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## Market Turnover of Agricultural Land in Ukraine: Monitoring and Analysis

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► **Abstract.** The main objective of the land reform in Ukraine, which was launched 22 years ago, is to involve agricultural land in full, efficient, and transparent economic (market) turnover. During different stages of transformations in land relations, in scientific, political, and social circles, the issue of market turnover of agricultural land was particularly acute and always caused many disputes about precisely what the market turnover of land should be. With the introduction (from July 2021) of the market turnover of agricultural land, questions about its functioning not only remained, but, on the contrary, additional tasks were added: which model of market turnover Ukraine has chosen; what are the results of the functioning of the market turnover of agricultural land; whether the model of market turnover of agricultural land corresponds to the European integration direction of Ukraine's development, etc. This study is focused on highlighting such issues, clearly revealing the essence of the subject through the analysis of statistical data, which in turn forms the relevance of the results presented. The purpose of the study is to cover and analyse the outcomes of the market turnover of agricultural land in Ukraine and to identify the existing issues. The purpose of the study is a comprehensive examination of the results of purchase and sale transactions of ownership rights to agricultural land plots concluded in Ukraine during 07/01/2021 – 07/01/2022 to determine the main trends in the results. The methods of analysis of the given subject were general scientific, including structural and functional (description and explanation of pricing and functioning of the market turnover of agricultural land); comparison (identification of discrepancies in the data of land value and the basis of its calculation on the basis of collected statistical data on the results of the market turnover of land), abstract and logical (generalisation and formulation of conclusions). Based on the findings, the results of the functioning of the market turnover of agricultural land were analysed, the causes of overstatement of land value were identified and the main price trends were established. The value of agricultural land is calculated by applying the median, the results are compared with the calculations of the average value. It is argued that the state authorities' data on the value of agricultural land is calculated incorrectly. The number and structure of concluded contracts for the sale and purchase of agricultural land in the context of regions are investigated. The value indicators of agricultural land depending on the location, purpose and type of land are highlighted. The main difficulties in the functioning of the market turnover of agricultural land have been identified. Prospects for further research are to find solutions to the existing problems of market turnover of agricultural land by applying the findings of the study

► **Keywords:** land value, purchase and sale, land area, average cost, median cost

### ► Introduction

Since the first of July 2021, in accordance with the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on the Conditions of Agricultural Land Turnover" No. 552-IX (dated 03/31/2020), agricultural land has been brought into market circulation [1].

A detailed study of this Law, which effectively formed the Ukrainian model of market turnover of agricultural land, indicates that this model does not contain any positive aspects for the agricultural

sector of the country and is completely opposite to the European and world practice of building and organising the agricultural land market [2, p. 116-122].

First of all, the form of the legislative act on the land market itself only amends other laws and is not an independent, clearly structured, holistic legal act. For example, in Poland, the Law "On the Formation of the Agricultural System" No. 64 of 04/11/2003, clearly formulates the objectives of the law, has a purpose, explanations on the interpretation of the terminology used, etc. [3].

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At the same time, the Law of Ukraine “On Amendments to Certain Legislative Acts of Ukraine Regarding the Conditions of Agricultural Land Turnover” No. 552-IX (dated 03/31/2020) is missing the essential point – the purpose of adopting this regulatory legal act, the goals, and issues to which this law is aimed. Only the explanatory note to this law specifies its objective:

- formation of a legislative field for the introduction of market turnover of agricultural land;
- guaranteeing the constitutional rights of Ukrainian citizens to free disposal of their property;
- creating transparent conditions for the acquisition of ownership of agricultural land plots by citizens and legal entities of Ukraine [4].

During the 12 months of functioning of the market turnover of agricultural land, a voluminous information and statistical base on transactions of sale and purchase of ownership rights to agricultural land were formed. To determine the main key indicators and trends in the value of agricultural land in Ukraine in the context of regions and months, depending on the location (including settlements) and purpose of land, to determine the European integration direction in the Ukrainian model of land market turnover, this statistical information requires scientific research.

