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Agro Policy Report

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# Analysis of the effectiveness of state subsidies for the development of sustainable agriculture in Ukraine

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Implemented by:



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## About the Project “German-Ukrainian Agricultural Policy Dialogue” (APD)

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The project “German-Ukrainian Agricultural Policy Dialogue (APD)” has been implemented with the support of the Federal Ministry of Food and Agriculture (BMEL) since 2006 and is planned to run until 2021. While the implementing agency of BMEL’s entire bilateral cooperation-program is GFA Consulting Group LLC, the APD-project in Ukraine is implemented by a consortium consisting of IAK Agrar Consulting, Leibniz Institute of Agricultural Development in Transition Economies (IAMO) and AFC Consultants International. The recipient of the project is the National Association of Agricultural Advisory Services of Ukraine “Dorada”. The beneficiary of the project is the Ministry for Development of Economy, Trade and Agriculture of Ukraine (MDETA). The project aims at supporting Ukraine in the areas of sustainable agriculture, efficient processing industry and international competitiveness in accordance with the principles of market and regulatory policies, taking into account the potential for development resulting from the Association Agreement between the EU and Ukraine. To meet this goal, the Project provides information on German, in particular Eastern German, experience and know-how, as well as on international European experience with regard to the development of an agrarian and forestry policy.



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## **1. UKRAINE'S INTERNATIONAL RATING OF AGRICULTURAL SUBSIDIES (PSE OECD), SHARE OF AGRICULTURAL SUBSIDIES COMPARED TO TOTAL STATE SUPPORT FOR ECONOMIC DEVELOPMENT AND COMPARED TO THE GENERAL STATE BUDGET**

Ukraine's accession to the WTO necessitates the development of new requirements and restrictions on the general level, types and forms of state support for agricultural industries and enterprises. Ukraine needs to develop a clear system of criteria for the effectiveness of state support for economic entities, which would meet the requirements of the WTO and the countries of the Organization for Economic Cooperation and Development (OECD). According to scientists from the National Research Center "Institute of Agrarian Economics"<sup>1</sup>, in OECD countries to assess the amount of state support used indicator of producer support (Producer Support Estimate - PSE). The economic essence of the PSE indicator is to determine the annual monetary value of redistribution of resources from consumers and taxpayers to support agricultural producers as a result of state support policy, regardless of its nature, objectives and impact on production or profits of agricultural enterprises. This indicator is determined by the ratio of PSE in monetary terms to the amount of gross revenue of agricultural producers in domestic prices and budget transfers of producers.

Relatively high state financial support to the agricultural sector of the economy is provided by: Japan (47-55%); Canada (21-15%); EU countries (25-35%). Ukraine belongs to the group of countries with a relative PSE of less than 5 percent, which indicates a relatively low level of support for agricultural producers.

The agricultural sector is the basis for the creation of food security of the state and the stable operation of the food industry, as well as ensuring the welfare of the peasants and the entire population, and therefore in all countries of the world support them. Many different methodological approaches are used to assess the level of state support for agriculture. World practice prefers the analysis and comparison of volumes and forms of support according to the indicator of the level of total support estimate (TSE) in the methodology of the Organization for Economic Cooperation and Development (OECD). This indicator (TSE) includes support for producers (PSE), consumers (CSE) and general services (GSSE), ie measures the total costs of agriculture (according to PSE, GSSE and transfers from taxpayers to consumers in CSE).

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<sup>1</sup> [file:///C:/Users/liudm/Downloads/1685-6565657270-1-PB%20\(5\).pdf](file:///C:/Users/liudm/Downloads/1685-6565657270-1-PB%20(5).pdf)

Table 1. Dynamics of the level of state support for agriculture in the world according to the OECD methodology, million USD

Countries and indicators	On average over the years:		
	2009-2011	2012-2014	2015-2017
<b>Australia</b>			
Overall Support Assessment (TSE)	2025,2	2259,0	1721,6
including manufacturer support assessment (PSE)	1249,1	1070,7	790,5
<b>Canada</b>			
Overall Support Assessment (TSE)	9314,2	7953,4	6088,0
including manufacturer support assessment (PSE)	7063,5	5729,1	4369,4
<b>USA</b>			
Overall Support Assessment (TSE)	80461,9	90565,6	94082,6
including manufacturer support assessment (PSE)	31664,3	35204,4	38105,2
<b>EU countries - 28</b>			
Overall Support Assessment (TSE)	130329,9	130500,4	108302,3
including manufacturer support assessment (PSE)	112981,5	113846,2	96095,9
<b>China</b>			
Overall Support Assessment (TSE)	121544,6	233323,3	263479,1
including manufacturer support assessment (PSE)	99588,6	201874,0	224112,1
<b>Kazakhstan</b>			
Overall Support Assessment (TSE)	1910,6	1760,1	1516,5
including producer support assessment (PSE)	1544,6	2067,7	743,4
<b>Russia</b>			
Overall Support Assessment (TSE)	19319,1	16892,8	11614,4
including producer support assessment (PSE)	15369,1	13538,6	9987,1
<b>Ukraine</b>			
Overall Support Assessment (TSE)	1582,0	-1041,8	-1991,1
including manufacturer support assessment (PSE)	990,6	-1586,9	-2112,1

As can be seen from the table, the relatively highest level of state support was received by agriculture (TSE) and directly producers (PSE) in the EU, USA and China. At the same time, during the entire analyzed period in the EU and the USA, the absolute volume of support by indicators (TSE) and (PSE) was stable and at a high level with a gradual increase.

Thus, in the EU and the US, the total state support for agriculture (TSE) averaged 108.3 and 94.1 billion dollars in 2015-2017, respectively.

In China, state support for agriculture and agricultural producers increased significantly in 2009-2011 to 121.5 billion and 99.6 billion US dollars, respectively, with a gradual increase to 263.5 billion and 224.1 billion US dollars on average in 2015. - 2017, which is 2.2 times more. Thus, China is a world leader in state support for agricultural development.

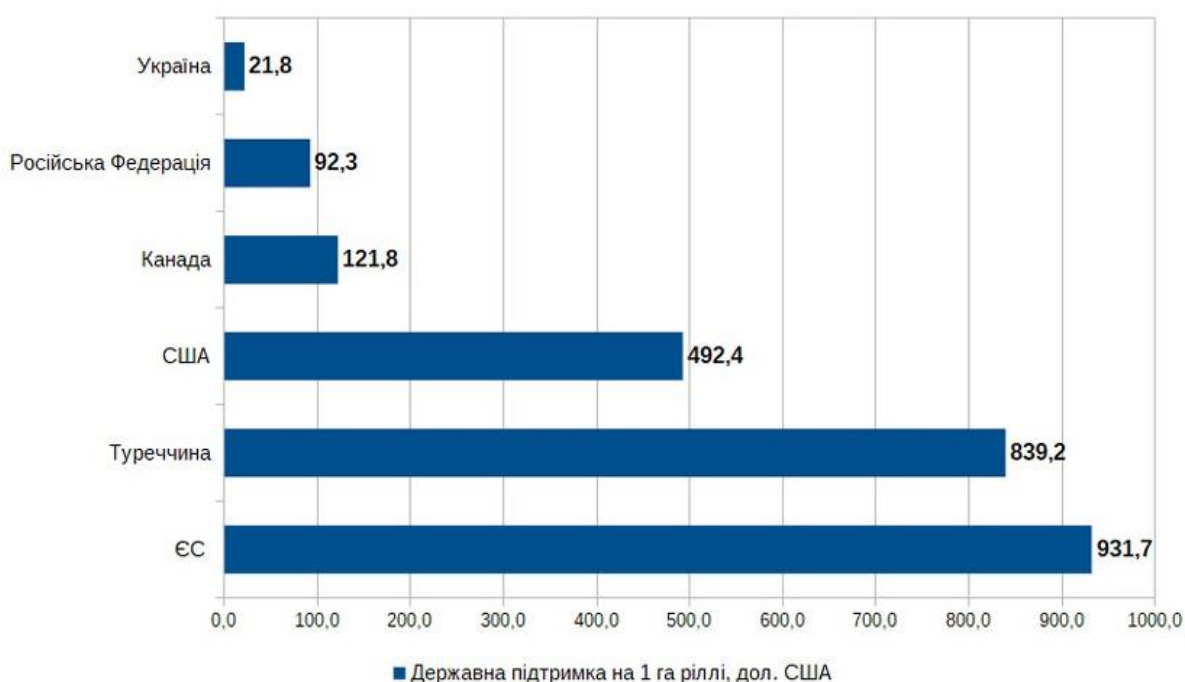
During recent years agriculture and agricultural producers in Ukraine received marginal state support. The domestic agricultural sector, according to OECD experts, in some years had a negative value of total support for agriculture, due to its significant reduction in recent years due to the deteriorating financial and economic situation in the country, the

devaluation of the national currency and limited state budget.

In general, the general trends of recent years are the reduction of direct support for agricultural producers in many countries around the world. However, even with its reduction, this level of support is significantly higher than that of domestic farmers. Therefore, the state must take into account these circumstances and develop an effective mechanism for equalizing the support of domestic agricultural producers in order to provide them with a competitive advantage with foreign farmers who have a much higher level.

You can also compare the amount of state support for agriculture in some countries per 1 hectare of arable land.

Fig. 1. State support of agriculture in the world and in Ukraine



*Source: compiled according to the analysis of information from the OECD and the State Budget of Ukraine*

As can be seen from the analysis, the highest level of state financial support per 1 ha of arable land in the EU and Turkey, which is, respectively, 931.7 and 839.2 dollars. In the US, this figure reaches about 492.4 dollars, and in Canada - 121.8 dollars. USA.

The purpose of the current agrarian policy of Ukraine is to guarantee food security of the country, to create a modern competitive agro-industrial production, to enter the agro-industrial market of the world. Of course, none of these areas can be implemented without state financial support for the development of the agricultural sector of the economy. According to Ukrainian legislation, the share of expenditures on financing agriculture must be at least 5 percent of the expenditure part of the State budget. As can

be seen from Annex 1, the actual amount of funding does not reach the declared indicators.

## **2. ANALYSIS OF THE PROCESS OF FORMULATING THE STRATEGIC NEEDS OF STATE SUBSIDIES EXPRESSED BY FARMERS**

According to Article 33 of the Budget Code of Ukraine<sup>2</sup>, the Ministry of Finance of Ukraine annually together with other chief administrators of the state budget in accordance with the goals and priorities set out in the annual message of the President of Ukraine to the Verkhovna Rada of Ukraine on the internal and external situation of Ukraine. Program documents of economic and social development, draws up the Budget Declaration - a document of medium-term budget planning, which defines the principles of budget policy and indicators of the state budget for the medium term and is the basis for drafting the State Budget of Ukraine and local budget forecasts

In accordance with the Budget Declaration and the requirements of the instruction on preparation of budget requests (Article 35 of the Budget Code of Ukraine) taking into account medium-term activity plans, reports on implementation of budget program passports, results of budget programs efficiency assessment, conclusions on control measures carried out by authorized bodies monitoring compliance with budget legislation, decisions of the Cabinet of Ministers of Ukraine based on the results of the review of state budget expenditures within the timeframe and procedure established by the Ministry of Finance of Ukraine, chief budget managers ensure budget requests and submit to the Ministry of Finance of Ukraine.

The main managers of budget funds include in the budget requests the amount of long-term liabilities for energy services for the relevant budget periods, indicators for budget programs that provide for several years of investment projects, if approved or selected in the manner prescribed by law and based on cost estimates and benefits for the implementation of such investment projects, and / or signed agreements with foreign countries, foreign financial institutions, international financial organizations.

Accordingly, the Ministry of Finance of Ukraine at any stage of drafting and consideration of the draft State Budget of Ukraine analyzes the budget request submitted by the chief administrator of budget funds for its compliance with the Budget Declaration, as well as the efficiency of budget funds, including reports on passports budget programs, the results of the evaluation of the effectiveness of budget programs, conclusions on the results of control measures carried out by the bodies authorized to monitor compliance with budget legislation, decisions of the Cabinet of Ministers of Ukraine on the results of the state budget expenditures.

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<sup>2</sup> <https://zakon.rada.gov.ua/laws/show/2456-17#n718>



Based on the results of the analysis, the Minister of Finance of Ukraine decides to include the budget request in the draft State Budget of Ukraine before submitting it to the Cabinet of Ministers of Ukraine.

Consideration and approval of the State Budget of Ukraine takes place in the Verkhovna Rada of Ukraine and then submitted to the President for signature.

### **2.1. Who raises their voice?**

Determining the directions and mechanisms of state support, the last 2-3 years, is carried out with the involvement of industry associations and public associations.

After final coordination with the Associations of areas of state support, the Ministry submits these proposals to the parliamentary hearings of the Agrarian Committee.

At the same time, the lack of coordination of interests of all subjects of public administration and detailed calculations of the effectiveness of a particular area of state support often complicates their coordination at all levels from the Ministry of Finance to the Verkhovna Rada.

Also, the amount of state support directly depends on the level of state budget income of Ukraine.

### **2.2. What are the arguments?**

State support is formed in accordance with the Law of Ukraine "On State Support of Agriculture of Ukraine" (as amended) from 24.06.2004 № 1877-IV, which defines the basics of state policy in budget, credit, pricing, regulatory and other areas of public administration to stimulate agricultural production and agricultural development market, as well as ensuring food security of the population, and other industry laws.

At the same time, proposals from relevant industry associations, public organizations and enterprises on areas and mechanisms for providing state support are considered, but not always taken into account. The associations mainly focus on the priority needs of producers, for example: reduction of cows, reduction of milk production, reduction of fruit and berry production, growth of dairy and fruit and vegetable imports, restoration of domestic irrigation networks, land reclamation, simplification of mechanisms support, state support of personal farms, reduction of interest rates on loans, etc.

### **2.3. Examples of documents / processes**

Budget request for 2018 - 2020 (*Annex 2*).

### **3. ANALYSIS OF THE PROCESS OF MEETING THE STRATEGIC NEEDS OF STATE SUBSIDIES (EXPRESSED BY FARMERS) BY THE GOVERNMENT OF UKRAINE**

#### **3.1. Reference to the general strategy of state financing of economic development?**

Today in Ukraine there is no officially approved strategic or program document that would regulate the development of agriculture and rural areas, which provides for the absence of an officially declared long-term vision and measurable goals with which key performance indicators of state support or budget programs could be consistent. As a result, support programs for agricultural producers are developed chaotically, without proper public discussion and justification, so we can observe how the directions of support change every year.

Currently, the Ministry of Agrarian Policy in developing budget programs to support agricultural producers is guided by the relevant legislation (below) and the Concept of the State Target Program for Agricultural Sector Development until 2022<sup>3</sup>, which was approved by the Cabinet of Ministers of Ukraine on December 30, 2015 № 1437-r.

The purpose of the concept is to create organizational and economic conditions for effective socially oriented development of the agricultural sector of Ukraine and increase its competitiveness through efficient use of natural and human resources, stimulating the development of small and medium producers and rural families to commodity agricultural production, education, equality all producers in access to financial resources, improvement of forms and methods of state support, its transparency, predictability and systematization.

The proposed ways to solve the problems of agricultural sector development are, among others:

- development of measures to improve the taxation system, introduction of new state support instruments based on the principles of publicity and transparency of public finances, increasing the effectiveness of government agencies in the agricultural market;
- preventing the use of incentives, including subsidies that harm biodiversity, and introducing positive incentives for the conservation and sustainable use of biodiversity;
- improvement of the credit security system, as well as the development of state support for agricultural risk insurance;

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<sup>3</sup> <https://zakon.rada.gov.ua/laws/show/1437-2015-%D1%80#Text>

- providing support for farms, small and medium-sized agricultural producers and agricultural cooperatives created by them;
- promoting the creation of new facilities for the production and deep processing of agricultural products and modernization of existing ones, in particular in the field of organic production, horticulture, animal husbandry, viticulture, baby food, etc;
- exercising control over the use and protection of agricultural lands, introduction of economic incentives for the user (owner) of land for the rational use and protection of agricultural lands;
- implementation of measures to combat agricultural land degradation and desertification, including monitoring and agrochemical certification, conservation of low-productivity and man-made contaminated lands, introduction of energy-saving and energy-saving technologies, as well as modern food systems, restoration and development of reclamation systems;
- providing domestic agricultural producers with modern breeding, breeding (genetic) resources and increasing the potential of their exports, improving and ensuring effective maintenance of the state register of farm animals, introduction of a system for assessing and determining the breeding value of animals, breeding records through automated information databases on breeding (genetic) resources;
- ensuring the preservation of genetic diversity of cultivars of plants, agricultural and domesticated animals and their wild relatives in order to minimize genetic erosion and preserve agrobiodiversity;
- stimulating the diversification of the agricultural sector of the economy, which will contribute to the integrated development of rural areas;
- stimulating the creation and functioning of associations of agricultural producers, in particular through the delegation of powers to self-regulatory organizations in the agro-industrial complex;
- expanding the activities of agricultural advisory services focused on direct work with the rural population, which will facilitate the adaptation of small and medium-sized agricultural producers to competitive economic conditions;
- implementation of applied scientific and scientific and technical developments;
- introduction of a system of business consultations in real time to address trade issues in the EU market.

At the same time, the adopted Concept is rather declarative, as it does not offer mechanisms for implementing the state agricultural policy, does not provide financial support, and the State target program for the development of the agricultural sector of

the economy has not been developed. Therefore, there are no priorities of state support for the medium and long term, which, in turn, does not allow for long-term budget planning of state support for the agro-industrial complex and does not ensure the full development of the industry based on modern innovative technologies. The measures currently being implemented by the Ministry of Agrarian Policy testify to the short-term focus of state support for the agricultural sector.

### **3.2. What are the arguments? The results of the market deficit analysis?**

Modern market economy requires an optimal combination of government regulation and market levers; accordingly, it necessitates the development of theory and improvement of the practice of state influence on micro- and macroeconomic processes in the agricultural sector and related industries. It is extremely important that this state support be targeted, long-term, effective and take into account the positive experience, both national and foreign. At the end of 2020, conceptual approaches to support farmers for the medium (three-year) period were presented at the state level<sup>4</sup>. Thus, to support the agricultural sector for the period 2021-2023, it is planned to continue as the main priorities that have already proven their economic efficiency in previous years: livestock, horticulture, farming, cheaper equipment and loans, adapted programs to new conditions and needs of producers, and added such areas as crop insurance, support for niche and organic production, beekeeping. In addition, the livestock support program for 2021-2023 provides for special budget grants to renovate farms and complexes, change the structure of production, improve the quality of livestock, support biodiversity and biosecurity.

