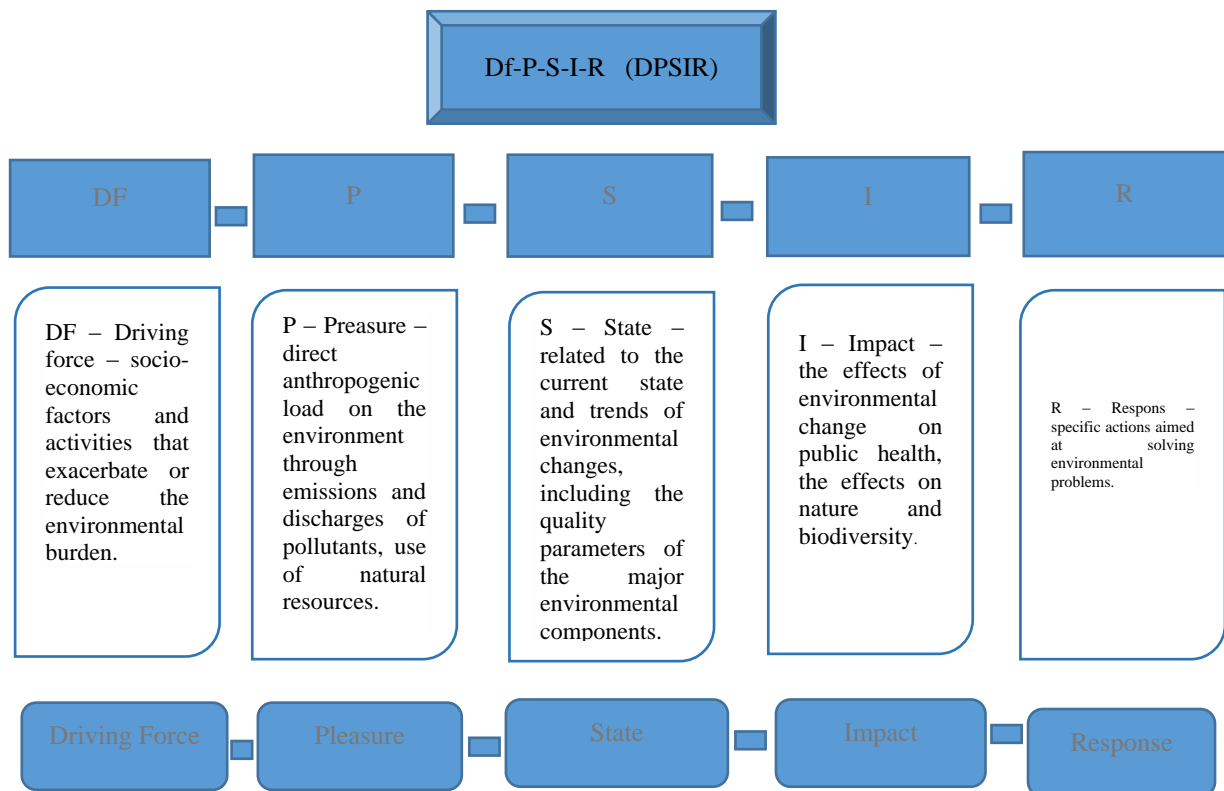


IMPLEMENTATION OF ORGANIC PRODUCTION METHODS AS A GUARANTEE FOR SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL SAFETY

Most economic development and growth strategies have encouraged the rapid accumulation of capital through the excessive depletion of natural capital, sacrificing natural resources and ecosystems. There is an urgent need to improve public policy, including pricing and regulatory measures, to create market incentives for more rational capital allocation from resource use to more technological sectors, taking into account social and environmental impacts. The result has been the implementation and implementation of a sustainable development strategy that combines economic efficiency, social stability and environmental security. The principles of a green economy were formulated as a mechanism for implementing a sustainable development strategy for countries of all types of political system and level of economic development. UNEP defines a green economy as one that enhances people's well-being and ensures social justice, while significantly reducing environmental risks and increasing population poverty.

Environmental indicators are a major tool for assessing the state of the environment in Eastern Europe, the Caucasus and Central Asia. Properly selected indicators based on sufficient time series of data (time trends) can not only reflect the underlying trends but also help to analyze the causes and effects of the current environmental situation. They also allow you to monitor the progress and implementation of environmental policies in countries. Depending on the role of the indicator in the assessment of a particular issue, the indicators are classified according to the scheme of the European Environment Agency.