#### ► Literature Review

The issue of market turnover of agricultural land is always relevant for Ukrainian agrarian science. The study of neoliberal approaches to the market turnover of land in agriculture in relation to the volume of taxes and fees to the budgets of all levels, increase of investments in the agricultural sector of the economy and opportunities for lending to enterprises secured by agricultural land is widely covered by O.B. Khodakivska and O.M. Mohylnyi [5, p. 9-15].

B.Ya. Mesel-Veseliak, M.M. Fedorov most extensively elaborated on methodological approaches to determining the index of normative monetary valuation of land. Scientists have developed theoretical and methodological principles and methodological definition of the monetary valuation of agricultural land, according to which their monetary valuation was carried out in Ukraine, the results became the basis for determining the market value of agricultural land [6, p. 18-23].

B. Zhuk and Y. Bezdushna highlight the approaches and methodology of market valuation of agricultural land as a factor of pricing for its market turnover and capitalisation [7, p. 69-74].

T. Kolesnyk, T. Ivanova et al. in their research emphasise the need to strengthen state regulation and institutional support of the market turnover of agricultural land in Ukraine. Scientists have underlined the need to form an adaptive institutional field to support the effective functioning of the land market turnover [8, p. 682-689].

Market turnover of agricultural land is a topical issue for the international scientific community. The study of “perfect” and “imperfect” market turnover

of agricultural land in terms of the impact of the price of agricultural land on the productivity of land cultivation is carried out by Wanjun Yao and Chunan Wang [9, p. 24].

B. James Deaton and Chad Lawley discuss the issues of modelling changes in agricultural land prices, due to the current focus on econometric identification and variation in the value of estimated relationships [10, p. 96].

A group of researchers from Slovakia, including J. Lazíková, L. Rumanovská, I. Takáč, P. Prus and A. Fehér, analyse the functioning of the market turnover of agricultural land from the point of view of the sustainability of agricultural production through the correlation of land prices and soil quality. Scientists identify a trend in which land with lower fertility is sold at a higher price than land with better soil quality, which leads to the risk of a land buyout for the purpose of their use by investors for non-agricultural purposes and displacement of agriculture from certain regions [11, p. 2].

B. Britosa, Manuel A. Hernandezb, M. Roblesc and Danilo R. Trupkind study the influence of market turnover of agricultural land on the distribution of land and the efficiency of its use in agriculture [12, p. 2].

A. Klimach, A. Dawidowicz, M. Dudzińska and R. Erróbek analysed the effect of the marketing system of control over the sale of agricultural land on the protection of agricultural land during market operations in Poland [13, p. 7].

Given the significant scientific achievements of the Ukrainian and foreign scientific community, the market turnover of agricultural land in Ukraine requires further analysis and exploration of solutions for its development.

#### ► Materials and Methods

The study is based on the materials of monitoring of land relations of the State Service of Ukraine for Geodesy, Cartography and Cadastre for 07/01/2022–07/01/2022 [14]. General scientific, economic, and statistical research methods are used. The study is based on analytical and statistical tools and an empirical approach, which allowed to calculate: the number and area of purchase and sale transactions and their structure by region; the dynamics of land purchase and sale transactions by month, the number of agricultural land purchase and sale transactions depending on location; the dynamics of the average monthly value of agricultural land; the value of agricultural land, including by region and depending on their location; the dynamics of the average monthly price of agricultural land; the cost of agricultural land, including by regions and depending on their location.

The comparison method was used in: the study of transactions for the purchase and sale of agricultural land, the value of which is more and less than 150 thousand UAH/ha; the study of land purchase and sale transactions depending on their location, in terms of their quantity; when comparing land purchase and sale transactions depending on

the location, in terms of their value; study of the cost of land purchase and sale transactions by region.

The abstract-logical method made it possible to identify the main problems of market turnover of agricultural land and formulate appropriate conclusions.

To localise the cost values and determine the value of agricultural land more accurately, two methodological approaches were applied through statistical measures of central tendency: calculation of the cost by using an arithmetic mean and median. Given that the information and statistical base has significant fluctuations in the value of the cost, the calculation of the cost using the median provides the most accurate result. To obtain the results that

most accurately characterise the market turnover of agricultural land in Ukraine, and to avoid data on land plots used for other purposes, the calculation was carried out considering transactions worth less than 150 thousand UAH/ha.