It provides support for the development of horticulture, viticulture and hop-growing by partially reimbursing the cost of purchasing planting material of fruit and berry crops, grapes and hops, construction of wallpaper and installation of drip irrigation systems and the purchase of materials needed for such work. There are also subsidies for new construction and reconstruction of refrigerators, primary processing shops, facilities for freezing fruits and berries, purchase of product processing lines, automated lines for their drying and processing. The program of support for farming in Ukraine includes such areas as: compensation for the purchase of agricultural machinery, compensation for consulting services, providing a budget subsidy per unit of arable land to newly established farms, subsidies for dairy cows, surcharge of the single social security contribution. members / heads of family farms, providing interest-free loans. And also a new direction is added - support for the development of organic production. Financial support for agricultural producers will continue to operate through partial compensation of the cost of agricultural machinery and equipment of domestic production purchased for own or on credit.

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<sup>4</sup> <https://www.me.gov.ua/News/Detail?lang=uk-UA&id=7c884469-6b68-4ec0-9c47-05d2c4308e4c&title=UMinekonomikiPrezentuvaliKontseptsiuDerzhpidtrimkiApkNa2021-2023-Roki>

Financial support for farmers will also continue through cheaper loans. In addition, two new areas of such support have been proposed: cheaper loans for the purchase of agricultural land and cheaper insurance payments (premiums) under insurance contracts for agricultural crops against the risk of death, etc.

### **3.3. Evidence-based approaches and relevant legislation?**

In substantiating the areas of support for budget programs, the Ministry uses statistical materials of the State Statistics Service<sup>5</sup>, analytical materials of the Ukrainian Research Institute of Agricultural Productivity<sup>6</sup>, developments of the National Research Center "Institute of Agrarian Economics"<sup>7</sup>.

Mechanisms of state support of the agricultural sector are regulated by the following legislative acts and program documents:

- Budget Code of Ukraine<sup>8</sup> dated 08.07.2010 № 2456-VI;
- Economic Code of Ukraine<sup>9</sup> of January 16, 2003 № 436-IV;
- Law of Ukraine "On Banks and Banking<sup>10</sup>" of 07.12.2000 № 2121-III;
- Law of Ukraine "On the National Bank<sup>11</sup>" of 20.05.1999 № 679-XIV;
- Law of Ukraine "On the State Budget of Ukraine<sup>12</sup>" for the relevant year;
- Law of Ukraine of 24.06.2004 № 1877-IV "On state support of agriculture of Ukraine<sup>13</sup> " (as amended);
- Law of Ukraine of 07.02.2002 № 3023-III "On stimulating the development of domestic engineering for the agro-industrial complex<sup>14</sup>"
- Law of Ukraine of June 19, 2003 № 973 "On Farming<sup>15</sup>";
- Law of Ukraine of July 17, 1997 № 469 "On Agricultural Cooperation<sup>16</sup>";
- Law of Ukraine of June 17, 2004 № 1807 "On Agricultural Advisory Activities<sup>17</sup>";

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<sup>5</sup> <http://www.ukrstat.gov.ua/>

<sup>6</sup> <https://uapp.kiev.ua/institute/pro-institut/polozhennja/>

<sup>7</sup> <http://www.iae.org.ua/institute/history.html>

<sup>8</sup> <https://zakon.rada.gov.ua/laws/show/2456-17#Text>

<sup>9</sup> <https://zakon.rada.gov.ua/laws/show/436-15#Text>

<sup>10</sup> <https://zakon.rada.gov.ua/laws/show/2121-14#Text>

<sup>11</sup> <https://zakon.rada.gov.ua/laws/show/679-14#Text>

<sup>12</sup> <https://zakon.rada.gov.ua/laws/show/294-20#Text>

<sup>13</sup> <https://zakon.rada.gov.ua/laws/show/1877-15#Text>

<sup>14</sup> <https://zakon.rada.gov.ua/laws/show/3023-14#Text>

<sup>15</sup> <https://zakon.rada.gov.ua/laws/show/973-15#Text>

<sup>16</sup> <https://zakon.rada.gov.ua/laws/show/469/97-%D0%B2%D1%80#Text>

<sup>17</sup> <https://zakon.rada.gov.ua/laws/show/1807-15#Text>

- Law of Ukraine of February 26, 2002 № 411 "On Seeds and Planting Material"<sup>18</sup>;
- Law of Ukraine 18.10.2005 № 2982-IV "On the basic principles of state agricultural policy for the period up to 2015"<sup>19</sup>;
- Resolution of the Cabinet of Ministers of Ukraine of September 19, 2007 № 1158 "On approval of the State target program for the development of the Ukrainian countryside for the period up to 2015"<sup>20</sup>;
- Order of the Cabinet of Ministers of Ukraine dated 30.12.2015 № 1437 "On approval of the Concept of the State target program for the development of the agricultural sector of the economy for the period up to 2022"<sup>21</sup>;
- Order of the Cabinet of Ministers of Ukraine dated 13.09.2017 № 664-r "On approval of the Concept of development of farms and agricultural cooperation for 2018-2020"<sup>22</sup>;
- Order of the Cabinet of Ministers of Ukraine dated 23.09.2015 № 995-r "On approval of the Concept of rural development"<sup>23</sup>;
- Order of the Cabinet of Ministers of Ukraine dated 19.07.2017 № 489-r "On approval of the action plan for the implementation of the Concept of rural development"<sup>24</sup>;
- The Government's priority action plan for the respective year<sup>25</sup>.

Also annually, by separate resolutions of the Cabinet of Ministers of Ukraine, the order of use of budgetary funds is defined.

State support is provided in various areas, but is always nationwide.

The main law according to which the state support is formed is the law "On state support of agriculture of Ukraine", however, we have a number of laws governing the agricultural sector have duplicative functions, so in our opinion, it is necessary to conduct an inventory of current legislation and develop a single law that would regulate the development of agriculture and rural areas and determine the directions of mechanisms, monitoring of state support, etc.

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<sup>18</sup> <https://zakon.rada.gov.ua/laws/show/411-15#Text>

<sup>19</sup> <https://zakon.rada.gov.ua/laws/show/2982-15#Text>

<sup>20</sup> <https://zakon.rada.gov.ua/laws/show/1158-2007-%D0%BF#Text>

<sup>21</sup> <https://zakon.rada.gov.ua/laws/show/1437-2015-%D1%80#Text>

<sup>22</sup> <https://zakon.rada.gov.ua/laws/show/664-2017-%D1%80#Text>

<sup>23</sup> <https://zakon.rada.gov.ua/laws/show/995-2015-%D1%80#Text>

<sup>24</sup> <https://zakon.rada.gov.ua/laws/show/489-2017-%D1%80#Text>

<sup>25</sup> <https://www.kmu.gov.ua/npas/pro-zatverdzhennya-planu-prioritetni-a1133r>

### **3.4. Examples of documents / processes**

Please see Annex 3.

### **3.5. Methodology of the financing process (road map) - from the announcement to the receipt of money on the farm**

In the State Budget, in accordance with the budget declaration and budget request, for the relevant year, funds are provided to support agricultural producers.

Accordingly, the Ministry of Agrarian Policy and Food forms the procedures for the use of funds, approves the budget program passport and distributes by areas.

The main administrator of budget funds and the responsible executor of the budget program is the ministry.

If the procedures for the use of funds provide for the submission of documents to the structural units of regional state administrations that ensure the implementation of functions on agro-industrial development, and are managers of lower-level budget funds, the ministry distributes budget funds by regions.

Deadlines for submission of documents are determined by the order of use of funds. Consider the process of financing businesses on the example of state support for livestock development and processing of agricultural products <sup>26</sup>

State support for the development of animal husbandry and processing of agricultural products includes the following areas:

- special budget subsidy for existing bee colonies (hereinafter - subsidy for bee colonies);
- partial reimbursement of the cost of breeding animals purchased for further reproduction, namely heifers, heifers, dairy cows, dairy-meat and meat production direction, pigs and boars, ewes, rams, bright, goats, goats, goats, goats, bee packages, queen bees, sperm of bulls and boars and bovine embryos that have breeding (genetic) value (hereinafter - partial reimbursement of the cost of breeding animals, bees, sperm and embryos);
- partial reimbursement of the cost of construction and / or reconstruction of livestock farms and complexes, fish farms, milking parlors, agricultural processing enterprises (hereinafter - partial reimbursement of the cost of facilities);
- partial compensation for the cost of construction and / or reconstruction of livestock farms and complexes, milking parlors, agricultural processing enterprises in terms of costs financed without value added tax through bank loans (hereinafter

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<sup>26</sup> <https://zakon.rada.gov.ua/laws/show/107-2018-%D0%BF#Text>

- compensation for the cost of facilities financed from bank loans);
- partial reimbursement of the cost of construction and / or reconstruction of grain storage and processing enterprises (hereinafter - partial reimbursement of the cost of grain storage and processing facilities);
- special budget subsidy for keeping goats, goats, ewes, ewes (hereinafter - the subsidy for keeping goats and sheep);
- special budget subsidy for the increase in the number of cows of own reproduction (hereinafter - the subsidy for the increase of cows).

### **Support algorithms:**

**1) Subsidy for existing bee colonies** - is provided on a non-refundable basis to legal entities, natural persons-entrepreneurs and natural persons who are owners of bee colonies, for existing in the current year from 10 to 300 bee colonies, in the amount of 200 hryvnias per bee colony. The maximum amount of the grant is UAH 60,000 per recipient.

***Step 1.*** Prepare documents for obtaining a grant for a bee colony:

- a copy of the veterinary and sanitary passport of the apiary;
- a copy of the decision on state registration of capacity;
- a copy of the certificate of opening a current account issued by the bank (business entities);
- a copy of the certificate or agreement on opening a bank account (individuals);
- a copy of the passport of a citizen of Ukraine (individuals);
- a copy of the document certifying registration in the State Register of Individuals - Taxpayers (except for individuals who due to their religious beliefs refuse to accept the registration number of the taxpayer's account card and notified the relevant body of revenues and fees and have a mark in the passport) (individuals);
- a copy of the report on the production of livestock products and the number of farm animals (form 24-agriculture) on the last reporting date at the time of submission of documents (business entities that are legal entities);
- certificate issued by the local government on the registration of the apiary indicating the number of available bee colonies on the last reporting date at the time of submission of documents (individuals and individuals - entrepreneurs, including family farms).

***Step 2.*** Submit documents by October 1 of the current year at the location of the apiary to the executive body of the relevant village, town, city council.



**Step 3.** Receive budget funds for bank accounts.

***We pay attention:*** *The basis for the entry of local governments in the information on obtaining a subsidy for bee colonies is the registration of the capacity of an individual or business entity that owns bee colonies in the State Register of Capacities of Market Operators.*

*To obtain state registration of market operators' capacity, an application is submitted to the territorial body of the competent authority at the address of capacity (order of the Ministry of Agrarian Policy and Food of Ukraine dated 10.02.2016 № 39).*

*The veterinary-sanitary passport of the apiary is issued by the territorial body of the competent authority at the place of residence of the apiary owner or the location of the apiary in writing or electronically (with a qualified electronic signature) and is a document that identifies the apiary and establishes the veterinary-sanitary development, trade and agriculture of Ukraine from 19.02.2021 № 338, registered in the Ministry of Justice of Ukraine on March 4, 2021 for № 280/35902).*

*The subsidy for bee colonies to business entities that are legal entities is accrued for the number of bee colonies indicated in the form № 24 (annual) and confirmed by the veterinary-sanitary passport of the apiary.*

*Subsidies for bee colonies to individuals and natural persons - entrepreneurs, in particular family farms, are calculated on the number of bee colonies indicated in the veterinary passport of the apiary, which was inspected by the State Food and Consumer Service in the current year.*

**2) Reimbursement of the cost of purchased breeding animals, bees, sperm and embryos** - is provided to legal entities and natural persons-entrepreneurs regardless of organizational and legal form and form of ownership for purchased by them domestic or imported breeding animals, bees, sperm and embryos in the amount of up to 80% (excluding value added tax), but not more than:

- for breeding heifers, heifers, cows - UAH 50,400 per head;
- for breeding pigs and boars - UAH 16,000 per head;
- for breeding ewes, sheep, bright - 17,600 UAH per head;
- for breeding goats, goats, goats, goats - 17,600 UAH per head;
- for semen of bulls / boars - 160 UAH per dose (not more than 3 doses per head of cattle and 5 doses per head of pigs), sex - 480 UAH per dose not more than 1 dose per head;
- bees - bee packages - UAH 800, queen bees - UAH 160;
- for cattle embryos - UAH 800 per piece.

**Step 1.** Purchase for further reproduction of breeding animals, bees, semen and embryos in the period from October 1 of the previous year to September 30 of this year.

**Step 2.** Prepare documents for obtaining partial reimbursement of breeding animals, bees, sperm and embryos:

- application;
- certificate of opening a current account issued by the bank;
- certified by the signature of the head of the business entity copies of relevant payment documents, as well as invoices, invoices for payment, warrants for sperm, contracts of sale of livestock;
- a copy of the act of transfer (sale) and purchase of livestock under the contract (except for animals, bee packages and queen bees that were imported under the import regime), certified by the signature of the head of the business entity;
- a copy of the report on the production of livestock products and the number of farm animals (form 24-agriculture) on the last reporting date at the time of submission of documents (business entities that are legal entities);
- copies of breeding certificates (certificates) or certificates of breeding (genetic) resources, certified by the signature of the head of the business entity;
- copies of breeding boar cards (form № 1-pig), certified by the signature of the head of the business entity, - for partial reimbursement of the cost of boar semen;
- certificate of fetal embryo transfer, issued by the embryo transplantation enterprise (laboratory) - for partial reimbursement of the cost of cattle embryos;
- statement of artificial insemination of uterine livestock, which is compiled on the basis of data from artificial insemination journals (forms № 3-cattle, № 4-pigs defined by the relevant instructions for breeding records), certified by the signature of the head of the business entity, - for partial reimbursement of the cost of sperm of bulls, boars;
- a written commitment to return to the state budget within a month the budget in the event of a reduction in livestock as of January 1 of the next two years - to receive partial reimbursement of the cost of breeding animals.

Additionally, for those imported in import mode:

- a copy of the relevant contract;
- a copy of the invoice, payment documents, certificates;
- a copy of the customs declaration.

**Step 3.** Submit an application and documents to the commission of the Ministry of

Agrarian Policy by October 10 of the year.

**Step 4.** Receive funds in bank accounts.

*\* Partial reimbursement of breeding animals, bees, semen and embryos is carried out on a non-refundable basis once a year.*

**Please note:** *in case of reduction of the number of purchased animals, the cost of which was partially reimbursed, as of January 1 of the next two years, the received budget funds are returned to the state budget in full in the manner prescribed by law.*

*In case of departure from the herd as of January 1 of the next two years of individual purchased animals, the value of which was partially reimbursed, for reasons caused by acquired quarantine infectious diseases or acquired through the fault of the owner non-communicable diseases, budget funds paid as compensation for their acquisition, returned by the business entity to the state budget.*

**3) Reimbursement of the cost of objects** - provided to legal entities regardless of the organizational and legal form and form of ownership and natural persons-entrepreneurs, including family farms in the amount of up to 50% of the value, and agricultural cooperatives in the amount of up to 70% of the value.

**For reference:** *facilities - livestock farms and complexes for keeping (breeding and breeding) of farm animals, poultry, aquaculture facilities (on fish farms), milking parlors, enterprises for processing agricultural products (including for the production of food products m ' clear, fish, dairy) and / or by-products of animal origin belonging to categories II and III.*

**Step 1.** Complete the construction and / or reconstruction phase of the facility in November-December 2020 and January-October this year.

**Step 2.** Prepare the following documents:

- application with the number and date of the document confirming the commissioning of the completed facility;
- certificate of opening a current account issued by the bank;
- a copy of the estimated part of the project documentation certified by the head's signature;
- a copy of the operating permit certified by the signature of the head of the business entity (for partial reimbursement of the cost of construction and / or reconstruction of the enterprise for processing agricultural products).
- standard form № FA-1 "Act of acceptance-transfer (internal transfer) of fixed assets" (for facilities put into operation in the current year, including equipment) - for partial reimbursement of the cost of construction of facilities;

- standard form № FA-2 "Act of acceptance-delivery of repaired, reconstructed and modernized objects" - for partial reimbursement of the cost of reconstruction of objects.

***Importantly!*** To receive partial reimbursement of up to 70% of the value of agricultural cooperatives, in addition to the above documents, submit a copy of the statute of the agricultural cooperative, certified by the signature of the head of the cooperative, and a list of its members valid on the date of application.

**Step 3.** Submit an application and documents to the commission of the Ministry of Agrarian Policy by November 15 of the current year.

**Step 4.** Receive funds in bank accounts.

**Please note:** in case of construction and / or reconstruction of purchased objects (queues and / or start-up complexes) of unfinished construction, only the cost of construction and / or reconstruction is subject to partial reimbursement without taking into account the cost of unfinished construction before work.

The cost of construction and / or reconstruction of the object is reimbursed, provided by the design and estimate documentation and confirmed by the value of fixed assets in accordance with the acts of acceptance-transfer (internal transfer) of fixed assets (№ FA-1, № FA-2).

\* Business entities shall submit information on objects, the cost of which has been partially reimbursed, in accordance with the established form, by January 15 of each year within three years after receiving the budget funds of the Ministry of Agrarian Policy.

**4) Compensation for the value of objects financed by bank loans** - is provided only to those entities that received such compensation in 2018 - 2019 in the amount of 25% of the amount of borrowed funds for a loan period of up to 5 years.

*Reference: loans raised for the construction and / or reconstruction of livestock farms and complexes for cattle, pigs, poultry (including waterfowl and turkeys), milking parlors, agricultural processing enterprises (milk, meat) and / or by-products of animal origin belonging to categories II and III, including the cost of equipment in accordance with the design and estimate documentation.*

**Step 1.** From 2018, attract a loan of no more than UAH 500 million from an authorized bank and be the recipient of compensation in 2018-2019.

**Step 2.** Prepare for submission an application and originals and copies of documents:

- supporting documents on the use of credit funds;
- consent to provide the Ministry of Agrarian Policy with information about the borrower that constitutes a bank secret or contains personal data.

**Step 3.** Submit quarterly by the 10th day of the next period no later than December 1 of the current year, and for December 2020 - by July 10 of the current year, the bank with which the loan agreement is concluded, an application with documents.

**Step 4.** Receive funds on the current account.

**Necessarily!** The memorandum is signed with authorized banks selected in accordance with the Procedure for selection of banks through which pensions, cash benefits, compulsory state social insurance and salaries are paid to employees of budgetary institutions, approved by the Cabinet of Ministers of Ukraine on September 26, 2001<sup>31</sup>. (Official Gazette of Ukraine, 2001, № 39, p. 1762; 2020, № 6, p. 278, № 33, p. 3004).

