approach that integrates various strategies to enhance innovation, sustainability, and competitiveness. Strategic management of agribusiness development in Ukraine encompasses innovation and investment, export orientation, sustainable development, clustering, digital transformation, and institutional frameworks. These strategies are based on the need to increase competitiveness, ensure food security, and promote sustainable growth. The main strategic approaches include:

1. Innovation-Investment Strategy. This strategy focuses on the implementation of modern technologies, digitalization, and investment attraction. It aims to improve efficiency, reduce costs, enhance product quality, and modernize agricultural practices to ensure productivity and economic security. Key components include:

- implementation of precision agriculture, agro-drones, GPS/GIS systems;
- automation of production processes;
- attraction of foreign direct investment;
- establishment of agrotechnoparks and clusters.

This strategy emphasizes international cooperation for joint innovation projects and financing [181], and encourages the use of public-private partnerships to develop innovation potential [182].

2. Export-Oriented Strategy. This strategy focuses on expanding export potential and includes:

- entry into new markets (Asia, the Middle East, EU);
- adaptation to international standards (ISO, HACCP);
- development of logistics and infrastructure for agricultural product transportation;
- conclusion of international contracts.

The goal is to enhance Ukraine's presence in global markets, particularly in EU countries, by improving product quality and compliance with international standards [183]. It also underscores the importance of developing marketing systems and legal frameworks to facilitate access to foreign markets.

3. Sustainable Development Strategy. The primary advantages of this strategy include long-term environmental and social stability and support from international partners. It emphasizes environmental responsibility, social sustainability, and economic efficiency through:

- adoption of organic farming practices;
- preservation of soil fertility and ecosystem restoration;
- rural development and improvement of labor conditions;
- adherence to ESG principles (environmental, social, and governance).

This strategy aligns agricultural practices with global sustainable development goals, promoting resource efficiency and environmental management [184].

4. Cluster Strategy. This approach strengthens regional potential and enhances efficiency through economies of scale. It includes:

- cooperation among producers, processors, logistics providers, and research institutions;
- improved coordination and synergy;
- support from local authorities.

The strategy involves the creation of regional production-logistics clusters to enhance collaboration between agricultural enterprises, stimulate innovation, and improve competitiveness [185]. Clustering is also used to identify successful innovation models in the agribusiness sector [184].

5. Digital Transformation. Key advantages include transparency, decision-making accuracy, and reduction of human error. This strategy integrates technology into agricultural practices to improve efficiency and adaptability to market changes [181]. It supports the implementation of digital tools for better data management and decision-making in agricultural enterprises.

Key elements include:

- electronic field maps, CRM and ERP systems for agribusiness;
- real-time agronomic monitoring;
- use of analytics and big data (Big Data);
- participation in national and international digitalization programs.

6. Institutional Strategy. This strategy focuses on developing a robust regulatory framework to support innovation and investment in the agribusiness sector. It emphasizes the strategic imperatives guiding the development of innovation potential and economic security. It promotes improved governance, access to advanced knowledge and innovation, and the development of [182, 185]:

- agricultural cooperatives;
- corporate governance and transparency;
- partnerships with educational and research institutions.

These strategies may be implemented either independently or in combination, taking into account regional characteristics, farm type, resource base, and state policies. While these strategies provide a solid foundation for development, challenges such as infrastructure destruction, geopolitical instability, and market volatility remain significant.

Addressing these issues requires coordinated efforts involving public policy, international support, and private sector engagement to ensure the effective and sustainable development of Ukraine’s agribusiness enterprises [186-189]. Solving these challenges will contribute to the effective development of agribusiness enterprises both in the post-war period and during Ukraine’s broader economic recovery.