### ► Results and Discussion

During the 12 months of the market turnover of agricultural land in Ukraine, the share of transactions of purchase and sale of property rights amounted to 29% of all transactions. The largest share of 66% of all transactions is made up of inheritance. The trend continues in areas where, on average, inheritance contracts predominate in purchase and sale agreements by 3 times (Table 1).

**Table 1.** Number and area of alienated agricultural land plots by oblast, 07/01/2021–07/01/2022

Oblast	Purchase and sale			Inheritance	Gifting
	Number, thousands	Thousand ha	Share	Share	Share
Vinnitsia	6.4	11.4	30%	64%	6%
Volyn	3.2	4.6	22%	74%	4%
Dnipropetrovsk	4.5	17.6	39%	53%	7%
Donetsk Region	1.6	6.1	28%	68%	4%
Zhytomyr	3.2	5.6	23%	70%	6%
Zakarpattia	1.2	1.2	28%	64%	8%
Zaporizhia	2.6	9.4	38%	58%	4%
Ivano-Frankivsk	1.4	0.7	10%	85%	4%
Kyiv	5.8	8.2	33%	59%	8%
Kirovograd	4.9	15.5	45%	46%	8%
Luhansk	1.2	5.9	25%	70%	4%
Lviv	2.1	2	11%	85%	4%
Mykolayiv	2.9	10.7	37%	59%	4%
Odesa	1.9	5.1	36%	60%	3%
Poltava	6.7	16.6	38%	57%	5%
Rivne	1.6	1.5	15%	81%	4%
Sumy	7.1	12	34%	63%	3%
Ternopil	2.2	3.2	12%	84%	4%
<i>Kharkiv</i>	9.3	32.7	48%	47%	5%
Kherson	4.2	17.7	40%	54%	5%
Khmelnysky	5.6	10	29%	62%	8%
Cherkasy	2.8	5	30%	64%	6%
Chernivtsi	1.4	1.3	19%	72%	8%
Chernihiv	4.4	8.9	27%	70%	2%
<b>Ukraine</b>	<b>88.3</b>	<b>213</b>	<b>29%</b>	<b>66%</b>	<b>5%</b>

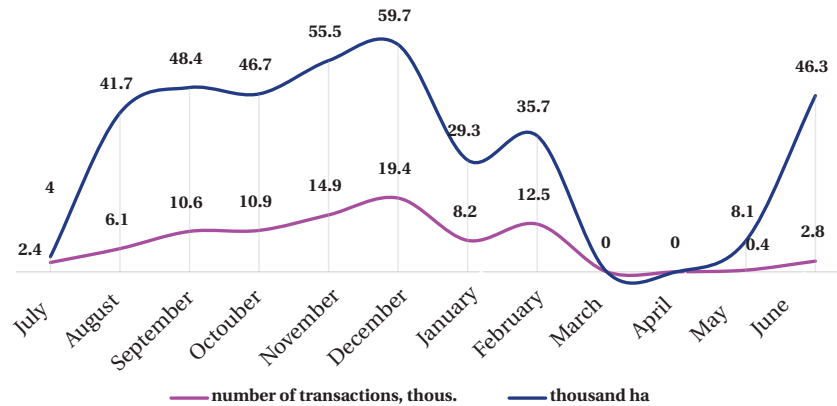
**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

It should be noted that Kharkiv Oblast is the only region where the largest number of transactions of sale and purchase and alienation of agricultural land was registered. According to the data of the State Service of Ukraine for Geodesy, Cartography and

Cadastre, 9,300 transactions of purchase and sale of agricultural land with a total area of 32,700 hectares were concluded in Kharkiv region. Besides, the share of sale and purchase transactions exceeds the share of inheritance transactions by 1% in Kharkiv Oblast [14].

During the year, 213,000 hectares of agricultural land were alienated in Ukraine through the sale and purchase, which is 83% less than the 389,000 hectares inherited.

According to the dynamics of purchase and sale transactions and the area of agricultural land, the peak was in December, in which there were 19,400 transactions with a total area of 59,700 hectares (Fig. 1).