**Please note:** that the value of the objects is reimbursed quarterly.

*In case of alienation or misuse of facilities, including equipment in accordance with the design and estimate documentation, financed by bank loans, the business entity must return the received budget funds.*

**5) Reimbursement of the value of grain storage and processing facilities** - will be provided to agricultural producers by legal entities whose main activity is the supply of agricultural goods / services produced by them on their own or leased fixed assets, and the share of agricultural goods / services is not less than 75 percent all goods supplied by them for the previous tax (reporting) year to newly formed agricultural producers who carry out economic activity for less than 12 calendar months, based on the results of each reporting period on a non-refundable basis in the amount of up to 50 percent of the value.

*Reference: grain storage and processing facilities - forage storages, elevators, mechanized granaries, grain cleaning and grain cleaning and drying points, enterprises for the production of feed mixtures.*

**Step 1.** Complete the construction and / or reconstruction phase of the facility in November-December 2020 and January-October this year.

**Step 2.** Submit to the Ministry of Agrarian Policy by October 15 a notice of intention to receive a partial refund of the cost of grain storage and processing facilities.

**Step 3.** Prepare the following documents:

- an application indicating the number and date of the document confirming the commissioning of the completed facility;
- certificate of opening a current account issued by the bank;
- a copy of the estimated part of the project documentation certified by the head's signature;
- standard form № FA-1 "Act of acceptance-transfer (internal transfer) of fixed

assets" (for facilities put into operation in the current year, including equipment) - for partial reimbursement of the cost of construction of grain storage and processing facilities;

- standard form № FA-2 "Act of acceptance-delivery of repaired, reconstructed and modernized objects" - for partial reimbursement of the cost of reconstruction of grain storage and processing facilities;
- a certificate valid on the date of application on the acquisition (confirmation) of the status of a single taxpayer of the fourth group, issued by the local supervisory authority, and a calculation of the unit value of supplied agricultural goods / services produced by it on its own or leased fixed assets, which is not less than 75 interest on the value of all goods / services supplied by him for the previous tax (reporting) year, certified by the controlling body at the place of the main tax accounting of the agricultural producer.

**Step 4.** Submit an application and documents to the commission of the Ministry of Agrarian Policy by November 15 of the current year.

**Step 5.** Receive funds in accounts opened with the bank.

**Please note:** *in case of construction and / or reconstruction of purchased unfinished construction facilities for storage and processing of grain, only the cost of construction and / or reconstruction is subject to partial reimbursement without taking into account the value of the unfinished construction object before the works.*

*The cost of construction and / or reconstruction of the object is reimbursed, provided by the design and estimate documentation and confirmed by the value of fixed assets in accordance with the acts of acceptance-transfer (internal transfer) of fixed assets (№ FA-1, № FA-2).*

*\* Agricultural producers shall submit information on grain storage and processing facilities, the cost of which has been partially reimbursed, in accordance with the established form, by January 15 of each year within three years after receiving the budget funds of the Ministry of Agrarian Policy.*

**6) Goat and sheep maintenance subsidy** - is provided to legal entities regardless of the organizational and legal form and form of ownership and to individual entrepreneurs, in particular family farms that own goats and sheep, for each available as of January 1, 2021 identified and registered in in the established order a goat, a goat, a bright, ewe in the amount of 1000 hryvnias for one head

**Step 1.** Prepare documents for obtaining a subsidy for the maintenance of goats and sheep:

- application;

- certificate of opening a current account issued by the bank;
- a copy of the report on the production of livestock products, the number of farm animals and their supply of feed (form № 24 (annual)) as of January 1 (business entities that are legal entities);
- copies of registration certificates of sheep / goats issued in accordance with the established procedure, and in case of keeping 10 or more heads - an extract from the Unified State Register of Animals issued in accordance with the established procedure.

**Step 2.** Submit documents by July 1 of the current year to the structural units of regional state administrations that ensure the implementation of functions on agro-industrial development.

**Step 3.** Receive budget funds for bank accounts.

**Please note:** to accrue a subsidy for the maintenance of goats and sheep to economic entities that are legal entities and owners of goats and sheep, the subsidy is calculated on the number of livestock specified in the form № 24 (annual) and confirmed by the Administrator of the Unified State Register animals.

To calculate the subsidy for the maintenance of goats and sheep to economic entities that are natural persons-entrepreneurs, in particular family farms, and owners of goats and sheep, the subsidy is calculated for the number of livestock specified in the Unified State Register of Animals as of 1 January of this year.

In the event of a decrease in the number of goats and sheep on January 1 of the following year compared to the population for which a subsidy was received for the maintenance of goats and sheep, the budget funds received by economic entities that own goats and sheep are returned to the state budget in full.

**7) Growth subsidy for cows** - is provided to business entities that are legal entities and owners of cows, for each available incremental cow of own reproduction, which increased the main herd as of July 1 of this year compared to the existing herd of cows as of January 1 of this year in the amount of 30,000 hryvnias per head.

**Step 1.** Prepare documents for obtaining a subsidy for the growth of cows:

- application;
- certificate of opening a current account issued by the bank;
- a copy of the report on the production of livestock products, the number of farm animals and their supply of feed (form № 24 (annual)) as of January 1;
- a copy of the report on the production of livestock products and the number of farm animals (form 24-agriculture (monthly)) for January-June this year;

- duly issued extract from the Unified State Register of Animals on the total number of available identified and duly registered cows, including cows born on the farm of a business entity that is a legal entity and owner of cows, as of January 1, and July 1 of this year.

**Step 2.** Submit documents by September 1 of this year to the structural units of regional state administrations that ensure the implementation of functions on agro-industrial development.

**Step 3.** Receive budget funds for bank accounts.

**Please note:** *the subsidy for the growth of cows to economic entities that are legal entities and owners of cows is accrued on the difference between the number of cows available as of July 1 of the current year and the number of cows kept as of January 1, born on the owner's farm. confirmed by an extract from the Unified State Register of Animals, provided that the total number of the main herd is not reduced.*

*In case of reduction of livestock of own reproduction of cows for which the subsidy for growth of cows was received as of January 1 of the next two years the received budgetary funds are returned by the business entity which is the legal entity and the owner of cows to the state budget in full in the established legislation of the order.*

*In case of withdrawal from the herd as of January 1 of the next two years of individual bred cows, which received a subsidy for the growth of cows, due to acquired quarantine infectious diseases or acquired through no fault of the owner non-communicable diseases, budget funds paid as a subsidy for growth of cows, returned by the business entity, which is a legal entity and owner of cows, to the state budget.*

*\* Entities shall submit to the structural subdivisions by January 15 of each year, within two years of receiving budget funds, information on the available number of cows as of January 1 of the current year, including the increased number of cows of own reproduction for which the cow growth grant was received.*

**Information for farms!** Farms have the right to choose to receive either a subsidy for the growth of cows or a special budget subsidy for keeping cows in all areas of productivity from the budget program (2801580) "Financial support for agricultural producers" in the direction of "Financial support for farm development". Those farms that apply for a special budget subsidy for keeping cows in all areas of productivity under the Procedure for the use of funds provided in the state budget to provide financial support for the development of farms (Resolution of the Cabinet of Ministers of 07.02.2018 № 106), can not apply for receiving a subsidy for the growth of cows under the terms of this Procedure.



#### **4. DEVELOPMENT OF FINANCING AND ACTUAL USE OF PUBLIC FUNDS FOR THE AGRICULTURAL SECTOR OF UKRAINE (ACCORDING TO THE LAST 10 YEARS OF THE STATE PROGRAM), STRUCTURED BY SUBSECTORS**

The domestic agricultural sector has an extremely high potential, but at the same time, farmers need state support for its implementation.

In world practice, there are no examples when any branch of the national economy has demonstrated success without investment and, above all, without state assistance.

During all the years of independence of Ukraine, the state has allocated small funds for the development of agricultural producers. State support for agriculture during 2007-2016 was provided by small amounts of state support and preferential payment of value added tax (hereinafter - VAT), which was quite noticeable in terms of volume of preference. According to OECD calculations, until 2016 the lion's share of state support for agriculture came to enterprises not as direct state subsidies, but in the form of tax benefits.

In particular, the special VAT regime for activities in the field of agriculture, forestry and fisheries allowed not to pay to the budget the difference between the tax liability and the tax credit, but to use this difference for the purchase of production resources.

Reserves of state support for the agricultural sector from the special VAT regime amounted to almost 25 billion hryvnias each year.

In addition to the special VAT regime, farmers were exempted from a significant part of taxes for several years, paying a fixed agricultural tax instead. In 2016, transitional provisions were introduced for them, according to which the mechanism for payment of accrued VAT liabilities was as follows:

- operations with grain and industrial crops bring 85 percent to the state budget, 15 percent go to a special account;
- operations with livestock products - 20 percent to the state budget, 80 percent are sent to a special account;
- operations with other agricultural goods and services - 50 percent to the state budget, 50 percent are sent to a special account.

After the abolition of the special value added tax regime on January 1, 2017 (in accordance with the requirements of the International Monetary Fund), the Ministry of Agrarian Policy proposed to replace the special regime with a new form of state support. In particular, paragraph 42 of Section VI "Final and Transitional Provisions" of the Budget

Code of Ukraine<sup>27</sup> in 2017-2021 sets the annual amount of the State Budget of Ukraine, which is directed to state support of agricultural producers, at least 1 percent of agricultural output. Based on the amount of funds provided in the state budget for programs to support the development of the agro-industrial complex, and taking into account the priorities set by the Government. Procedures for the use of budget funds under the relevant programs, which determine the conditions and amounts of state support are approved annually by resolutions of the Cabinet of Ministers of Ukraine.

From January 1, 2017, agricultural enterprises - VAT payers switched to the general system of accrual and payment of this tax, ie all amounts of liabilities were paid in full to the state budget. Thus, the special tax regime for agricultural producers was effectively abolished.

In order to partially compensate farmers for the loss of the special regime, a new mechanism of state support was introduced - a budget subsidy for the development of agricultural producers and stimulating the production of agricultural products. The main principles of its provision are enshrined in Article 16<sup>1</sup>, Section V, of the Law of Ukraine "On State Support of Agriculture of Ukraine"<sup>28</sup>.

Accordingly, to increase the amount of state support for specific economic entities in the agro-industrial complex, the Ministry of Agrarian Policy has developed a number of government programs, the funds of which are allocated for the development of agro-industrial complex, including programs: 2801030 - "Financial support of agro-industrial complex measures"; 2801230 - "Financial support for the development of farms"; 2801350 - "State support for the development of hop growing, establishment of young orchards, vineyards and berries"; 2801540 - "State support of the livestock industry"; 2801580 - "Financial support of agricultural producers", etc.

The dynamics of the volume of state support for agricultural producers is shown in Table 3. As can be seen from the table, expenditures on state support for agricultural producers are represented by various areas that have been adjusted and changed over a ten-year period. Until 2015, state support was provided within the framework of tasks and measures to implement the State Target Program for the Development of Ukrainian Villages for the period up to 2015<sup>29</sup>. (*Annex 4*).

Assessing the dynamics of expenditures of the State Budget of Ukraine for the analyzed period, it should be noted that the amount of state support for agricultural development is unstable and until 2015 was financed mainly by a special fund, which slightly increased risks to farmers' ability to receive real funds. It can also be noted that in 2015-2016, the state allocated the smallest amount of funds, which is explained by the objective need to

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<sup>27</sup> <https://zakon.rada.gov.ua/laws/show/2456-17#n1827>

<sup>28</sup> <https://zakon.rada.gov.ua/laws/show/1877-15#n437>

<sup>29</sup> <https://zakon.rada.gov.ua/laws/show/1158-2007-%D0%BF#Text>

redistribute public funds to strengthen national security.

#### **4.1. Allocated and paid amounts**

As can be seen from the table, the number of budget programs decreased from 20 in 2011 to 5 in 2020. Expenditures in 2020 for state support decreased by 1.7 times compared to 2010.

Analysis of allocated and used budget allocations in terms of budget programs to support agriculture for 2010 - 2020 (*Annex 5, Annex 6*), we can say that of the total amount of state support allocated annually for agricultural producers in recent years, 70 - 80 percent falls on the programs: "Financial support for measures in the agro-industrial complex by reducing the cost of loans", "Partial compensation for the cost of agricultural machinery and equipment of domestic production", "State support for livestock development and processing of agricultural products".

In 2018, a new program "Financial support of farms" was launched, which provided: ); - partial compensation for the cost of purchased agricultural machinery and equipment of domestic production (UAH 110,92 million in 2018, UAH 195,0 million in 2019); - providing a budget subsidy per unit of cultivated land (1 hectare) - to newly established farms and other farms (UAH 71,73 million in 2018, UAH 126,8 million in 2019); - cheaper loans (UAH 10,946 million in 2018, UAH 87,0 million in 2019); - financial support for agricultural service cooperatives (UAH 8,6 million in 2018, UAH 5,0 million in 2019); - partial compensation of expenses related to the provided agricultural advisory services UAH 0,2 million in 2018, UAH 1,0 million in 2019. In 2020 - only 132,5 million UAH.

The program of financial support of farms accounts for about 6 percent of the total allocated funds.

With regard to state support for the agricultural sector in 2021, according to the Ministry of Agrarian Policy and Food of Ukraine, the following expenditures are provided for state support of the agricultural sector: - Financial support for agricultural producers - UAH 4,500 million, of which: - partial compensation for the cost of agricultural machinery and equipment of domestic production - UAH 1,000 million; - financial support of measures in the agro-industrial complex by reducing the cost of loans - UAH 1,200 million.

Analysis of the state of state financial support for the agricultural sector for the period 2015-2020 also indicates that currently there is almost no implementation of measures aimed at supporting small agricultural enterprises that are most in need of financial resources. That is, there is a monopolization of agricultural production, the formation of large agricultural holdings, which are gradually displacing small producers from the market.

Also, since 2020, the program "Cheap loans 5-7-9%" has been introduced. Within the

framework of support, Ukrainian enterprises with less than 50 employees and a maximum annual income of UAH 50 or 50-100 million can take loans for business development in the amount of up to UAH 1,5 million with a maximum term of 5 years and receive loans with state support to pay interest rates. Interest costs are reduced from 9% to 5%. Loan guarantees are provided for loans to micro and small enterprises that do not have sufficient assets to transfer as collateral for a loan or that are characterized by increased credit risks, such as startups. However, the program is virtually unavailable to small farmers because it is difficult to understand, does not take into account the specifics of the sector, requires quality collateral.

In addition to budget programs of state support, you can also get additional "live" money through agricultural receipts, which allow access to financial resources for the sale of future crops or products to any producer. Today it is probably the simplest tool for raising loans.

#### **4.2. Reasons for changes in amounts**

The main reasons for the change in the amount of state support for the agro-industrial complex are the imperfection of the mechanisms for receiving and distributing budget funds and the violation of budget discipline during their use. Annual changes in the procedure and mechanisms for allocating funds from the state budget, their cumbersomeness, late approval and constant changes during the year, allocation of appropriations at the end of the year, limited budget cause untimely receipt of state financial support, inefficient use and return to the State budget at the end of the year.

#### **4.3. Evaluation of state subsidies for agriculture based on WTO criteria ("green", "yellow", "red")**

According to WTO-approved terminology, state support is divided into certain categories of subsidies according to their impact on production and trade.

"Red box" contains prohibited support measures (for example, non-tariff regulation of trade ).

The "yellow box" combines support measures that directly affect production and trade, are largely limited and must be constantly reduced. It includes measures that are calculated on the basis of an aggregate indicator of support. In particular, concentrated measures to regulate markets (in the domestic market - government interventions, payments for storage in private warehouses; in foreign trade - export subsidies).

The "green box" covers measures that are not subject to mandatory reduction. The green box includes subsidies for research, pest and disease control, training, advisory services, inspections, infrastructure and marketing services, the creation of state reserves to ensure food security, domestic food aid, compensation for disadvantaged areas,

insurance programs and others that are included in the second column of the EU agricultural budget.

Like all WTO members, Ukraine has no restrictions on so-called "green" programs of domestic support for agriculture, provided that these programs meet the conditions set out in the WTO Agreement on Agriculture. The group of measures of the so-called "green box" includes measures of state support that do not cause or cause minimal distortion of trade or production. These measures are financed from the state budget and do not provide support for the producer price.

Government expenditures within the "green box" can be carried out in the following areas:

- promoting the restructuring of agricultural production;
- improvement of land use;
- veterinary and phytosanitary measures, food safety control;
- promoting the sale of agricultural products, including harvesting, processing;
- inspection services, information and consulting services, marketing and advertising services;
- food security programs, procurement at current market prices and maintenance of strategic food stocks;
- improvement of infrastructure (construction of roads, power grids, reclamation facilities) with the exception of operating costs for its maintenance;
- income insurance and security programs;
- environmental protection programs;
- pest and disease control programs;
- compensation payments for natural disasters;
- state research programs;
- training and retraining of personnel;
- providing assistance to producers in disadvantaged regions;
- regional development programs and others.

Ukraine has the right to finance "green box" activities in any necessary amount depending on the budget.

The "yellow box" measures distort trade and production. The WTO Agreement on Agriculture does not have a clear list of support measures included in the "yellow box". Government expenditures within the "yellow box" can be made in the following areas:

- subsidies for livestock products, crop production, breeding livestock, elite seed production, feed;
- reimbursement of part of the costs for mineral fertilizers and plant protection products;
- partial compensation for the cost of complex agricultural machinery of domestic production;
- compensation of part of energy costs;
- price support: compensation for the difference between the purchase and market price of agricultural products;
- providing goods and services to the manufacturer at prices below market;
- purchase of goods (services) from the manufacturer at prices exceeding the market;
- financial support through the mechanism of cheaper loans;
- interest compensation on loans, debt write-off;
- reduction in the cost of insurance premiums;
- financial support for farms;
- financial support for agro-industrial enterprises in particularly difficult climatic conditions;
- benefits for transportation of agricultural products and others.

Due to its position in the negotiations, Ukraine has no obligations to the WTO to reduce domestic support provided through the "yellow" programs, respectively, the volume of their state support can reach up to \$ 3.4 billion. US (or almost UAH 100 billion at current exchange rates). However, even an approximate approximation to such volumes of support was not observed in any year. There is only an obligation not to exceed the agreed annual aggregate measure of support. The aggregate measure of support is the annual amount of all types of government support that are subject to reduction commitments. In addition, Ukraine can spend up to 5% of the annual cost of gross agricultural output and up to 5% of the annual cost of each product on "yellow" programs each year<sup>30</sup>.