Pic. Classification of environmental indicators of the European Environment Agency

According to the scheme of analysis under this scheme, social and economic development increases the pressure on the environment and, as a consequence, causes environmental changes - for example, creating adequate conditions for health, availability of resources and biodiversity. Finally, it leads to the confrontation of

human health, ecosystems and materials, which can cause a negative social response, supported by driving forces due to environmental pressures or factors of influence directly, through adaptation or precautionary action.

Ukraine ranks 90th in terms of environmental sustainability, ahead of Laos, Kazakhstan and Bahrain. Switzerland, Austria and Norway are the most stable in terms of the environment.

The state of Ukraine's land resources is close to critical. Agricultural lands occupy 71% of which 78% is arable land. Of the 41576000 hectares of land are private 74% and state - 26%. Widespread processes of land degradation, soil erosion covers 57% of the territory. More than 500 million tonnes of soil are washed away annually. The area of eroded land is increasing annually by more than 80 thousand hectares. Economic damages from erosion already exceed \$ 10 billion a year. That is why sustainable economic development with environmental standards is a pressing issue. The introduction of sustainable economic development and green economy mechanisms that meet the principles of the sustainable development strategy adopted at the Rio + 20 UN Summit provide for the terms of the Political Association Agreement between Ukraine and the EU. The process of greening the economy itself has two dimensions: ecological modernization of the economy and the formation of new "green industries" of the economy. The formation of the organic produce market is spelled out as a priority area of the green economy of the food sector and provides for control over the cultivation, production, sale and consumption of genetically modified organisms as such.

According to G.A. Pasternak-Taranushchenko: "ecological security is a direction of ensuring the economic security of the state, designed to create the most favorable conditions (environment) for the population of the country to exist and to live a fruitful life." It should be noted that the environmental component is present in many areas of economic security. In particular, the area of agricultural land and organic farming are also in the food sector. At the same time, it is possible to distinguish purely "environmental" areas, including management of industrial and household waste, rational use of nature, greening of production, development of a competitive small and medium-sized business in the natural sector. It should be noted that in each of them there is a component of the organic produce market, which makes this segment - a priority direction of development of the country and the world as a whole.

Of the basic principles of food security, the issue of environmental safety of food, their quality and the health benefits of the population remains the least taken into account. It should also be noted that the main indicators of food security are the economic availability of products (share of total food costs in the total household expenditure) and differentiation of the cost of food by social groups (monitored in dynamics and calculated as the ratio between the highest cost of food by 20 percent income and food cost 20 percent of the lowest income households). In our opinion, these two indicators are directly related to the socio-economic situation in the country.

Family farms are a successful form of farming in many developed European countries: in Poland, Italy or the Netherlands, families own an average of 5-15 ha of land. In Ukraine, most organic producers own an area of 0.5-2 ha. One of the farms of Cherkasy region for 2 years of work, having an area of only 2 hectares, today produces 42 types of certified organic products - greens, salads, vegetables and processed products.

The 3 + 5 AIC strategy states that organic matter is a priority for Ukraine. After all, it is a niche export-oriented product, high-margin direction. This also applies to land use, ecology, conservation of natural resources, etc. Last year, Ukraine exported cereals for € 8 billion, the market for organic produce in Germany alone being valued at the same amount. By exporting raw materials, we deplete soils and do not get the proper economic effect. Instead, value-added production and organic production should be developed. European farmers are able to develop organic farming because the state provides them with sufficient financial support. The average amount of such aid in Europe is € 200-300 / ha. In the first years of organic cultivation, the yield is not as high as in traditional agriculture, and the farmer will not be able to sell his produce as organic during the transitional period. There are also costs for the certification of farms, which in European countries are partially or fully covered by the state.

The industrial component of the economy in Ukraine has declined, but land, mineral and human resources have remained. Is it possible that in the process of European integration, Ukraine can become an object of efforts and a resource for the "green" growth of Europe?

Income and employment growth is driven by public and private investment that reduces carbon emissions and pollution, increases energy and resource efficiency, prevents biodiversity loss and promotes ecosystem services. These investments need to be supported through targeted public spending, policy reforms and changes to the regulatory system. Such a path of development must preserve, increase and, where necessary, restore natural capital as the most important economic asset and source of public goods, especially for the poor, whose sources of income and protection depend on nature.

By defining organic products as a priority, it is necessary to provide state financial support to organic producers and exempt them from taxation for at least the first 2-3 years of the transition period or to provide tax benefits. A separate issue is the decline in soil fertility in Ukraine, one of the reasons being that land is not owned. It is also necessary to create effective bodies for monitoring the state of land resources. Today, there is ample evidence that investing in organic production is an asset for increasing financial well-being and

employment. However, the transition to organic production requires the creation of new conditions and government support through legislative and regulatory regulation, as well as through the use of appropriate financial instruments.