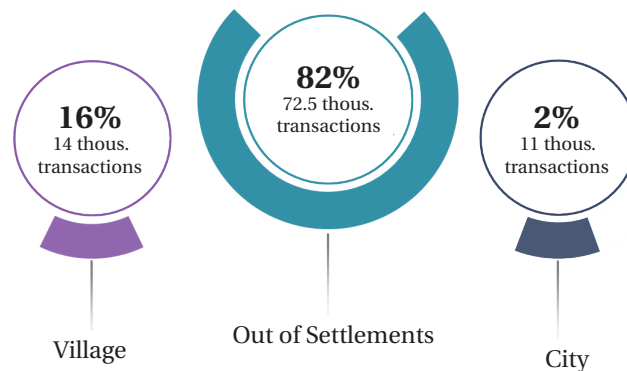
**Figure 1.** Dynamics of purchase and sale transactions and areas of agricultural land by months

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

As a result of the war launched by Russia against Ukraine, there were no transactions on the sale and purchase of agricultural land in March and April. By May, the market turnover of agricultural land in Ukraine has fully resumed its operations.

The study of transactions on alienation of agricultural land plots for the period under review shows that, given the fact that Ukrainian citizens have been granted the right to freely dispose of land, the vast majority of transactions are made under inheritance agreements.

Depending on the location, the largest number of purchase and sale transactions were concluded for agricultural land outside settlements – 72,500 transactions with a total area of 201,300 hectares, which is 82% of all transactions depending on the location. 14,000 purchase and sale transactions with an area of 11,100 hectares were concluded within villages, which is 16% of all transactions, and 1,900 purchase and sale transactions with an area of 564 hectares were concluded within cities, which is 2% of all transactions depending on the location (Fig. 2).



**Figure 2.** Number of transactions for the purchase and sale of agricultural land, depending on the location

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

According to the official data of the Ministry of Agrarian Policy and Food of Ukraine and the State Geocadastre, the average price of agricultural land, considering all sales transactions, for the first year of the market functioning was 37,800 UAH/ha.

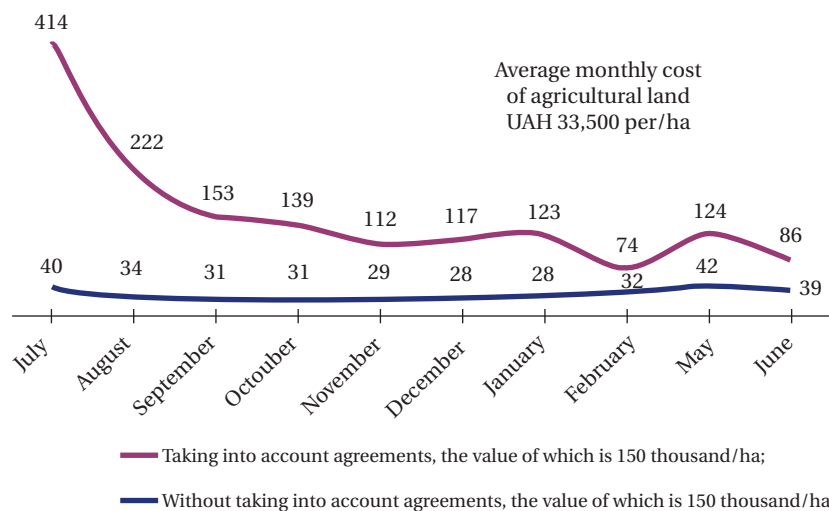
The most expensive land plot that was sold in Ukraine during the year of functioning of the agricultural land market is located in Kozyn, located 9 km from Kyiv along the Dnipro River. The area of this land plot is 0.4531 hectares, and the price for which the

ownership of it was alienated is UAH 24.2 million or UAH 53.4 million per hectare. Similar cases were recorded in the Kyiv, Odesa, and Lviv Oblasts. The abnormally high cost of land plots is explained by their proximity to megacities, with a high probability of their purchase for changing the designated purpose and subsequent construction, rather than agricultural use.

To avoid distortion of data and to obtain an objective price of agricultural land, the land plots

whose value does not exceed 150,000 UAH/ha were taken for calculations. The obtained data on the average value of agricultural land confirmed the

erroneousness of taking into account the land worth more than 150,000 UAH/ha in the calculations (Fig. 3).