In Ukraine, 75 to 80 percent of total support is accounted for by "yellow box" programs, and "green" programs account for 20-25 percent, respectively. In countries with developed agricultural production, this ratio is completely opposite. For example, in Australia, programs that are exempt from the obligation to reduce, ie "green" and

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<sup>30</sup> [https://zakon.rada.gov.ua/cgi-bin/laws/main.cgi?nreg=981\\_005#n181](https://zakon.rada.gov.ua/cgi-bin/laws/main.cgi?nreg=981_005#n181)

development, are allocated 91 percent of state funds, in the United States - 78 percent, EU countries - 59 percent, Brazil and Canada - 53 percent. Therefore, a strategic direction for Ukraine should be to revise the mechanism of state support by expanding non-reducible green basket programs: improving infrastructure, stimulating investment, improving product quality and improving land fertility, creating a state food reserve, marketing and advisory services, etc.<sup>31</sup>

## **5. DESCRIPTION OF THE PROCESS OF MONITORING THE EFFECTIVENESS OF PUBLIC FUNDING**

In accordance with Article 22 of the Budget Code<sup>32</sup>, the Ministry of Agrarian Policy and Food manages budget funds within its budgetary powers and evaluates the effectiveness of budget programs, ensuring efficient, effective and targeted use of budget funds, organization and coordination of lower level budget managers and budget recipients. In the budget process, as well as carries out internal control over the completeness of revenues, budget commitments by managers of lower-level budget funds and recipients of budget funds and their spending of budget funds.

At all stages of the budget process, the ministry evaluates the effectiveness of budget programs. In particular, the structural units of the Ministry responsible for the established budget programs carry out measures to monitor, analyze and control the targeted and effective use of budget funds by managers of lower level budget funds.

Evaluation of the effectiveness of budget programs is carried out on the basis of analysis of performance indicators of budget programs, as well as other information contained in budget requests, estimates, passports of budget programs and reports on the implementation of passports of budget programs.

After conducting such an analysis, the expediency and efficiency of expenditures under budget programs are determined, and, if necessary, approaches to their implementation are changed.

However, the performance of budget program passports may not always be supported by statistical reporting and / or data available to the authorities. Performance indicators of budget program passports are often descriptive, do not agree with program documents, do not determine the level of achievement of strategic priorities, goals and objectives, usually characterize the level of target audience without proper quality indicators of intermediate, direct and long-term impacts, effects and achievements. inefficient use of budget funds.

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<sup>31</sup> <http://www.economy.nayka.com.ua/?op=1&z=3108>

<sup>32</sup> <https://zakon.rada.gov.ua/laws/show/2456-17#n458>

Today it is important to develop a procedure and methodology for monitoring and evaluating the effectiveness of state support programs for agricultural producers in order to further adjust them and the effective use of budget funds for the stable development of agro-industrial sectors.

### **5.1. How well has the studied deficit in agriculture been overcome?**

Ensuring sustainable and efficient agricultural production requires the introduction of modern, proven, scientifically sound and proven in international practice principles and mechanisms of state support for producers, which will strengthen mutual environmental, social and industrial responsibility of all participants in the agro-industrial complex.

The current system of state support in the field of agriculture and rural development is insufficient for:

- promoting the stability of food markets, ensuring the appropriate level of physical and economic accessibility of food products, increasing the level of income of the population employed in agriculture;
- stimulating the development of a diversified and multifunctional agricultural sector in the context of rural development, the creation of alternative sources of income for rural residents as an integral part of rural development policy;
- creating conditions for increasing competition in the market of agricultural products, maintaining the competitiveness of small agricultural producers and integrating them into value chains, insuring their income from various market and agro-climatic risks;
- development of high-tech production of agricultural products with a high share of value added in the cost of such products;
- rational and inexhaustible use of natural resources and reduction of man-caused load of the agricultural sector on the environment;
- proper support and development of the system of general services in agriculture and trade in agro-food products, development of agricultural advisory, development of agricultural education and science, infrastructure of agricultural markets, access to export agri-food markets. State support in the field of agriculture does not create incentives for structural restructuring of the sector, in fact does not stimulate the development of small farming, does not take into account the features and importance for rural development of different types of producers or sectors, their economic, social and environmental importance. markets. The current system of state support needs additional attention in order to level the effects that may distort the competitive conditions of trade or production.



## **5.2. Monitoring results**

Currently, there is no single methodological approach to assessing the effectiveness of state support for agriculture. Improving the classification of the effectiveness of state support for agriculture has shown that each type requires the development of a system of criteria, indicators and special methods for determining efficiency.

One of the most important shortcomings of the procedure of financial control of state financing of the agricultural sector is the lack of legally defined features that could indicate the effective or inefficient use of funds. Control at the present stage focuses mainly on verifying the accuracy of accounting and legality of business transactions.

To increase the efficiency of the use of funds allocated from the budget, it is necessary to set specific tasks and require their implementation from each recipient of budget funds. This will change the direction of control actions towards checking the effectiveness, rather than just the legality of the use of the received allocations, which will allow to improve the subsidy mechanism of the agro-industrial complex.

## **5.3. Consequences of the agricultural subsidy program?**

State support for the development of basic sectors of the agricultural economy should be provided in order to promote access of agricultural producers to investment resources for the formation of food security in the long run and improve living standards.

The introduced system of financing state support of the agro-industrial complex does not provide the legally defined promotion of agricultural viability, its competitiveness in the domestic and foreign markets, guaranteeing food security of the country, strengthening social protection of the rural population. The current system of using the State Budget funds restricts the access of most small agricultural producers to it and does not ensure their efficient use. The main reasons for inefficient use of state budget funds allocated to support the agricultural sector are:

- imperfection of mechanisms for receiving and distributing budget funds and violation of budget discipline in their use. Annual change of procedures and mechanisms for allocating funds from the State Budget, their cumbersomeness, late approval and repeated changes during the year leads to untimely receipt of state financial support and inefficient use and return to the State Budget at the end of the year;
- at the planning stage, the Ministry of Agrarian Policy and Food and the Ministry of Finance allow miscalculations that lead to the leveling of the results of budget programs to support the agricultural sector;
- allocation of appropriations at the end of the year is practiced, which complicates their use and leads to inefficient management of financial resources.

The lack of an effective mechanism for financial support for the development of the agricultural sector leads to the fact that a third of enterprises remain unprofitable for many years. In addition, budget funds allocated to support the agricultural sector do not work, which indicates the insufficient use of one of the state levers of regulation - public financial control. This state of affairs of the industry does not allow to provide expanded reproduction and solve social problems.

It is interesting that despite the allocation of state budget funds to support the development of the agricultural sector of Ukraine, the volume of agricultural production, although growing, but it is slow and solely due to crop production<sup>33</sup>. The reasons for this situation are not least that support for the development of the agricultural sector at the expense of the state budget is not systematic, without taking into account the real needs of producers, funds are often distributed on dubious grounds, which are the result of backroom agreements during preparation and adoption of the state budget. There is also the problem of chronic underfunding of planned expenditures and lack of trust in the state in this area by farmers.

For the effective development of agricultural production in Ukraine and increase its competitiveness, first of all it is necessary to streamline the process of public financing of agriculture, ensure its growth and efficiency, which meets the principles of market economy and approaches to state incentives for agricultural production in other countries.

## **6. OPTIONS FOR FURTHER IMPROVEMENT OF THE STATE SUBSIDY SYSTEM FOR AGRICULTURE**

The imperfection of the existing system of state support is due to the lack of both the State target program for the development of the agricultural sector of Ukraine (economy of the Cabinet of Ministers of Ukraine from 30.12.2015 № 1437 approved only its Concept<sup>34</sup>) and a consistent, comprehensive and stable document analyzing deficits in the agriculture sector and defining on this base priorities for state support of agricultural producers for medium and long term. This, in turn, does not allow for long-term budget planning of state support of the agro-industrial complex and does not ensure the full development of the industry on the basis of modern innovative technologies.

The last program document, which provided for measures to support the agro-industrial complex, was the State Target Program for the Development of Ukrainian Villages for the period up to 2015<sup>35</sup>.

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<sup>33</sup> [http://www.investplan.com.ua/pdf/16\\_2019/12.pdf](http://www.investplan.com.ua/pdf/16_2019/12.pdf)

<sup>33</sup> <https://zakon.rada.gov.ua/laws/show/1437-2015-%D1%80#Text>

<sup>34</sup> <https://zakon.rada.gov.ua/laws/show/1158-2007-%D0%BF#Text>  
<https://zakon.rada.gov.ua/laws/show/1158-2007-%D0%BF#Text>

Improvement of financial mechanisms to support agricultural producers should be preceded by:

- conducting a comprehensive, independent audit of state support in agriculture;
- reorientation of state support for agriculture (in conditions of limited state budget) at the "green box" events;
- development of reliable, specific agriculture statistics, including land statistics, structured by elements of decision making e.g. ownership, size and juridical type of agriculture producers (land users)- development of a system of statistical observations (accounting) of all economic entities operating in rural areas (united territorial community) and the formation of databases of areas and amounts of state financial support for agricultural producers, which will serve to predict and assess the feasibility and effectiveness of such support;
- development of a medium-term (5-7 years) strategic document on agricultural and rural development, taking into account the provisions of the National Economic Strategy for the period up to 2030 and the best European practices;
- delimitation of functions for the formation and implementation of state support policy between different government agencies;
- registering all agriculture producers, e.g. in the State Agrarian Register, interaction agrarian register with other state registers and cadastres, without providing relevant information in paper form;
- formation of a paying institution (possibly by optimizing the activities of the Ukrainian State Fund for Support of Farms, which is a state budget institution that performs the functions of implementing state policy to support the formation and development of farms).

## ANNEX 1

### Dynamics of expenditures of the State Budget of Ukraine for 2010 – 2020, million hryvnias

Indicator	Year										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
State budget expenditures (total)	307748,2	342690,4	413605,3	419843,8	441587,1	581760,8	681460,8	841402,8	991930,7	1093021,7	1270677,1
Expenditures on the Ministry of Agrarian Policy and Food of Ukraine	5754,5	10468,7	8451,3	8721,2	6349,1	2188,7	2111,9	9442,3	12075,7	12341,6	17074,6*
To the total expenditure, %	1,9	3,0	2,0	2,1	1,4	0,4	0,3	1,1	1,2	1,2	1,3
Expenditures of state support	7068,5	3394,6	10941,7	9578,8	2524,7	2084,4	1839,6	6272,5	5230,1	6127,5	4145,9
Share of State support of agro-industrial complex to the total budget, %	2,3	0,99	2,6	2,3	0,6	0,4	0,3	0,7	0,5	0,6	0,3

\* Expenditures on the Ministry of Economic Development, Trade and Agriculture of Ukraine

Source: Law of Ukraine "On the State Budget of Ukraine" for the relevant year<sup>36</sup>

<sup>36</sup> <https://zakon.rada.gov.ua/laws/show/2629-19#Text>

## BUDGET REQUEST FOR 2018-2020 GENERAL (Form 2018-1)

## 1. Ministry of Agrarian Policy and Food of Ukraine

280

(найменування головного розпорядника коштів державного бюджету)

КБК

## 2. Purpose of activity (mission) of the main administrator of state budget funds

- ensuring the implementation of state agricultural policy, organization of development and implementation of measures to ensure food security of the state;
- ensuring the implementation of public administration in the field of agriculture, horticulture, viticulture, food industry, forestry and fisheries, processing of agricultural products;
- organization and provision of agrarian reform, its monitoring, development and implementation of measures for structural restructuring of agro-industrial production, participation in the implementation of state policy in the field of entrepreneurship;
- participation in the formation and implementation of social policy in rural areas;
- coordination of the activities of executive bodies on the implementation of state agricultural policy, social policy in rural areas, ensuring food security of the state, agrarian reform;
- implementation of state complex and targeted programs for the development of the agro-industrial complex;
- implementation of the main directions of reforming economic, social and legal relations in the field of agro-industrial production, structural restructuring of agro-industrial production, creation of favorable conditions for expanded reproduction in these industries;
- providing statutory support to enterprises of the agro-industrial complex, as well as subsidiary farms, including by involving them on a competitive basis in the implementation of national, regional, sectoral and other programs and projects, the implementation of which is provided by the State Budget of Ukraine;
- implementation of measures to stimulate agricultural production;
- implementation of state policy in the field of veterinary medicine, safety and individual indicators of food quality, plant quarantine and protection, animal identification and registration, sanitary legislation, prevention and reduction of tobacco use and their harmful effects on public health, metrological supervision, market surveillance within the scope of its responsibility, seed production and nursery (in terms of certification of seeds and planting material), state control and compliance with legislation on consumer protection, advertising in this area and requirements for the formation, establishment and application of state regulated prices.
- coordination of activities of enterprises related to state tests of agricultural machinery and equipment, varieties and hybrids of agricultural crops and breeding objects in animal husbandry, implementation within its powers of state control over the quality of machinery and equipment, fuels and lubricants, spare parts, seeds, breeding (genetic) resources, organization of work aimed at the development of seed production, nurseries, breeding in animal husbandry, grading (comprehensive assessment) of farm animals and poultry;
- creation of a system of informing about the demand and supply on the market of products of branches of agro-industrial production;
- implementation within its competence of state control over compliance with legislation on plant protection, pesticides and agrochemicals;
- implementation of measures for the development of market infrastructure in the agro-industrial complex (agricultural exchanges, livestock auctions, wholesale food markets, servicing agricultural cooperatives, credit unions, insurance companies, exhibitions and fairs, etc.);
- ensuring sectoral cooperation of Ukraine with the European Union, within its powers - fulfillment by the Ukrainian side of obligations under the Partnership and Cooperation Agreement between Ukraine and the European Union, adaptation of Ukrainian legislation to the legislation of the European Union,
- implementation of other measures for Ukraine's integration into the European Union;
- implementation of measures for protection and rational use of agricultural lands, increasing soil fertility;
- state management of breeding in animal husbandry, anti-epizootic measures;
- carrying out agrochemical certification of agricultural lands;
- state regulation in the field of plant protection, plant quarantine, etc.;
- ensuring the implementation of state policy in the field of topographic and geodetic and cartographic activities, land relations, land management, in the field of State Land Cadastre, state supervision (control) in the agro-industrial complex in terms of compliance with land legislation, land use and protection of all categories and forms of ownership, fertility soils

### 3. Strategic goals and performance indicators of the main administrator of state budget funds

The name of the result indicator	Units measurement	2016 (report)	2017 (approved)	2018 (project)	2019 (forecast)	2020 (forecast)
1	2	3	4	5	6	7

#### 1. Guaranteeing food security of the state

The share of expenditures of one household on food in the overall structure of expenditures	percent	54,7	60,0	60,0	60,0	60,0
Daily energy value of human diet (kCal / day)	Units	2 500,0	2 500,0	2 500,0	2 500,0	2 500,0

#### 2. Expanding Ukraine's participation in providing the world market with agricultural products

Foreign economic balance of agro-industrial complex products (UAH million)	Units	11 261,8	11 261,8	11 261,8	11 261,8	11 261,8
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#### 3. Improving the competitiveness of domestic agricultural products, industry efficiency, ensuring market stability

Growth of gross agricultural output	percent	16,0	12,3	7,9	7,1	71,0
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#### 4. Improving the system of meeting the needs of public administration, economy, defense, science, education in geospatial information and cartographic products, arrangement and reconstruction of the state border

The number of surveyed, identified and processed points of the State Geodetic Network in the construction of the quasi-geoid model on the territory of Ukraine	Units	821,0				
Number of geodetic points of the leveling network of I and II classes, which are subject to processing and input into the geodetic data bank	Units			18 527,0		
Number of completed accounting and registration forms during the establishment, standardization and maintenance of the State Register of Geographical Names	Units		41 241,0			
The length of the Ukrainian-Belarusian state border, which is carried out on the ground	km.			356,6	284,7	38,7
Number of border signs installed on the Ukrainian-Belarusian state border	Units					567,0
The number of border signs of the Ukrainian-Belarusian state border, the coordinates of which are determined	Units					563,0
The length of the line of the Ukrainian-Moldovan state border, which is carried out on the ground	km.				3,7	
Number of border signs installed and decorated at the Ukrainian-Moldovan state border	Units			4,0		

The number of border signs of the Ukrainian-Moldovan border, the coordinates of which are determined	Units	96,0			
The length of the line of the Ukrainian-Moldovan border for which the final demarcation documents are being prepared	km.		1 222,0		

#### 5. Ensuring the introduction and administration of the State Land Cadastre, land management, organization of work related to land reform

Number of active users of the automated system of the State Land Cadastre	Units	4 000,0	5 000,0	6 000,0	7 000,0
Number of registered land plots in the automated system of the SLC	Units	900,0	900,0	900,0	900,0
Number of administrative districts of the land on the territory of which are subject to assessment (excluding the temporarily occupied and the AR of Crimea)	Units		476,0		
Number of agricultural land prepared for sale	thousand units		2 500,0	2 700,0	3 000,0
Number of converted materials of the State Fund of Land Management Documentation	thousand units		750,0	940,0	940,0

#### 6. Ensuring the implementation of state policy in the field of topographic, geodetic and cartographic activities and land relations, as well as in the field of State Land Cadastre

Number of certified surveying engineers entered in the State Register	Units	200,0	300,0	400,0	500,0
The number of permits and conclusions of the state examination issued by the central office	Units	1 400,0	1 800,0	2 000,0	1 700,0
Number of developed regulations by the central office	Units	15,0	20,0	25,0	25,0
Number of issued qualification certificates of land surveying engineers by the central office	Units	1 500,0	50,0	40,0	30,0

#### 7. Ensuring a proper standard of living, health and protection of the interests of citizens

Number of inspections of business entities	thousand units	25,2	28,3	38,9	41,0	43,2
Reduction of low-quality products in the consumer market	percent	-3,5	2,0	3,0	3,0	3,5
Number of facilities where mandatory anti-epizootic measures are organized	thousand units	49,5	51,0	51,0	51,0	52,0

#### 4. Distribution of the maximum amount of expenditures / loans of the general fund of the state budget for 2018 and indicative forecast indicators for 2019 and 2020 by budget programs

(thousand UAH)

КПКВК	Name	Responsible executor	КФКВ	2016 (report)	2017 (approved)	2018 (project)	2019 (forecast)	2020 (forecast)	Numbers of strategic goals
1	2	3	4	5	6	7	8	9	10
2801010	General management and administration in the field of agro-industrial complex	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421	85 869,4	122 250,9	163 011,2	198 885,6	199 063,8	1, 2, 3
2801030	Financial support of measures in the agro-industrial complex by reducing the cost of loans	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421	279 814,2	300 000,0	66 000,0	600 000,0	1 000 000,0	1, 2, 3
2801050	Research, applied scientific and scientific-technical developments, performance of works under the state target programs and the state order in the field of development of an agro-industrial complex, preparation of scientific shots, scientific developments in the field of standardization and certification	Office of the Ministry of Agrarian Policy and Food of Ukraine	0482	50 503,6	71 479,5	77 561,0	80 416,7	95 925,5	2, 3

2801120	Return of funds provided for the formation of the Agrarian Fund of the state intervention fund, as well as for the purchase of material and technical resources for the needs of agricultural producers	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801130	Advanced training of specialists in the agro-industrial complex	Office of the Ministry of Agrarian Policy and Food of Ukraine	0950	5 682,6	10 517,4	12 106,1	11 832,4	14 114,3	2, 3	
2801160	Liquidation and ecological rehabilitation of the territory of influence of mining works of the state enterprise "Solotvynsky salt mine" of the Tyachiv district of the Zakarpatyie area	Office of the Ministry of Agrarian Policy and Food of Ukraine	0513	3 004,9	8 024,0	8 483,6	9 027,3	10 768,2	8	
2801180	Financial support of measures in the agro-industrial complex	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421		55 000,0		72 000,0	120 000,0	1, 2, 3	
2801230	Financial support for farm development	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421			1 000 000,0	1 000 000,0	1 000 000,0	1, 2, 3	
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801310	Organization and regulation of the activities of institutions in the system of agro-industrial complex and ensuring the activities of the Agrarian Fund	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421	48 686,6	74 504,7	86 409,0	83 820,2	86 705,5	1, 2, 3	
2801350	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421		75 000,0				1, 2, 3	
2801380	Repayment of budget loans granted for the purchase of agricultural products under the state order (contract) 1994-1997	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801390	Return of funds provided to the Ministry of Agrarian Policy and Food of Ukraine for financial support of activities in the agro-industrial complex on the terms of financial leasing, as well as the purchase of breeding heifers and cows, domestic machinery and equipment	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801400	Repayment of loans granted from the state budget to farms	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801460	Providing loans to farms	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421		25 000,0				1, 2, 3	
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801540	State support of the livestock industry	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421	29 985,7	170 000,0	2 300 000,0			1, 2, 3	
2801560	Formation by the Agrarian Fund of the state intervention fund, and also purchase of material and technical resources for needs of agricultural commodity producers	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421							
2801580	Financial support for agricultural producers	Office of the Ministry of Agrarian Policy and Food of Ukraine	0421		1 473 000,0	2 945 000,0	5 418 000,0	5 530 000,0	1, 2, 3	
2803010	Leadership and management in the field of food	State Department of Food	0442							
2803010	Guidance and management in the field of geodesy, cartography and cadastre	State Service of Ukraine for Geodesy, Cartography and Cadastre	0421		998 819,7	1 444 375,2	2 022 161,5	2 024 291,1	4, 5, 6	
2803020	Carrying out land reform	State Service of Ukraine for Geodesy, Cartography and Cadastre	0421		104 800,0	452 800,0	132 300,0	296 500,0	4, 5, 6	



2803030	National topographic, geodetic and cartographic works, demarcation and delimitation of the state border	State Service of Ukraine for Geodesy, Cartography and Cadastre	0411		5 034,3	5 034,3	5 034,3	5 034,3	4, 5, 6
2804010	Leadership and management in the field of fisheries	State Agency of Fisheries of Ukraine	0423	116 710,4	277 923,6	326 771,9	451 834,9	452 029,8	1, 2, 3
2804020	Organization of fish reproduction complexes and other budgetary institutions in the field of fisheries	State Agency of Fisheries of Ukraine	0423	38 340,5	52 763,0	61 217,1	69 553,2	70 493,7	1, 2, 3
2804030	Applied scientific and technical developments, performance of works under state orders in the field of fisheries	State Agency of Fisheries of Ukraine	0482	745,3	870,1	1 100,0	2 100,0	8 000,0	1, 2, 3
2804070	Breeding in fisheries and reproduction of aquatic bioresources in inland waters and the Azov-Black Sea basin	State Agency of Fisheries of Ukraine	0423		40 000,0	10 530,7	35 677,8	26 058,4	1, 2, 3
2804090	International activities in the field of fisheries	State Agency of Fisheries of Ukraine	0423	4 491,2	6 479,8	4 300,0	5 300,0	4 800,0	1, 2, 3
2805010	Leadership and management in the field of forestry	State Agency of Forest Resources of Ukraine	0422	49 229,8	88 551,4	126 390,2	179 584,0	179 734,0	1, 2, 3
2805020	Research, applied development and training of scientific personnel in the field of forestry	State Agency of Forest Resources of Ukraine	0150	5 122,1	7 142,6	14 851,6	12 675,7	15 561,4	1, 2, 3
2805060	Forest and hunting management, protection and conservation of forests in the forest fund	State Agency of Forest Resources of Ukraine	0422	66 163,0	123 949,6	132 859,9	134 112,2	164 643,3	1, 2, 3
2807010	Implementation of state control in the field of agriculture	State Inspectorate for Agriculture of Ukraine	0421						
2809010	Leadership and management in the field of food safety and consumer protection	State Service of Ukraine for Food Safety and Consumer Protection	0411	634 625,4	1 068 384,5	1 498 744,3	2 104 473,5	2 105 509,1	1, 2, 3, 7
2809020	Anti-epizootic measures and participation in the International Epizootic Bureau	State Service of Ukraine for Food Safety and Consumer Protection	0421	56 476,4	113 656,7	687 195,0	102 743,3	75 953,8	1, 2, 3, 7
2809030	Organization and regulation of institutions in the system of the State Service of Ukraine for Food Safety and Consumer Protection	State Service of Ukraine for Food Safety and Consumer Protection	0421	134 838,5	192 710,7	220 615,8	244 448,0	257 701,4	1, 2, 3, 7
2809040	Conducting laboratory tests, measurements, research and examination during the implementation of state control (supervision)	State Service of Ukraine for Food Safety and Consumer Protection	0470	1 251,0	124 697,8	124 697,8	124 697,8	124 697,8	1, 2, 3, 7
<b>TOTAL:</b>				<b>1 611 540,6</b>	<b>5 590 560,3</b>	<b>11 770 054,7</b>	<b>13 100 678,4</b>	<b>13 867 585,4</b>	

**First Deputy Minister of Agrarian  
Policy and Food of Ukraine**

\_\_\_\_\_  
(підпис)

\_\_\_\_\_  
(прізвище та ініціали)

**Director of the Financial and  
Credit Policy Department**

\_\_\_\_\_  
(підпис)

\_\_\_\_\_  
(прізвище та ініціали)



**CABINET OF MINISTERS OF UKRAINE**

**DECREE**

dated February 8, 2017 № 77

**About the statement of the Order of use of the means provided in the state budget for financial support of agricultural producers**

In accordance with part seven of Article 20 of the Budget Code of Ukraine, the Cabinet of Ministers of Ukraine resolves:

To approve the Procedure for the use of funds provided in the state budget for financial support of agricultural producers, attached.

**The Prime Minister of Ukraine**

APPROVED

resolution of the Cabinet of Ministers of Ukraine

dated February 8, 2017 № 77

**ORDER**

**use of funds provided in the state budget for financial support of agricultural producers**

1. This Procedure determines the mechanism of use of the means provided in the state budget of the Ministry of Agrarian Policy under the program "Financial support of agricultural producers" (further - budgetary funds).

The purpose of using budget funds is to increase agricultural production, increase productivity in agriculture, promote the development of the agricultural market and ensure food security.

2. The main administrator of budget funds and the responsible executor of the budget program is the Ministry of Economy.

3. Budget funds are directed to:

state support for the development of animal husbandry and processing of agricultural products;

financial support for the development of farms;  
partial compensation for the cost of agricultural machinery and equipment of domestic production;  
financial support of measures in the agro-industrial complex by reducing the cost of loans;  
financial support for the development of horticulture, viticulture and hop growing;  
providing family farms with additional financial support through the mechanism of additional payment in favor of insured persons - members / heads of family farms of a single contribution to the obligatory state social insurance;  
state support for insurance of agricultural products;  
compensation for losses from damage to crops due to emergencies of man-made and natural nature;  
state support for agricultural producers who use reclaimed land;  
state support for producers of organic agricultural products;  
state support for potato growers;  
state support of agricultural producers by allocating budget subsidies per unit of arable land.

3-1. The distribution of funds by areas is approved by the Ministry of Economy.

4. Repayment of budget accounts payable registered with the Treasury shall be carried out in the manner prescribed by law.

5. Procurement of goods, works and services for budget funds is carried out in the manner prescribed by law.

6. Operations related to the use of budget funds shall be carried out in accordance with the Procedure for Treasury Service of the State Budget at Expenditures, approved in accordance with the procedure established by law.

7. Preparation and submission of financial and budgetary reports on the use of budget funds, as well as control over their targeted and effective spending are carried out in the manner prescribed by law.

**CABINET OF MINISTERS OF UKRAINE**

**DECREE**

**from February 7, 2018 № 106**

**Kiev**

**On approval of the Procedure for the use of funds provided in the state budget for the provision of financial support for the development of farms**

{With changes made in accordance with the Resolutions of the Cabinet of Ministers

№ 911 dated October 24, 2018

№ 126 dated January 30, 2019

№ 916 dated November 6, 2019

№ 954 dated 11/15/2019}

{See also Resolution of the Sixth Administrative Court of Appeal

№ 826/13664/18 dated 10.12.2019}

{With changes made in accordance with the Resolutions of the Cabinet of Ministers

№ 1151 dated 12/27/2019

№ 447 dated 03.06.2020

№ 780 dated 02.09.2020

№ 1098 dated 11.11.2020

№ 1239 dated 14.12.2020

№ 384 dated 21.04.2021

№ 612 dated 16.06.2021}

*{To establish that until December 31, 2019, state support to recipients in the areas specified in paragraphs two, three, five and nine of paragraph 5 of the Procedure approved by this Resolution is provided through resident banks signed with the Ministry of Agrarian Policy and Memorandum on general principles of cooperation in accordance with the Resolution of the Cabinet of Ministers № 954 of 15.11.2019}*

In accordance with part seven of Article 20 of the Budget Code of Ukraine, the Cabinet of Ministers of Ukraine resolves:

Approve the attached Procedure for the use of funds provided in the state budget for the provision of financial support for the development of farms.

## **The Prime Minister of Ukraine**

APPROVED

resolution of the Cabinet of Ministers of Ukraine

from February 7, 2018 № 106

(as amended by the resolution of the Cabinet of Ministers of Ukraine

of April 21, 2021 № 384)

### **ORDER**

#### **use of funds provided in the state budget to provide financial support for the development of farms**

*(In the text of the Procedure, the word "Ministry of Economy" is replaced by the word "Ministry of Agrarian Policy and Food" in accordance with the Resolution of the Cabinet of Ministers № 612 of June 16, 2021)*

1. This Procedure determines the mechanism of use of the means provided in the state budget under the program "Financial support of agricultural producers" which are directed on financial support of development of farms (further - budgetary funds).

2. The main administrator of budget funds and the responsible executor of the budget program is the Ministry of Agrarian Policy and Food.

The Ukrainian State Fund for Support of Farms (hereinafter - Ukrderzhfond) is the administrator of lower-level budget funds allocated for financial support through the allocation of a budget subsidy per unit of arable land (1 hectare).

The managers of lower-level budget funds, which are used for financial support by allocating a special budget subsidy for keeping cows of all areas of productivity to a farm owned by five cows, identified and registered in accordance with the law, are structural subdivisions of regional state administrations. functions on agro-industrial development.

3. Financial support is provided:

a farm that has a net income (revenue) from the sale of products (goods, works, services) for the last year up to UAH 20,000,000, which owns and / or uses agricultural land;

to a farm registered in the current year, which owns and / or uses agricultural land, regardless of the amount of net income (revenue).

These farms are recipients of financial support provided by this Procedure (hereinafter - the recipients).

4. Financial support is not provided to recipients:

in respect of which a bankruptcy case has been initiated;

who are duly declared bankrupt;

which are in the process of liquidation;

which have on the 1st day of the month in which the decision to make payments, overdue

for more than six months arrears of payments, control over which is entrusted to the State Tax Service, as well as to Ukrderzhfond and its regional branches under the budget program "Lending to farms";

who have not carried out economic activity during the previous three years (except for the newly created ones);

in respect of which the facts of illegal receipt and / or misuse of budget funds were revealed.

The presence of the circumstances specified in paragraphs two to four of this paragraph shall be verified by the authorized bank, Ukrderzhfond and structural subdivisions of regional state administrations that ensure the performance of functions on agro-industrial development, taking into account information from the Unified State Register of Legal Entities, Individuals - Entrepreneurs and Public Associations. on the official website of the Ministry of Justice.

5. Financial support is provided to recipients in the following areas:

partial reimbursement of costs to farms related to the provision of agricultural advisory services (except for newly established);

financial support for newly established farms to receive agricultural advisory services;

budget subsidy per unit of arable land (1 hectare) - to newly established farms;

a special budget subsidy for keeping cows of all areas of productivity on a farm owned by five cows identified and registered in accordance with the law.

The distribution of budget funds in the areas provided for in this paragraph shall be approved by the Ministry of Agrarian Policy and Food.

6. Financial support in the areas specified in the second and third paragraphs of paragraph 5 of this Procedure shall be provided through authorized banks that have signed a Memorandum of General Cooperation on the Ministry of Agrarian Policy and Food (hereinafter - the authorized bank).

The memorandum is signed with authorized banks selected in accordance with the Procedure for selection of banks through which pensions, cash benefits, payments for compulsory state social insurance and salaries to employees of budgetary institutions are approved by the Cabinet of Ministers of Ukraine on September 26, 2001<sup>31</sup>. (Official Gazette of Ukraine, 2001, № 39, p. 1762; 2020, № 6, p. 278, № 93, p. 3004).

Application forms for financial support are approved by the Ministry of Agrarian Policy.

7. Partial compensation of costs to farms related to the provided agricultural advisory services (except for newly created) in the areas of zootechnics, veterinary medicine, agronomy, taxation in agriculture, accounting in agriculture, management accounting, organic production, attracting financial and credit resources , introduction of safety systems during the production of food and animal feed, environmental management and

foreign economic activity is provided in the amount of 90 percent of the cost, but not more than 10,000 hryvnias (hereinafter - partial compensation).

To receive partial compensation, the recipient submits an application and the following documents to the authorized bank:

- a copy of the charter of the farm (for legal entities) or a copy of the agreement (declaration) on the establishment of a family farm (for farms established without acquiring the status of a legal entity in accordance with Article 8<sup>1</sup> of the Law of Ukraine "On Farming"), valid on submission of the application;

- a copy of the financial document confirming the presence of net income (revenue) from sales of products (goods, works, services) for the last year;

- a copy of the certificate for the right to provide advisory services, issued to the agricultural advisory service, which is registered in accordance with the Law of Ukraine "On Agricultural Advisory Activities" and with which the contract is concluded;

- a copy of the contract for the provision of advisory services;

- a copy of the act on the provision of advisory services;

- a copy of the payment order for payment of services in accordance with the agreement.

The deadline for submission of documents for partial compensation is November 15 of the current year.

Originals or duly certified copies of documents in electronic or paper form shall be submitted.

Authorized banks shall compile registers of recipients of partial reimbursement of expenses related to the provided agricultural advisory services (hereinafter - the registers), and submit them to the Ministry of Agrarian Policy and Food in electronic and paper form by the 10th of each month, but not later than November 20 of the current year.

Ministry of Agrarian Policy and Food on the basis of registers submitted by authorized banks:

- forms a list of recipients for partial compensation by the 15th of each month, but not later than November 25 of the current year and sends it to the State Tax Service and the Ukrderzhfond in order to verify the circumstances specified in the fifth paragraph of item 4 of this Procedure;

- excludes on the basis of information from the State Tax Service and Ukrderzhfond, provided within five calendar days, from the list of recipients in respect of whom the circumstances specified in the fifth paragraph of paragraph 4 of this Procedure, and forms within two working days from the date of receipt of information from the State Tax Service and Ukrderzhfond, but not later than December 5 of the current year, the list of recipients in terms of authorized banks for the payment of partial compensation;

approves within ten working days, but not later than December 10 of the current year, the distribution of budget funds between authorized banks within the budget allocations in proportion to the identified need for compensation.

The Ministry of Agrarian Policy and Food transfers budget funds from the account opened in the Treasury to authorized banks on the basis of:

a Memorandum of Understanding signed with the authorized bank of the Ministry of Agrarian Policy and Food;

distribution of budget funds between authorized banks;

register in terms of authorized banks for the payment of partial compensation.

The authorized bank within three banking days from the date of receipt of funds from the Ministry of Agrarian Policy and Food transfers them to the current accounts of recipients and within two working days informs the Ministry of Agrarian Policy and Food about the transfer of funds.

The form of the register is approved by the Ministry of Agrarian Policy and Food.

8. Financial support for newly established farms during their formation (the first three years after establishment) to obtain agricultural advisory services in the areas of zootechnics, veterinary medicine, agronomy, agricultural taxation, accounting in agriculture, management accounting, organic production, environmental management, involvement financial and credit resources and diversification of agricultural activities (hereinafter - financial support) is provided once in the amount not exceeding 36,000 hryvnias, subject to a previously concluded by the end of the current budget period agreement and on the basis of the act / acts of work performed.

The contract is concluded between the recipient and the agricultural advisory service or agricultural advisor / expert-advisor, registered in the manner prescribed by law as a business entity.

To receive financial support, the recipient submits an application and the following documents to the authorized bank:

a copy of the charter of the farm (for legal entities) or a copy of the agreement (declaration) on the establishment of a family farm (for farms established without acquiring the status of a legal entity in accordance with Article 8<sup>-1</sup> of the Law of Ukraine "On Farming") submission of the application;

a copy of the financial document confirming the presence of net income (revenue) from sales of products (goods, works, services) for the last year, and farms registered in the current year - a copy of the financial report or tax return of the taxpayer for the last reporting period;

a copy of the certificate for the right to provide advisory services, issued to the agricultural advisory service, or the qualification certificate of the agricultural advisor / expert advisor,



which are registered in accordance with the Law of Ukraine "On Agricultural Advisory Activities" and with which the contract is concluded;

a copy of the agreement on the provision of agricultural advisory services;

act / acts of performed works.

Originals or duly certified copies of documents in electronic or paper form shall be submitted.

The deadline for submitting documents for financial support is November 15 of this year.

Authorized banks shall form registers of recipients of financial support for receiving agricultural advisory services and submit them to the Ministry of Agrarian Policy in electronic and paper form by the 10th of each month, but not later than November 20 of the current year.