**Figure 3.** Dynamics of the average monthly cost of agricultural land in Ukraine between 07/01/2021 and 07/01/2022

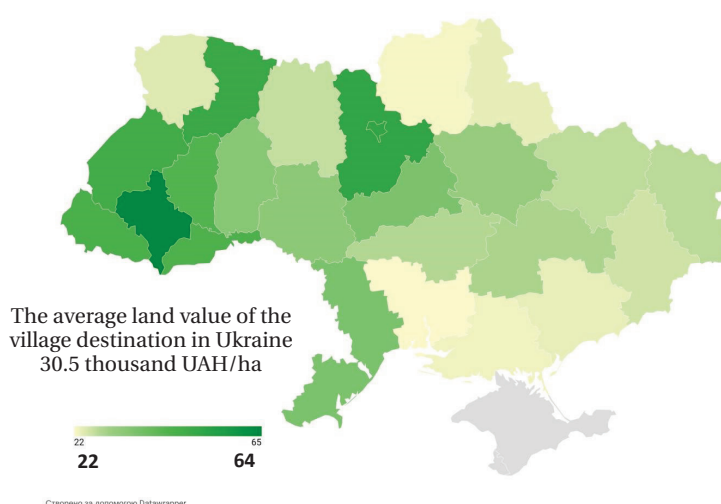
**Notes:** excluding transactions exceeding the value of 1 ha > UAH 150,000

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

According to the calculations, in July 2021, the cost of agricultural land amounted to 414,000 UAH/ha (including transactions with a value of 1 ha <150,000 UAH/ha) and 40,000 UAH/ha (excluding transactions with a value of 1 ha <150,000 UAH/ha). The first month after the opening of the market turnover of agricultural land had the highest land values (taking into account transactions with the value of 1 hectare <150,000 UAH/ha), but in November the value decreased almost 4 times. However, the discrepancy in the data on the value of agricultural land persists

for 12 months and averages 2-3 times. The average monthly price of agricultural land for the study period is 33,500 UAH/ha.

The average price of agricultural land in Ukraine for 12 months of functioning of market circulation amounted to 30,500 UAH/ha. The highest price of agricultural land was recorded in the western Oblasts of Ukraine, namely: Ivano-Frankivsk – 65,000 UAH/ha; Rivne – 49,400 UAH/ha; Lviv – 46,900 UAH/ha; Zakarpattia – 45,100 UAH/ha; Chernivtsi – 43,800 UAH/ha; and Ternopil – 43,200 UAH/ha (Fig. 4).



**Figure 4.** The value of agricultural land in Ukraine 07/01/2021 – 07/01/2022, thousand UAH/ha

**Notes:** excluding transactions with the value of 1 ha >150,000 UAH and excluding transactions for which there is no information on the value

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

In the central regions of Ukraine, the average price of agricultural land is 26,900 thousand UAH/ha, in the Kyiv Oblast – 51,000 UAH/ha.