The Ministry of Agrarian Policy and Food, on the basis of the registers of financial support recipients submitted by authorized banks for obtaining agricultural advisory services:

forms a list of recipients of financial support for agricultural advisory services by the 15th of each month, but not later than November 25 of the current year and sends it to the State Tax Service and the Ukrderzhfond for verification of the circumstances specified in the fifth paragraph of item 4 of this Procedure;

excludes on the basis of information from the State Tax Service and Ukrderzhfond, provided within five calendar days, from the list of recipients in respect of whom the circumstances specified in the fifth paragraph of paragraph 4 of this Procedure, and forms within two working days from the date of receipt of information from the State Tax Service and Ukrderzhfond, but not later than December 5 of the current year, the list of recipients in terms of authorized banks for the payment of financial support;

approves within ten working days, but not later than December 10 of the current year, the distribution of budget funds between authorized banks within the budget allocations in proportion to the identified need for financial support.

The Ministry of Agrarian Policy and Food transfers budget funds from the account opened in the Treasury to the authorized banks on the basis of:

the Memorandum on General Principles of Cooperation signed by the Ministry of Agrarian Policy and Food with the authorized bank;

distribution of budget funds between authorized banks;

register in terms of authorized banks for the payment of financial support.

The authorized bank within three banking days from the date of receipt of funds from the Ministry of Agrarian Policy and Food transfers them to the current accounts of recipients and within two working days informs the Ministry of Agrarian Policy and Food about the transfer of funds.

The form of the register is approved by the Ministry of Agrarian Policy and Food.

9. Newly established farms in the period of their formation (the first three years after establishment) are allocated a budget subsidy per unit of arable land (1 hectare) once exclusively for agricultural activities in the amount of 5,000 hryvnias per 1 hectare, but not more than 100,000 hryvnias per farm.

To receive a budget subsidy, newly established farms submit an application and the following documents to the regional branches of the Ukrderzhfond:

a copy of the charter of the farm (for legal entities) or a copy of the agreement (declaration) on the establishment of a family farm (for farms established without acquiring the status of a legal entity in accordance with Article 8-1 of the Law of Ukraine "On Farming");

a copy of the financial document confirming the presence of net income (revenue) from sales of products (goods, works, services) for the last year (for the farm), and farms registered in the current year - a copy of the financial report or tax return of the taxpayer for the last reporting period;

one of the following information from the State Register of Real Property Rights, confirming the right of ownership and / or use of land, relevant on the date of application: in respect of farm lands as a legal entity - for land plots owned and / or used by the farm, or land plots used by the head of the farm, provided to him from state or communal lands for farming;

in respect of lands of a farm established without acquiring the status of a legal entity in accordance with Article 8<sup>-1</sup> of the Law of Ukraine "On Farming", for land plots owned and / or used by members of the farm.

Originals or duly certified copies of documents in electronic and paper form shall be submitted.

Regional branches of the Ukrderzhfond form registers of newly established farms, which are allocated a budget subsidy, and submit them by the 10th of the current month of the Ukrderzhfond in electronic and paper form.

The deadline for submitting documents to the regional branches of the Ukrderzhfond to receive a budget subsidy is October 30 this year.

The register of newly established farms, which is allocated a budget subsidy, contains information on the full name, code according to the USREOU (Unified State Register of Enterprises and Organizations of Ukraine) of a legal entity or a document certifying registration in the State Register of Individuals - Taxpayers (except individuals). who, due to their religious beliefs, refuse to accept the registration number of the taxpayer's account card and notify the relevant supervisory authority and have a mark in the passport) of a natural person - entrepreneur; area of agricultural land; the amount to be paid.

Ukrderzhfond:

checks the presence of debts to the Ukrderzhfond and its regional branches under the budget program "Providing loans to farms";

forms twice a year by July 1 and November 10 a list of newly established farms to receive a budget subsidy and sends it to the State Tax Service to verify the existence of the circumstances specified in the fifth paragraph of paragraph 4 of this Procedure;

excludes on the basis of information from the State Tax Service provided within five calendar days from the list of newly established farms to receive a budget subsidy newly established farms, which revealed the circumstances specified in the fifth paragraph of paragraph 4 of this Order, and forms by July 10 and on November 20, a consolidated register of newly established farms to receive a budget subsidy, submitted by the Ministry of Agrarian Policy and Food.

The Ministry of Agrarian Policy and Food approves by July 15 and November 25 on the basis of the consolidated register of newly established farms provided by the Ukrderzhfond, which is allocated a budget subsidy, the distribution of budget funds provided by the Ministry of Agrarian Policy and Food in the state budget for financial support of farms. to approve budget funds to the Ukrderzhfond within the limits of budget allocations.

Ukrderzhfond within five working days from the date of receipt of funds from the Ministry of Agrarian Policy and Food transfers them to the current accounts of newly established farms and within two working days informs the Ministry of Agrarian Policy and Food about the transfer of funds. The forms of registers are approved by the Ministry of Agrarian Policy and Food.

10. A special budget subsidy for keeping cows of all areas of productivity is provided on a non-refundable basis to recipients who own from five cows, identified and registered in accordance with the law, for each available cow as of July 1 of this year in the amount of 5,000 hryvnias, but not more than 250,000 hryvnias (hereinafter - the subsidy for keeping cows).

The subsidy for keeping cows is provided to recipients who did not receive a subsidy for the growth of cows in accordance with the Procedure for using funds provided in the state budget for state support of livestock development and processing of agricultural products, approved by the Cabinet of Ministers of February 7, 2018 № 107 (Official Gazette of Ukraine, 2018, № 22, p. 729; 2020, № 43, p. 1395).

To receive a subsidy for keeping cows, recipients submit to the structural units of regional state administrations that ensure the implementation of functions on agro-industrial development, an application indicating the number of cows in all areas of productivity (as of July 1 this year) and the following documents:

certificate of opening a current account issued by the bank;

a copy of the charter of the farm (for legal entities) or a copy of the agreement

(declaration) on the establishment of a family farm (for farms established without acquiring the status of a legal entity in accordance with Article 8<sup>-1</sup> of the Law of Ukraine "On Farming"), valid on submission of the application;

a copy of the financial document confirming the presence of net income (revenue) from sales of products (goods, works, services) for the last year, and farms registered in the current year - a copy of the financial report or tax return of the taxpayer for the last reporting period.

Originals or duly certified copies of documents in electronic or paper form shall be submitted.

The deadline for submitting documents for a subsidy for keeping cows is August 31 of this year.

Documents not submitted in full are returned to the recipient within three days, indicating the reason for return.

Applications received after the deadline for their submission are not considered.

At the request of structural subdivisions of regional state administrations that ensure the implementation of functions on agro-industrial development, the Administrator of the Unified State Register of Animals within five days provides information on each recipient on the number of identified and registered duly cows of all areas of productivity as of July 1 year.

The structural subdivisions of the regional state administrations, which ensure the performance of functions on agro-industrial development, check the submitted applications and documents for compliance with the requirements of this Procedure, determine the amount of subsidy for keeping cows for each recipient and within ten days, but not later than September 15. accrual of subsidies for keeping cows.

The form of information is approved by the Ministry of Agrarian Policy and Food.

Ministry of Agrarian Policy and Food:

within five working days forms a list of recipients of subsidies for keeping cows and sends it to the State Tax Service and the Ukrderzhfond in order to verify the existence of the circumstances specified in the fifth paragraph of paragraph 4 of this Procedure;

excludes on the basis of information from the State Tax Service and Ukrderzhfond, provided within five calendar days, from the list of recipients subsidies for keeping cows of recipients in respect of which the circumstances specified in the fifth paragraph of paragraph 4 of this Procedure;

approves by October 10 the distribution of budget funds between structural subdivisions of regional state administrations that ensure the performance of functions on agro-industrial development, in terms of each farm in proportion to the accrued amounts of subsidies for keeping cows within the open budget allocations;

informs the structural subdivisions of the regional state administration, which ensure the performance of functions on agro-industrial development, about the decision made and directs budget funds to them.

Based on the order of the Ministry of Agrarian Policy and Food on the distribution of budget funds, structural subdivisions of regional state administrations that ensure the implementation of functions on agro-industrial development and / or a list of farms that contain the information necessary to transfer funds to accounts opened with banks.

The structural subdivisions of the regional state administrations, which ensure the performance of functions on agro-industrial development, send generalized information on subsidies for keeping cows of all directions of productivity to the Ministry of Agrarian Policy and Food by January 20 of the next budget period.

11. The Recipient may use financial support during the budget period once for each of the areas for a total amount not exceeding 10 thousand times the minimum wage set for January 1 of the year, taking into account related persons within the meaning of subparagraph 14.1. 159 item 14.1 of article 14 of the Tax code of Ukraine.

A person applying for state support is obliged to inform the central executive body that ensures the formation of state agricultural policy, agricultural policy, all related persons who are recipients of state support during the budget period, and also on changes in relation to such related parties.

Recalculation of the amounts of financial support provided to recipients, which are included in the registers formed in accordance with this Procedure, is not carried out.

12. Compliance of the recipients with the criteria specified in paragraph 3 of this Procedure for receiving financial support in the relevant areas shall be indicated by the recipients in the applications for financial support. In case of providing inaccurate information or establishing by the bodies authorized to control the use of budget funds the fact of illegal receipt of budget funds, the recipient returns them to the state budget within a month and is deprived of the right to receive financial support within three years.

13. Reflection in the primary and accounting of information on received (created) current and non-current assets, as well as registration, accounting of budgetary obligations in the Treasury and operations related to the use of budget funds are carried out in the manner prescribed by law.

Goods purchased using budget funds may not be disposed of within three years from the date of purchase and used for their intended purpose, unless such goods are accepted by authorized banks as collateral and are disposed of in case of default by the recipient of the loan agreement.

14. Repayment of budget accounts payable registered with the Treasury bodies and carrying out operations related to the use of budget funds shall be carried out in accordance with the procedure established by law.

15. The administrator of lower-level budget funds shall send generalized information on the use of funds in the direction specified in the fourth paragraph of item 5 of this Procedure to the Ministry of Agrarian Policy and Food by January 15 of the following budget period each year.

Within a month after the end of the budget period, the Ministry of Agrarian Policy and Food submits to the Ministry of Finance a report on the use of budget funds in terms of areas of their use and after the Treasury checks the consolidated budget and consolidated financial statements of the chief budget manager implementation.

16. Preparation and submission of financial and budgetary reports on the use of budget funds, as well as control over their targeted and effective use are carried out in the manner prescribed by law.

*(Procedure as amended by the Resolution of the Cabinet of Ministers № 384 of April 21, 2021)*

# ANNEX 4

## Expenditures of state support of agricultural producers in 2010 – 2020, million UAH

Budget classification code	Name of expenditures by program classification	Years										
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GENERAL FUND												
2801030	Financial support of measures in agro-industrial complex by reducing the cost of loans						300,0	285,0	300,0	66,0	451,8	
2801040	Partial reimbursement to economic entities of the cost of construction and reconstruction of livestock farms and complexes and enterprises for the production of feed		500,0									
2801150	State support of agricultural service cooperatives		5,0									
2801170	Financing of measures for protection, reproduction and increase of soil fertility		5,0									
2801180	Agrochemical certification of agricultural lands	1,0										
2801180	Financial support of measures in the agro-industrial complex				91,8				55,0			
2801190	Breeding in animal husbandry and poultry farming at the enterprises of the agro-industrial complex	80,0	75,2									
2801200	Measures to control pests and diseases of agricultural plants, prevention of the spread of infectious diseases of animals	1,0	0,9	34,0								
2801210	Budget livestock subsidy and state support for crop production		100,0									
2801220	Breeding in crop production	40,0	30,0									
2801230	Financial support for farm development									150,0	465,0	
2801240	Implementation of financial support of economic entities of the		531,4									

	agro-industrial complex through the mechanism of cheaper loans and compensation of lease payments											
2801270	State support of the agricultural advisory service	2,0	2,0									
2801340	Prevention of the spread of infectious diseases in animals	20,0	20,0									
2801350	State support for development, establishment of young orchards, vineyards and berries and supervision over them							75,0	300,0	400,0		
2801360	Partial compensation for the cost of electricity used for irrigation on irrigated lands			50,0								
2801430	Partial compensation of the cost of complex agricultural machinery of domestic production		10,0									
2801460	Providing loans to farms							25,0		200,0		
2801520	Financial support for the creation of wholesale markets for agricultural products		10,0	200,0								
2801540	State support of the livestock industry						250,0	30,0	170,0	3021,0		
1201140	State support of animal husbandry, storage and processing of agricultural products, aquaculture (fish farming)										2930,0	
2801580	Financial support for agricultural producers							1473,0	695,0	681,8		
2801590	Partial reimbursement of the cost of construction of new greenhouse complexes		50,0									
1201150	Financial support for agricultural producers											4 000,0
<b>SPECIAL FUND</b>												
2801180	Financial support of measures in the agro-industrial complex				5,0	5,0	5,0	5,0	5,0	5,0	5,0	5,0
2801200	Measures to control pests and diseases of agricultural plants, prevention of the spread of infectious diseases of				25,5							



	animals											
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund	241,2	445,9	765,5	500,0	100,0	100,0	100,0	51,4	52,2	53,0	89,1
2801330	Creation and maintenance of a reserve stock of varietal and hybrid seeds	5,0	5,0									
2801350	State support for the development of hop growing, vegetable growing, establishment of young orchards, vineyards and berries and their supervision	476,0	556,7	1075,0	100,0	100,0				300,0		
2801460	Providing loans to farms	15,0	28,0	27,8	27,9	27,9	25,6	15,8	65,0	43,1	44,5	67,0
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing			30,0	8,8	3,8	3,8	3,8	3,8	3,8	4,8	4,8
2801490	Purchase of breeding heifers and cows, domestic machinery and equipment for the agro-industrial complex with their subsequent sale to agricultural enterprises on the terms of financial leasing		85,0									
2801510	State support for the development of hop growing	84,0	98,3									
2801540	State support of the livestock industry		2030,0	732,0	650,0	888,0						
2801560	Formation by the Agrarian Fund of the state intervention fund, and also purchase of material and technical resources for needs of agricultural commodity producers	3158,7	3712,3		7200,0	1400,0	1400,0	1400,0	773,0	894,0	891,7	
2801580	Financial support for agricultural producers								3301,3			

# ANNEX 5

## Budget allocations in the context of budget support programs for 2010-2020 have been identified and used

UAH

Budget classificati on code	Indexes	General fund				Special fund			Together			perc ent, %
		Approved by the Verkhovna Rada of Ukraine for the relevant year, subject to changes	Plan for the relevant year, subject to changes	Open allocations for expenditures for the year were sent	Made in a year	Approved by the Verkhovna Rada of Ukraine for the relevant year, subject to changes	Plan for the year, subject to changes	Made in a year	Approved by the Verkhovna Rada of Ukraine for the relevant year, subject to changes	Plan for the year, subject to changes	Made in a year	
2010												
0421	Agriculture	2 727 959 500,00	2 977 959 500,00		2 912 381 613,41	1 989 956 500,00	4 090 529 674,02	3 692 650 839,14	4 717 916 000,00	7 068 489 174,02	6 605 032 452,55	93,4
2011												
2801040	Partial reimbursement to economic entities of the cost of construction and reconstruction of livestock farms and complexes and enterprises for the production of feed	500 000 000,00	500 000 000,00	500 000 000,00	347 537 400,00				500 000 000,00	500 000 000,00	347 537 400,00	69,5
2801150	State support of agricultural service cooperatives	5 000 000,00							5 000 000,00			
2801170	Financing of measures for protection, reproduction and increase of soil fertility	5 000 000,00							5 000 000,00			

2801190	Breeding in animal husbandry and poultry farming at the enterprises of the agro-industrial complex	75 200 000,00	56 550 000,00	52 968 712,00	44 103 566,61				75 200 000,00	56 550 000,00	44 103 566,61	78,0
2801200	Measures to control pests and diseases of agricultural plants	902 500,00	902 500,00	902 500,00	902 424,50				902 500,00	902 500,00	902 424,50	99,9
2801210	Budget livestock subsidy and state support for crop production	100 000 000,00	100 000 000,00	33 149 487,78	32 108 877,35				100 000 000,00	100 000 000,00	32 108 877,35	32,1
2801220	Breeding in crop production	30 000 000,00	30 000 000,00	30 000 000,00	29 715 850,00				30 000 000,00	30 000 000,00	29 715 850,00	99,0
2801240	Implementation of financial support of economic entities of the agro-industrial complex through the mechanism of cheaper loans and compensation of lease payments	531 416 500,00	626 066 500,00	622 201 039,81	619 823 150,68				531 416 500,00	626 066 500,00	619 823 150,68	99,0
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					445 900 000,00	445 900 000,00	235 976 345,44	445 900 000,00	445 900 000,00	235 976 345,44	52,9
2801260	Measures for protection and conservation, rational use of forests provided for permanent use to agro-industrial enterprises	17 757 500,00	17 757 500,00	17 030 700,00	16 578 404,00				17 757 500,00	17 757 500,00	16 578 404,00	93,4
2801270	State support of the agricultural advisory service	2 000 000,00							2 000 000,00			

2801330	Creation and provision of reserve stock of varietal and hybrid seeds					5 000 000,00	5 000 000,00	1 652 006,40	5 000 000,00	5 000 000,00	1 652 006,40	33,0
2801340	Prevention of the spread of infectious diseases in animals	20 000 000,00	20 000 000,00	20 000 000,00	19 470 637,42				20 000 000,00	20 000 000,00	19 470 637,42	97,4
2801350	Establishment and supervision of young orchards, vineyards and berries					556 750 000,00	556 750 000,00	306 614 368,52	556 750 000,00	556 750 000,00	306 614 368,52	55,1
2801430	Partial compensation of the cost of complex agricultural machinery of domestic production	10 000 000,00	10 000 000,00	10 000 000,00	10 000 000,00				10 000 000,00	10 000 000,00	10 000 000,00	100,0
2801510	State support for the development of hop growing					98 250 000,00	98 250 000,00	20 492 681,79	98 250 000,00	98 250 000,00	20 492 681,79	20,9
2801520	Financial support for the creation of wholesale markets for agricultural products	10 000 000,00	210 000 000,00	210 000 000,00	198 000 000,00				10 000 000,00	210 000 000,00	198 000 000,00	94,3
2801540	State support of the livestock industry					2 030 000 000,00	2 030 000 000,00	107 460 260,00	2 030 000 000,00	2 030 000 000,00	107 460 260,00	5,3
2801590	Partial reimbursement of the cost of construction of new greenhouse complexes	50 000 000,00	60 000 000,00	59 994 300,00	28 540 370,00				50 000 000,00	60 000 000,00	28 540 370,00	47,6
2801460	Providing loans to farms					28 000 000,00	28 000 000,00	21 734 400,00	28 000 000,00	28 000 000,00	21 734 400,00	77,6
2801490	Purchase of breeding heifers and cows, domestic machinery and equipment for the agro-industrial	85 000 000,00	85 000 000,00	25 000 000,00	25 000 000,00				85 000 000,00	85 000 000,00	25 000 000,00	29,4

	complex with their subsequent sale to agricultural enterprises on the terms of financial leasing											
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					3 712 337 500,00	8 712 337 500,0	2 746 376 497,02	3 712 337 500,00	8 712 337 500,00	2 746 376 497,02	31,5
<b>2012</b>												
2801180	Financial support of measures in the agro-industrial complex	822 376 300,00	822 376 300,00	670 877 626,00	245 945 732,65	5 000 000,00	5 000 000,00	1 497 149,18	827 376 300,00	827 376 300,00	247 442 881,83	29,9
2801200	Measures to control pests and diseases of agricultural plants, prevention of the spread of infectious diseases of animals	34 000 000,00	34 000 000,00	33 695 600,00	33 571 522,60				34 000 000,00	34 000 000,00	33 571 522,60	98,7
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					765 500 000,00	765 500 000,00	230 433 245,66	765 500 000,00	765 500 000,00	230 433 245,66	30,1
2801350	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision					1 075 000 000,00	1 075 000 000,00	309 164 080,69	1 075 000 000,00	1 075 000 000,00	309 164 080,69	28,8

2801360	Partial compensation for the cost of electricity used for irrigation on irrigated lands	50 000 000,00	50 000 000,00	50 000 000,00	3 149 646,35				50 000 000,00	50 000 000,00	3 149 646,35	6,3
2801520	Financial support for the creation of wholesale markets for agricultural products	200 000 000,00	200 000 000,00	100 205 381,00	42 118 200,00				200 000 000,00	200 000 000,00	42 118 200,00	21,1
2801540	State support of the livestock industry					732 000 000,00	732 000 000,00	238 922 472,66	732 000 000,00	732 000 000,00	238 922 472,66	32,6
2801460	Providing loans to farms					27 800 000,00	27 800 000,00	6 430 500,00	27 800 000,00	27 800 000,00	6 430 500,00	23,1
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing	25 000 000,00	25 000 000,00	25 000 000,00		5 024 200,00	5 024 200,00		30 024 200,00	30 024 200,00		
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					7 200 000 000,00	7 200 000 000,0	2 227 583 546,82	7 200 000 000,00	7 200 000 000,00	2 227 583 546,82	30,9
<b>2013</b>												
2801180	Financial support of measures in the agro-industrial complex	91 777 900,00	71 777 900,00	753 836,72	261 534,24	5 000 000,00	5 000 000,00	699 390,60	96 777 900,00	76 777 900,00	960 924,84	1,25
2801200	Measures to control pests and diseases of agricultural plants, prevention of the spread of infectious diseases of animals	25 500 000,00	25 500 000,00	24 712 175,00	24 712 175,00				25 500 000,00	25 500 000,00	24 712 175,00	96,9

2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					500 000 000,00	500 000 000,00	497 407 530,32	500 000 000,00	500 000 000,00	497 407 530,32	99,5
2801350	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision					100 000 000,00	500 000 000,00	94 793 549,52	100 000 000,00	500 000 000,00	94 793 549,52	19,0
2801540	State support of the livestock industry					650 000 000,00	1 239 804 100,00	721 006 128,48	650 000 000,00	1 239 804 100,00	721 006 128,48	58,1
2801460	Providing loans to farms					27 900 000,00	27 900 000,00	6 353 100,00	27 900 000,00	27 900 000,00	6 353 100,00	22,8
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing					8 842 500,00	8 842 500,00		8 842 500,00	8 842 500,00		
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					7 200 000 000,00	7 200 000 000,00	625 894 108,77	7 200 000 000,00	7 200 000 000,00	625 894 108,77	8,7
<b>2014</b>												
2801180	Financial support of measures in the agro-industrial complex					5 000 000,00	5 000 000,00		5 000 000,00	5 000 000,00		

2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					100 000 000,00	100 000 000,00	99 710 017,85	100 000 000,00	100 000 000,00	99 710 017,85	99,7
2801350	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision					100 000 000,00	100 000 000,00	43 926 551,95	100 000 000,00	100 000 000,00	43 926 551,95	43,9
2801540	State support of the livestock industry					888 010 700,00	888 010 700,00	371 204 091,05	888 010 700,00	888 010 700,00	371 204 091,05	41,8
2801460	Providing loans to farms					27 900 000,00	27 900 000,00	15 870 097,13	27 900 000,00	27 900 000,00	15 870 097,13	56,9
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing					3 818 400,00	3 818 400,00		3 818 400,00	3 818 400,00		
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					1 400 000 000,00	1 400 000 000,00	4 628 435,43	1 400 000 000,00	1 400 000 000,00	4 628 435,43	0,33



2015												
2801030	Financial support of measures in the agro-industrial complex by reducing the cost of loans	300 000 000,00	300 000 000,00	300 000 000,00	290 646 504,71				300 000 000,00	300 000 000,00	290 646 504,71	96,9
2801180	Financial support of measures in the agro-industrial complex					5 000 000,00	5 000 000,00		5 000 000,00	5 000 000,00		
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					100 000 000,00	100 000 000,00	27 909 217,42	100 000 000,00	100 000 000,00	27 909 217,42	27,9
2801540	State support of the livestock industry	250 000 000,00	250 000 000,00	40 584 849,00	40 584 849,00				250 000 000,00	250 000 000,00	40 584 849,00	16,2
2801460	Providing loans to farms					25 600 000,00	25 600 000,00	25 600 000,00	25 600 000,00	25 600 000,00	25 600 000,00	100
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing					3 818 400,00	3 818 400,00		3 818 400,00	3 818 400,00		
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					1 400 000 000,00	1 400 000 000,00	12 540 631,54	1 400 000 000,00	1 400 000 000,00	12 540 631,54	0,9

2016												
2801030	Financial support of measures in the agro-industrial complex by reducing the cost of loans	285 000 000,00	285 000 000,00	279 814 276,00	279 814 275,73				285 000 000,00	285 000 000,00	279 814 275,73	98,2
2801180	Financial support of measures in the agro-industrial complex					5 000 000,00	5 000 000,00		5 000 000,00	5 000 000,00		
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					100 000 000,00	100 000 000,00	25 395 591,34	100 000 000,00	100 000 000,00	25 395 591,34	25,4
2801540	State support of the livestock industry	30 000 000,00	30 000 000,00	30 000 000,00	29 985 713,00				30 000 000,00	30 000 000,00	29 985 713,00	99,9
2801460	Providing loans to farms					15 819 200,00	15 819 200,00	14 810 400,00	15 819 200,00	15 819 200,00	14 810 400,00	93,6
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing					3 818 400,00	3 818 400,00		3 818 400,00	3 818 400,00		

2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					1 400 000 000,00	1 400 000 000,00	72 714,92	1 400 000 000,00	1 400 000 000,00	72 714,92	0,01
<b>2017</b>												
2801030	Financial support of measures in the agro-industrial complex by reducing the cost of loans	300 000 000,00	300 000 000,00	294 889 222,00	294 839 032,16				300 000 000,00	300 000 000,00	294 839 032,16	98,3
2801180	Financial support of measures in the agro-industrial complex	55 000 000,00	55 000 000,00	54 106 905,00	54 106 905,00	5 000 000,00	5 000 000,00	2 834 000,00	60 000 000,00	60 000 000,00	56 940 905,00	94,9
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					51 400 000,00	51 400 000,00	27 629 332,34	51 400 000,00	51 400 000,00	27 629 332,34	53,7
2801350	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision	75 000 000,00	299 300 000,00	298 831 751,00	298 598 344,93				75 000 000,00	299 300 000,00	298 598 344,93	99,8
2801540	State support of the livestock industry	170 000 000,00	170 000 000,00	169 999 693,00	165 839 539,55				170 000 000,00	170 000 000,00	165 839 539,55	97,6
2801580	Financial support for agricultural producers	1 473 000 000,00	1 248 700 000,00	1 021 449 757,83	1 021 449 757,83	3 301 300 000,00	3 301 300 000,00	3 112 606 457,53	4 774 300 000,00	4 550 000 000,00	4 134 056 215,36	90,9

2801460	Providing loans to farms	25 000 000,00	25 000 000,00	25 000 000,00	25 000 000,00	40 000 000,00	40 000 000,00	39 600 000,00	65 000 000,00	65 000 000,00	64 600 000,00	99,4
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing					3 818 400,00	3 818 400,00	3 818 376,80	3 818 400,00	3 818 400,00	3 818 376,80	100
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					773 000 000,00	773 000 000,00		773 000 000,00	773 000 000,00		
<b>2018</b>												
2801030	Financial support of measures in the agro-industrial complex by reducing the cost of loans	66 000 000,00	266 000 000,00	265 912 953,00	265 912 953,00				66 000 000,00	266 000 000,00	265 912 953,00	99,9
2801180	Financial support of measures in the agro-industrial complex					5 000 000,00	5 000 000,00	2 850 000,00	5 000 000,00	5 000 000,00	2 850 000,00	57,0
2801230	Financial support for farm development	150 000 000,00	210 000 000,00	204 306 940,32	203 263 527,12				150 000 000,00	210 000 000,00	203 263 527,12	96,8
2801250	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price					52 200 000,00	52 200 000,00		52 200 000,00	52 200 000,00		

	regulation of the state intervention fund											
2801350	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision	300 000 000,00	400 000 000,00	394 964 500,65	394 334 500,65				300 000 000,00	400 000 000,00	394 334 500,65	98,6
2801540	State support of the livestock industry	3 021 000 000,00	2 401 000 000,00	2 393 294 843,36	2 389 844 217,36				3 021 000 000,00	2 401 000 000,00	2 389 844 217,36	99,5
2801580	Financial support for agricultural producers	695 000 000,00	955 000 000,00	912 940 176,69	912 860 815,41				695 000 000,00	955 000 000,00	912 860 815,41	95,6
2801460	Providing loans to farms					43 100 000,00	43 100 000,00	42 580 100,00	43 100 000,00	43 100 000,00	42 580 100,00	98,8
2801490	Financial support of measures in the agro-industrial complex on the terms of financial leasing					3 818 400,00	3 818 400,00	956 155,93	3 818 400,00	3 818 400,00	956 155,93	25,0
2801560	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					894 000 000,00	894 000 000,00		894 000 000,00	894 000 000,00		
<b>2019</b>												
1201040	Financial support of measures in the agro-industrial complex by reducing the cost of loans	451 760 000,00	451 760 000,00	450 035 382,24	449 824 051,44				451 760 000,00	451 760 000,00	449 824 051,44	99,6

1201090	Financial support of measures in the agro-industrial complex					5 000 000,00	5 000 000,00	2 038 700,00	5 000 000,00	5 000 000,00	2 038 700,00	40,8
1201100	Financial support for farm development	465 000 000,00	465 000 000,00	462 422 522,01	416 916 523,44				465 000 000,00	465 000 000,00	416 916 523,44	89,7
1201110	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					53 000 000,00	53 000 000,00		53 000 000,00	53 000 000,00		
1201130	State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision	400 000 000,00	400 000 000,00	400 000 000,00	397 878 920,00				400 000 000,00	400 000 000,00	397 878 920,00	99,5
1201140	State support of animal husbandry, storage and processing of agricultural products, aquaculture (fish farming)	2 930 000 000,00	2 930 000 000,00	2 433 689 420,95	2 432 984 266,95				2 930 000 000,00	2 930 000 000,00	2 432 984 266,95	83,0
1201150	Financial support for agricultural producers	681 790 000,00	681 790 000,00	641 032 519,72	640 215 884,22				681 790 000,00	681 790 000,00	640 215 884,22	93,9
1201200	Providing loans to farms	200 000 000,00	200 000 000,00	200 000 000,00	190 700 000,00	44 500 000,00	44 500 000,00	32 347 500,00	244 500 000,00	244 500 000,00	223 047 500,00	91,2
1201210	Financial support of measures in the agro-industrial complex on the terms of financial leasing					4 773 000,00	4 773 000,00		4 773 000,00	4 773 000,00		

1201260	Formation of the state intervention fund by the Agrarian Fund, and also purchase of material and technical resources for needs of agricultural commodity producers					891 700 000,00	891 700 000,00		891 700 000,00	891 700 000,00		
2020												
1201090	Financial support of measures in the agro-industrial complex					5 000 000,00	5 000 000,00		5 000 000,00	5 000 000,00		
1201110	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund					89 100 000,00	89 100 000,00		89 100 000,00	89 100 000,00		
1201150	Financial support for agricultural producers	4 000 000 000,00	3 980 000 000,00	3 968 342 136,98	3 968 015 424,03				4 000 000 000,00	3 980 000 000,00	3 968 015 424,03	99,7
1201200	Providing loans to farms					67 000 000,00	67 000 000,00	66 745 200,00	67 000 000,00	67 000 000,00	66 745 200,00	99,6
1201210	Financial support of measures in the agro-industrial complex on the terms of financial leasing					4 773 000,00	4 773 000,00		4 773 000,00	4 773 000,00		

*Source: State Treasury Service of Ukraine <https://www.treasury.gov.ua/ua/file-storage/vikonannya-derzhavnogo-byudzhetu>*

## ANNEX 6

### Allocated and used budget funds of state support in terms of areas for 2015 - 2020

Budget classification code	Name of the budget program / Directions of use of budgetary funds	thousand UAH								
		Approved in the passport of the budget program			Cash expenditures (loans granted)			Deviation		
		general fund	special fund	together	general fund	special fund	together	general fund	special fund	together
<b>2015</b>										
<b>2801560</b>	<b>Formation by the Agrarian Fund of the state intervention fund, and also purchase of material and technical resources for needs of agricultural commodity producers</b>		<b>1400000,0</b>	<b>1400000,0</b>		<b>12540,6</b>	<b>12540,6</b>		<b>-1387459,4</b>	<b>-1387459,4</b>
<b>2801540</b>	<b>State support of the livestock industry</b>	<b>250000,0</b>			<b>40584,9</b>		<b>40584,9</b>			<b>-209415,1</b>
	Partial reimbursement of the cost of heifers, heifers, cows of domestic origin and breeding heifers, heifers, dairy cows, dairy-meat and meat cows, breeding pigs and boars ("elite" class), breeding ewes, sheep, bright	35000,0		35000,0				-35000,0		-35000,0
	Partial reimbursement of the cost of construction and reconstruction of livestock farms and complexes, milking parlors and meat processing enterprises formed on a cooperative basis	215000,0		215000,0				-215000,0		-215000,0
<b>2801490</b>	<b>Financial support of measures in the agro-industrial complex on the terms of financial leasing</b>		<b>3818,4</b>	<b>3818,4</b>					<b>-3818,4</b>	<b>-3818,4</b>
<b>2801460</b>	<b>Providing loans to farms</b>		<b>25600,0</b>	<b>25600,0</b>		<b>25600,0</b>	<b>25600,0</b>			
	Providing repayable assistance for the purchase of machinery, equipment, renewal of working capital, production and processing of agricultural products, construction and reconstruction of industrial and non-industrial premises		25600,0	25600,0		25600,0	25600,0			



2801250	<b>Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund</b>		100000,0	100000,0		27909,2	27909,2		-72090,8	-72090,8
	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund		99764,9	99764,9		27908,8	27908,8		-71856,1	-71856,1
	Repayment of accounts payable registered with the State Treasury Service as of 01.01.2015		235,1	235,1		0,4	0,4		-234,7	-234,7
2801180	<b>Financial support of measures in the agro-industrial complex</b>		5000,0	5000,0					-5000,0	-5000,0
	Purchase of varietal and hybrid seeds for the formation of the state reserve seed fund		5000,0	5000,0					-5000,0	-5000,0
2801030	<b>Financial support of measures in the agro-industrial complex by reducing the cost of loans</b>	300000,0		300000,0	290646,5		290646,5	-9353,5		-9353,5
	Partial compensation of the interest rate to economic entities of the agro-industrial complex on bank loans attracted in the national currency	300000,0		300000,0	290646,5		290646,5	-9353,5		-9353,5
<b>2016</b>										
2801560	<b>Formation by the Agrarian Fund of the state intervention fund, and also purchase of material and technical resources for needs of agricultural commodity producers</b>		1400000,0	1400000,0		72,7	72,7		-1399927,3	-1399927,3
2801540	<b>State support of the livestock industry</b>	30000,0		30000,0	29585,7		9585,7	-414,3		-414,3
	Partial reimbursement of the cost of heifers, heifers, cows of domestic origin and breeding heifers, heifers, dairy cows, dairy-meat and meat cows, breeding pigs and boars ("elite" class), breeding ewes, sheep, bright	30000,0		30000,0	29585,7		29585,7	-414,3		-414,3
2801490	<b>Financial support of measures in the agro-industrial complex on the terms of financial leasing</b>		3818,4	3818,4					-3818,4	-3818,4
	Lending to the lessor for the purchase of domestic agricultural machinery and equipment, breeding heifers and cows		3818,4	3818,4					-3818,4	-3818,4

<b>2801460</b>	<b>Providing loans to farms</b>		<b>15819,2</b>	<b>15819,2</b>		<b>14810,4</b>	<b>14810,4</b>		<b>-1008,8</b>	<b>-1008,8</b>
	Providing repayable assistance for the purchase of machinery, equipment, renewal of working capital, production and processing of agricultural products, construction and reconstruction of industrial and non-industrial premises		15819,2	15819,2		14810,4	14810,4		-1008,8	-1008,8
<b>2801250</b>	<b>Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund</b>		<b>100000,0</b>	<b>100000,0</b>		<b>25395,6</b>	<b>25395,6</b>		<b>-74604,4</b>	<b>-74604,4</b>
	Expenditures of the Agrarian Fund are related to a set of measures for storage, transportation, processing and export of objects of state price regulation of the state intervention fund		99765,2	99765,2		25395,6	25395,6		-74369,6	-74369,6
	Repayment of accounts payable registered with the State Treasury Service of Ukraine as of January 1, 2016		234,8	234,8					-234,8	-234,8
<b>2801180</b>	<b>Financial support of measures in the agro-industrial complex</b>		<b>5000,0</b>	<b>5000,0</b>					<b>-5000,0</b>	<b>-5000,0</b>
	Purchase of varietal and hybrid seeds for the formation of the state reserve seed fund		5000,0	5000,0					-5000,0	-5000,0
<b>2801030</b>	<b>Financial support of measures in the agro-industrial complex by reducing the cost of loans</b>	<b>285000,0</b>		<b>285000,0</b>	<b>279814,3</b>		<b>279814,3</b>	<b>-5185,7</b>		<b>-5185,7</b>
	Partial compensation of the interest rate to economic entities of the agro-industrial complex on bank loans attracted in the national currency	285000,0		285000,0	279814,3		279814,3	-5185,7		-5185,7
<b>2017</b>										
<b>2801580</b>	<b>Financial support for agricultural producers</b>	<b>1248700,0</b>	<b>3301300,0</b>	<b>4550000,0</b>	<b>1021449,8</b>	<b>3112606,5</b>	<b>4134056,3</b>	<b>-227250,2</b>	<b>-188693,5</b>	<b>-415943,7</b>
	Budget subsidy for the development of agricultural producers and stimulation of agricultural production	923000,0	3077000,0	4000000,0	923000,0	3077000,0	4000000,0			
	Partial compensation of the cost of agricultural machinery and equipment of domestic production	325700,0	224300,0	550000,0	98449,8	35606,5	134056,3	-227250,2	-188693,5	-415943,7
<b>2801030</b>	<b>Financial support of measures in the agro-industrial complex by reducing the cost of loans</b>	<b>300000,0</b>		<b>300000,0</b>	<b>294839,0</b>		<b>294839,0</b>		<b>-5161,0</b>	<b>-5161,0</b>
	Partial compensation of the interest rate to economic entities of the agro-industrial complex on bank loans attracted in the national currency	300000,0		300000,0	294839,0		294839,0		-5161,0	-5161,0
<b>2801180</b>	<b>Financial support of measures in the agro-industrial complex</b>	<b>55000,0</b>	<b>5000,0</b>	<b>60000,0</b>	<b>54106,9</b>	<b>2834,0</b>	<b>56940,9</b>	<b>-893,1</b>	<b>-2166,0</b>	<b>-3059,1</b>