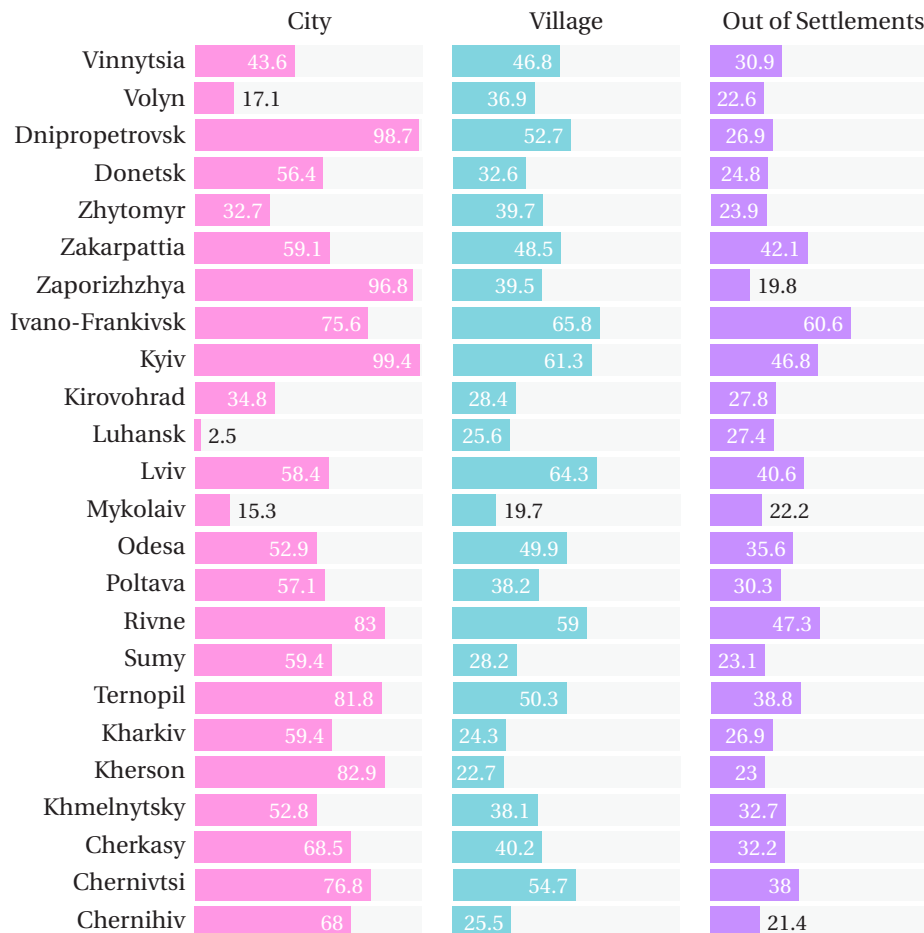
The lowest price of agricultural land was recorded in Mykolaiv Oblast – 22,000 UAH/ha and Chernihiv Oblast – 22,500 UAH/ha regions.

The location of the land plot is the main factor determining its current and future use. A land plot located within the city limits is potentially more attractive to the buyer than a similar land plot located in the countryside or outside the settlement.

As noted above, the location of agricultural land has a direct impact on demand and its value, which is confirmed by the calculations obtained. The results of the study show that agricultural land

plots located within cities have the highest value. For example, in the city of Kyiv, the cost of agricultural land is 99,400 UAH/ha, in Dnipro – 98,700 UAH/ha, in Zaporizhzhia – 96,800 UAH/ha. The lowest value of land within cities is in Luhansk – 2,500 UAH/ha; Mykolaiv – 15,300 UAH/ha and Volyn Oblast – 17,100 UAH/ha. The total value of agricultural land located within cities in Ukraine is 59,700 UAH/ha (Fig. 5).

Considering the value of land within the villages, the western regions have the highest prices: Ivano-Frankivsk – 65,800 UAH/ha; Lviv – 64,300 UAH/ha. Instead, in the Mykolaiv Oblast, the cost of land within villages is also the lowest – 19,700 UAH/ha. The average cost of agricultural land within villages in Ukraine is 41,400 UAH/ha.



**Figure 5.** Value of agricultural land depending on geographical location (by oblast), UAH ths.

**Notes:** excluding transactions with the value of 1 ha > 150,000 UAH and excluding transactions for which there is no information on the value

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

Outside of localities where most agricultural land is concentrated, the highest land value is also in the western regions: Ivano-Frankivsk – 60,600 UAH/ha; Rivne – 47,300 UAH/ha; Zakarpattia – 42,100 UAH/ha. The lowest land value was recorded in Zaporizhzhia Oblast – 19,800 UAH/ha. The average value of agricultural land outside settlements in Ukraine is 31,900 UAH/ha.

Despite the fact that Mykolaiv Oblast has the lowest value of land within cities and villages, it is in this oblast that the value of land outside settlements is higher than the value in cities and villages. It should be noted that Ivano-Frankivsk Oblast has a relatively balanced prices: city – 75,600 UAH/ha; village – 65,800 UAH/ha; outside the settlement – 60,600 UAH/ha.

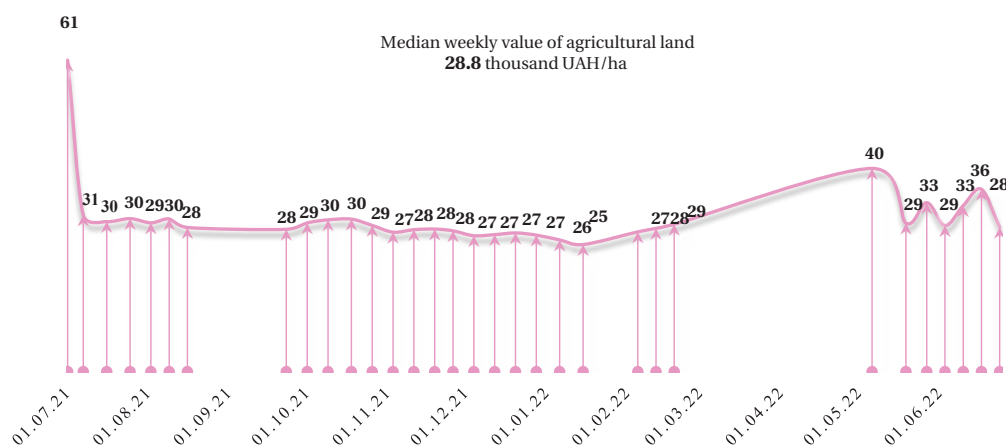
For a more in-depth study of the value of agricultural land, the calculations used the sample median as an alternative to the arithmetic mean, because it is resistant to abnormal deviations.

The main property of the median is that the sum of absolute (modulo) deviations from the median (mean) value gives the minimum possible value when compared with deviations from any other value, including less than the arithmetic mean. Thus, the median is the level of an indicator that divides the dataset into two equal halves – in one half the values are lower and in the other half they are higher than the median.

For 12 months in Ukraine, the median value of agricultural land, including all transactions for which

information on their value was provided (including transactions worth more than 150,000 UAH/ha), is 29,500 UAH/ha. The obtained data of the median cost differ from the official data by UAH 8,300.

Using the median for a more accurate calculation of the value of agricultural land is confirmed by the data of the median weekly value of agricultural land. The data obtained indicate that during the study period the median weekly land value is 28,800 UAH/ha. The highest median value was recorded at the beginning of the first Sunday of the opening of the land market turnover – 61,000 UAH/ha, but the next week the cost is halved and remained almost at the same level throughout the entire period (Fig. 6).



**Figure 6.** Median weekly value of agricultural land in Ukraine, UAH thousand

**Notes:** excluding transactions for which the cost of 1 ha >150,000 UAH.

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

Later, the only case of an increase in the median weekly value was recorded in May – 40,000 UAH/ha, when the market turnover of agricultural land after almost two months of break resumed its work. The last week of the study recorded the median weekly price at the level of 28,000 UAH/ha.

The cost of the most valuable land for agriculture – arable land – amounted to 33,600 UAH/ha. At the same time, the total area of registered arable land purchase and sale transactions is 189,700 hectares or

89.1% of the total alienated area. The value of land differs significantly depending on its intended purpose. Land for commercial agricultural production, farming and personal farming has a value of 29,400 and 28,300 UAH/ha, respectively. Land for subsidiary farming – 42,900 UAH/ha, for individual gardening – 80,600 UAH/ha. According to the results of the study, collective horticultural land has the highest value – 97,200 UAH/ha (Table 2).

**Table 2.** Key indicators of market turnover of agricultural land in Ukraine (07/01/2021–07/01/2022)

Average value of agricultural land plot	30,500 UAH/ha
Average cost of arable land	33,600 UAH/ha
The average value of an agricultural land plot depending on its location (within):	
<b>City</b>	64,900 UAH/ha
<b>Village</b>	43,200 UAH/ha
<b>Outside the settlement</b>	30,100 UAH/ha
The average value of agricultural land depending on the intended purpose:	
<b>Commercial agricultural production</b>	31,300 UAH/ha
<b>Farm</b>	29,400 UAH/ha
<b>Household plot</b>	28,300 UAH/ha