	Purchase of varietal and hybrid seeds for the formation of the state reserve seed fund		5000,0	5000,0		2834,0	2834,0		-2166,0	-2166,0
	Repayment of accounts payable registered with the State Treasury Service as of January 1, 2017	55000,0		55000,0	54106,9		54106,9	-893,1		-893,1
<b>2801350</b>	<b>State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision</b>	<b>299300,0</b>		<b>299300,0</b>	<b>298598,3</b>		<b>298598,3</b>		<b>-701,7</b>	<b>-701,7</b>
	Repayment of accounts payable registered with the State Treasury Service as of 01.01.2017 (except for the Autonomous Republic of Crimea, Sevastopol and the occupied territories of Donetsk and Luhansk regions)	176435,0		176435,0	182969,3		182969,3	6534,3		6534,3
	Carrying out works on planting, caring for them before fruiting	65000,0		65000,0	61723,4		61723,4	-3276,6		-3276,6
	Construction of refrigerators with adjustable gas environment with a capacity of 500 tons and quick-freezing chambers of fruits and berries, purchase of lines of commodity processing of fruits, mechanisms and equipment	57865,0		57865,0	53905,6		53905,6	-3959,4		-3959,4
<b>2801460</b>	<b>Providing loans to farms</b>	<b>25000,0</b>	<b>40000,0</b>	<b>65000,0</b>	<b>25000,0</b>	<b>39600,0</b>	<b>64600,0</b>		<b>-400,0</b>	<b>-400,0</b>
	Providing repayable assistance for the purchase of machinery, equipment, renewal of working capital, production and processing of agricultural products, conformity assessment of production of organic products (raw materials), construction and reconstruction of industrial and non-industrial premises, for the establishment of perennial plantations, credit and service cooperation, irrigation and land reclamation	25000,0	40000,0	65000,0	25000,0	39600,0	64600,0		-400,0	-400,0
<b>2801490</b>	<b>Financial support of measures in the agro-industrial complex on the terms of financial leasing</b>		<b>3818,4</b>	<b>3818,4</b>		<b>3818,4</b>	<b>3818,4</b>			
	Providing a loan to the lessor for the purchase of domestic agricultural machinery and equipment		3818,4	3818,4		3818,4	3818,4			
<b>2801540</b>	<b>State support of the livestock industry</b>	<b>170000,0</b>		<b>170000,0</b>	<b>165839,5</b>		<b>165839,5</b>	<b>-4160,5</b>		<b>-4160,5</b>
	Partial reimbursement of the cost of heifers, heifers, cows of domestic origin and breeding heifers, heifers, cows of dairy, dairy-meat and meat direction of production, breeding pigs and boars, breeding ewes, rams, bright	11655,0		11655,0	11655,0		11655,0			
	Repayment of budget accounts payable registered	158345,0		158345,0	158345,0		158345,0	-4160,5		-4160,5

	with the Treasury									
<b>2018</b>										
<b>2801580</b>	<b>Financial support for agricultural producers</b>	<b>955000,0</b>		<b>955000,0</b>	<b>912860,0</b>		<b>912860,0</b>	<b>-42140,0</b>		<b>-42140,0</b>
	Partial compensation of the cost of agricultural machinery and equipment of domestic production	955000,0		955000,0	912860,0		912860,0	-42140,0		-42140,0
<b>2801030</b>	<b>Financial support of measures in the agro-industrial complex by reducing the cost of loans</b>	<b>266000,0</b>		<b>266000,0</b>	<b>265912,9</b>		<b>265912,9</b>	<b>-87,1</b>		<b>-87,1</b>
	Partial compensation of the interest rate to economic entities of the agro-industrial complex on bank loans attracted in the national currency	266000,0		266000,0	265912,9		265912,9	-87,1		-87,1
<b>2801180</b>	<b>Financial support of measures in the agro-industrial complex</b>		<b>5000,0</b>	<b>5000,0</b>		<b>2 850,0</b>	<b>2 850,0</b>		<b>-2150,0</b>	<b>-2150,0</b>
	Purchase of varietal and hybrid seeds for the formation of the state reserve seed fund		5000,0	5000,0		2 850,0	2 850,0		-2150,0	-2150,0
<b>2801230</b>	<b>Financial support for farm development</b>	<b>210000,0</b>		<b>210000,0</b>	<b>203263,5</b>		<b>203263,5</b>	<b>-6736,5</b>		<b>-6736,5</b>
	Partial compensation of the cost of seeds of agricultural plants of domestic production, purchased from individuals - entrepreneurs and legal entities engaged in the production and / or sale	7600,0		7600,0	6425,2		6425,2	-1174,8		-1174,8
	Partial reimbursement of costs associated with the provision of agricultural advisory services	204,0		204,0	203,5		203,5	-0,5		-0,5
	Financial support of agricultural service cooperatives	8600,0		8600,0	8575,5		8575,5	-24,5		-24,5
	Partial compensation of the cost of purchased agricultural machinery and equipment of domestic production	110920,0		110920,0	108801,0		108801,0	-2119,0		-2119,0
	Cheaper loans	10946,0		10946,0	8457,2		8457,2	-2488,8		-2488,8
	Budget subsidy per unit of arable land (1 hectare) - to newly established farms	28670,0		28670,0	28121,4		28121,4	-548,6		-548,6
	Budget subsidy per unit of arable land (1 hectare) - to other farms	43060,0		43060,0	42679,7		42679,7	-380,3		-380,3
<b>2801350</b>	<b>State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision</b>	<b>400000,0</b>		<b>400000,0</b>	<b>394334,5</b>		<b>394334,5</b>	<b>-5665,5</b>		<b>-5665,5</b>
	Partial reimbursement of costs for the purchase of planting material of fruit and berry crops, grapes and hops	268345,0		268345,0	260462,4		260462,4	-7882,6		-7882,6
	Partial reimbursement of costs for the construction of refrigerators with controlled gas environment	123925,0		123925,0	133872,1		133872,1	-9947,1		-9947,1
	Partial reimbursement of costs for the purchase of	2380,0		2380,0				-2380,0		-2380,0

	fruit processing lines									
	Partial reimbursement of costs for the construction of chambers for quick freezing of fruits and berries	5350,0		5350,0				-5350,0		-5350,0
<b>2801460</b>	<b>Providing loans to farms</b>		<b>43100,0</b>	<b>43100,0</b>		<b>42580,1</b>	<b>42580,1</b>		<b>-519,9</b>	<b>-519,9</b>
	Providing repayable assistance for the purchase of machinery, equipment, renewal of working capital, production and processing of agricultural products, conformity assessment of production of organic products (raw materials), construction and reconstruction of industrial and non-industrial premises, for the establishment of perennial plantations, credit and service cooperation, irrigation and land reclamation		43100,0	43100,0		42580,1	42580,1		-519,9	-519,9
<b>2801490</b>	<b>Financial support of measures in the agro-industrial complex on the terms of financial leasing</b>		<b>3818,4</b>	<b>3818,4</b>		<b>956,2</b>	<b>956,2</b>		<b>-2862,2</b>	<b>-2862,2</b>
	Providing a loan to the lessor for the purchase of domestic agricultural machinery and equipment		3818,4	3818,4		956,2	956,2		-2862,2	-2862,2
<b>2801540</b>	<b>State support of the livestock industry</b>	<b>2401000,0</b>		<b>2401000,0</b>	<b>2389844,2</b>		<b>2389844,2</b>	<b>-11155,8</b>		<b>-11155,8</b>
	Partial compensation of the interest rate on bank loans raised to cover the costs associated with the implementation of activities in the following industries: sheep, goat, beekeeping, animal husbandry, rabbit breeding, silkworm breeding and aquaculture	4000,0		4000,0	3747,7		3747,7	-252,3		-252,3
	Partial compensation for the cost of construction and reconstruction of livestock farms and complexes, milking parlors, agricultural processing enterprises in terms of costs financed by bank loans	65000,0		65000,0	62926,1		62926,1	-2073,9		-2073,9
	Special budget subsidy for keeping dairy, dairy-meat and meat cows	515000,0		515000,0	511906,6		511906,6	-3093,4		-3093,4
	Special budget subsidy for rearing young cattle born on farms of individuals	322000,0		322000,0	320081,4		320081,4	-1918,6		-1918,6
	Partial reimbursement of the cost of breeding animals purchased for further reproduction, namely heifers, heifers, dairy cows, dairy-meat and meat cows, pigs and boars, ewes, sheep, bright and sperm of bulls and bovine embryos, which have tribal (genetic) value	215000,0		215000,0	214502,5		214502,5	-497,5		-497,5
	Partial reimbursement of the cost of construction and reconstruction of livestock farms and complexes, milking parlors, agricultural processing enterprises	1280000,0		1280000,0	1276679,9		1276679,9	-3320,1		-3320,1

2019										
<b>2801460</b>	<b>Providing loans to farms</b>	<b>200000,0</b>	<b>44500,0</b>	<b>244500,0</b>	<b>190700,0</b>	<b>32347,5</b>	<b>223047,5</b>	<b>-9300,0</b>	<b>-12152,5</b>	<b>-21452,5</b>
	Providing repayable assistance for the purchase of machinery, equipment, renewal of working capital, production and processing of agricultural products, conformity assessment of production of organic products (raw materials), construction and reconstruction of industrial and non-industrial premises, for the establishment of perennial plantations, credit and service cooperation, irrigation and land reclamation	200000,0	44500,0	244500,0	190700,0	32347,5	223047,5	-9300,0	-12152,5	-21452,5
<b>2801230</b>	<b>Financial support for farm development</b>	<b>465000,0</b>		<b>465000,0</b>	<b>416916,5</b>		<b>416916,5</b>	<b>-48083,5</b>		<b>-48083,5</b>
	Partial compensation of the cost of seeds of agricultural plants of domestic production, purchased from individuals - entrepreneurs and legal entities engaged in the production and / or sale	50000,0		50000,0	50000,0		50000,0			
	Partial reimbursement of costs associated with the provision of agricultural advisory services	1000,0		1000,0	613,3		613,3	-386,7		-386,7
	Financial support of agricultural service cooperatives	5000,0		5000,0	2809,2		2809,2	-2190,8		-2190,8
	Partial compensation of the cost of purchased agricultural machinery and equipment of domestic production	195000,0		195000,0	194162,7		194162,7	-837,3		-837,3
	Cheaper loans	87000,0		87000,0	87000,0		87000,0			
	Budget subsidy per unit of arable land (1 hectare) - to newly established farms	30000,0		30000,0	18179,7		18179,7	-11820,3		-11820,3
	Budget subsidy per unit of arable land (1 hectare) for farms (except newly created)	96782,1		96782,1	63933,7		63933,7	-32848,4		-32848,4
	Repayment of accounts payable registered with the State Treasury Service as of January 1, 2019	217,9		217,9	217,9		217,9			
<b>2801540</b>	<b>State support of animal husbandry, storage and processing of agricultural products, aquaculture (fish farming)</b>	<b>2930000,0</b>		<b>2930000,0</b>	<b>2432984,3</b>		<b>2432984,3</b>	<b>-497015,7</b>		<b>-497015,7</b>
	Partial compensation of interest rates on bank loans raised to cover costs related to activities in the following industries: sheep, goat breeding, beekeeping, animal husbandry, rabbit breeding, silkworm breeding and aquaculture (fish farming)	12000,0		12000,0	9725,0		9725,0	-2275,0		-2275,0
	Partial compensation for the cost of construction and reconstruction of livestock farms and complexes, milking parlors, agricultural processing enterprises in terms of costs financed without value added tax	75000,0		75000,0	75000,0		75000,0			

	through bank loans									
	Special budget subsidy for keeping dairy, dairy-meat and meat cows	532000,0		532 000,0	531016,2		531016,2	-983,8		-983,8
	Special budget subsidy for raising young cattle (according to the obligations of the current budget period)	784886,7		784886,7	614875,7		614875,7	-170011,0		-170011,0
	Special budget subsidy for raising young cattle (to repay budget accounts payable registered with the State Treasury Service as of January 1, 2019, except for the uncontrolled territories of Donetsk and Luhansk regions)	113,3		113,3	113,3		113,3			
	Partial reimbursement of the cost of breeding animals purchased for further reproduction, namely: heifers, heifers, dairy cows, dairy-meat and meat production, pigs and boars, ewes, sheep, bright and sperm of bulls and embryos of cattle, which have tribal (genetic) value	150000,0		150000,0	149992,5		149992,5	-7,5		-7,5
	Partial reimbursement of the cost of construction and reconstruction of livestock farms and complexes, milking parlors, agricultural processing enterprises	526000,0		526000,0	526000,0		526000,0			
	Partial reimbursement to agricultural producers of the cost of construction and reconstruction of grain storage and processing enterprises	850000,0		850000,0	526261,6		526261,6	-323738,4		-323738,4
<b>2801580</b>	<b>Financial support for agricultural producers</b>	<b>681790,00</b>		<b>681790,00</b>	<b>640215,9</b>		<b>640215,9</b>	<b>-41574,1</b>		<b>-41574,1</b>
	Partial compensation of the cost of agricultural machinery and equipment of domestic production	681790,0		681790,0	640215,9		640215,9	-41574,1		-41574,1
<b>2801030</b>	<b>Financial support of measures in the agro-industrial complex by reducing the cost of loans</b>	<b>451760,0</b>		<b>451760,0</b>	<b>449823,5</b>		<b>449823,5</b>	<b>-1936,5</b>		<b>-1936,5</b>
	Partial compensation of the interest rate to economic entities of the agro-industrial complex on bank loans attracted in the national currency	451760,0		451760,0	449823,5		449823,5	-1936,5		-1936,5
<b>2801180</b>	<b>Financial support of measures in the agro-industrial complex</b>		<b>5000,0</b>	<b>5000,0</b>		<b>2038,7</b>	<b>2038,7</b>		<b>-2961,3</b>	<b>-2961,3</b>
	Purchase of varietal and hybrid seeds for the formation of the state reserve seed fund		5000,0	5000,0		2038,7	2038,7		-2961,3	-2961,3
<b>2801350</b>	<b>State support for the development of hop growing, establishment of young orchards, vineyards and berries and their supervision</b>	<b>400000,00</b>		<b>400000,00</b>	<b>397878,9</b>		<b>397878,9</b>	<b>-2121,1</b>		<b>-2121,1</b>
	Partial reimbursement of costs for the purchase of planting material of fruit and berry crops, grapes and hops	280000,0		200000,0	277878,9		277878,9	-2121,1		-2121,1

	Partial compensation to economic entities for the cost of construction of refrigerators with regulated gas environment and facilities for freezing fruit and berry products, purchase of fruit processing lines, mechanisms for carrying out technological operations in hop-growing and equipment for drying fruits	120000,0		120000,0	120000,0		120000,0			
<b>2020</b>										
<b>1201200</b>	<b>Providing loans to farms</b>		<b>67000,0</b>	<b>67000,0</b>		<b>66745,2</b>	<b>66745,2</b>		<b>-254,8</b>	<b>-254,8</b>
	Providing repayable assistance for the purchase of machinery, equipment, renewal of working capital, production and processing of agricultural products, conformity assessment of production of organic products (raw materials), construction and reconstruction of industrial and non-industrial premises, for the establishment of perennial plantations, credit and service cooperation, irrigation and land reclamation		67000,0	67000,0		66745,2	66745,2		-254,8	-254,8
<b>1201090</b>	<b>Financial support of measures in the agro-industrial complex</b>		<b>5000,0</b>	<b>5000,0</b>					<b>-5000,0</b>	<b>-5000,0</b>
	Purchase of varietal and hybrid seeds for the formation of the state reserve seed fund		5000,0	5000,0					-5000,0	-5000,0
<b>1201150</b>	<b>Financial support for agricultural producers</b>	<b>3980000,0</b>		<b>3980000,0</b>	<b>3968060,8</b>		<b>3968060,8</b>	<b>-11939,2</b>		<b>-11939,2</b>
	Financial support of measures in the agro-industrial complex by reducing the cost of loans	1048512,8		1048512,8	1047697,4		1047697,4	-815,4		-815,4
	Partial compensation of the cost of agricultural machinery and equipment of domestic production	1457644,5		1457644,5	1456256, 5		1456256, 5	-1388,0		-1388,0
	Financial support for horticulture, viticulture and hop growing	291955,0		291955,0	290037,8		290037,8	-1917,2		-1917,2
	State support for the development of animal husbandry and processing of agricultural products	1046824,9		1046824,9	1040566,4		1040566,4	-6258,5		-6258,5
	Financial support for farm development	132481,1		132481,1	130922,0		130922,0	-1559,1		-1559,1
	Repayment of accounts payable registered with the Treasury as of August 1, 2020 and December 1, 2020 (except for territories not subordinated to Ukraine - temporarily occupied territories in Donetsk and Luhansk regions, the Autonomous Republic of Crimea and the city of Sevastopol)	2581,7		2581,7	2580,7		2580,7	-1,0		-1,0

Source of information: <https://www.me.gov.ua/Documents/List?lang=uk-UA&id=4937ed86-0e1d-4f0d-9aa3-0de1ad187e25&tag=InformatsiiaProVikonanniaPasportivBiudzhethnikhProgram>;

<https://agro.me.gov.ua/ua/napryamki/finansova-politika/byudzhethnij-proces/zviti-pro-vikonannya-pasportiv-byudzhethnih-program>;