Table 2, Continued

<b>Auxiliary farming</b>	42,900 UAH/ha
<b>Individual gardening</b>	80,600 UAH/ha
<b>Collective gardening</b>	97,200 UAH/ha
Average value of agricultural land plot	29,500 UAH/ha
Number of completed purchase and sale transactions, total	88,300
Area of registered purchase and sale transactions, total	212,900 ha
incl. :	
<b>arable land</b>	189,700 ha

**Notes:** excluding transactions with the value of 1 ha > 150,000 UAH and excluding transactions for which there is no information on the value

**Source:** developed by the author based on the data of the State Service of Ukraine for Geodesy, Cartography and Cadastre [14]

During the operating of the market turnover of agricultural land, issues with land valuation have arisen. The core of the problem is that the automatic calculation of the assessment provides radically different data of the day of one land plot. Ten adjacent plots (land shares) may have ten different valuations on one field. For example, a land plot (share) of 2 hectares of agricultural land has an expert estimate of 36,000 UAH/ha, and on the same field 0.35 hectares has an expert estimate of 200,000 UAH/ha.

As it turned out, the automatic calculation of agricultural land valuation included an analogue valuation method based on determining the valuation through the selection and comparison of similar land plots. The basis for comparing this method were ads for the sale of land plots from commercial online marketplaces OLX and LUN. When placing an advertisement for the sale of a land share on these sites, the seller set the price that he considers necessary (often much higher than it should be according to economic indicators). On the basis of these data, the system formed “inadequate” indicators of agricultural land valuation. That is, no economically and scientifically substantiated formulas, correction coefficients that would include qualitative characteristics, location, area, and most importantly the agricultural value of land plots were included in the automatic calculation of agricultural land valuation. Thus, the market turnover of agricultural land was launched as a regular real estate market, and the value of agricultural land was neglected.

The mechanism of pre-emptive right, which in European practice has been previously employed for the distribution of agricultural land in favour of those who live and work on the land – family farmers, in the Ukrainian model of land market turnover has no such purpose and is not functional [15, p. 6-7]. The pre-emptive right to purchase an agricultural land plot is levelled by the practice of termination of the lease agreement, which accelerates the conclusion of a purchase/sale agreement. However, termination of the lease agreement has certain risks for both the buyer (lessee) and the seller (lessor). For example, after the termination of the lease agreement, the seller (lessor) may change his mind about selling the land to the former tenant, or even sell it and lease it again, but to another person. At the same time, the

procedural requirements for the preemptive right are not observed in the absence of the person (of the first turn) who has the preemptive right. Or when a person with a preemptive right buys land, but the intention is not registered, the relevant terms are not calculated. There are also manipulations and abuses of the pre-emptive right in terms of its transfer to a third party, which in turn, after acquiring such a right, does not use this right, and the right to purchase passes to the “desired” buyer.

The electronic database of the State Service of Ukraine for Geodesy, Cartography and Cadastre is not complete in terms of information on agricultural land. Some of the information about land plots does not contain all the data that is available on paper. Information on land consolidation received from the purchaser in the electronic databases of the State Service of Ukraine for Geodesy, Cartography and Cadastre and the State Register of Property Rights is often inconsistent. The necessary verification of the compliance of information takes considerable time, resulting in higher notarial services fees. On average, such an inspection process takes two weeks, and its estimated cost is UAH 10,000.

Legal uncertainty is a problem in obtaining a loan from a bank for the purchase of agricultural land. The bank considers a loan to individuals for the purchase of land as a consumer loan, in turn, there are different interpretations of the law on consumer lending, according to which a non-consumer loan to an individual cannot be granted, and a consumer loan for the purchase of the land (used for business activities) is prohibited by this law [16]. Therefore, any bank can based on the current legislation, legally refuse to grant a loan for the purchase of land. Currently, banks consider the market turnover of land until 2024 as a pilot project and do not expect to work actively until legal entities and foreigners enter the market.

### ► Conclusions

According to the study on the functioning of the market turnover of agricultural land in Ukraine for the first 12 months after the introduction of the turnover, it can be argued that, despite the effective operation of the market turnover of land and the right to dispose of land shares, owners are in no hurry to

alienate their land plots. The share of transactions for the purchase and sale of agricultural land is 29%. Most of the purchase and sale transactions for agricultural land plots were concluded on land located outside of populated areas – 82%.

The monitoring of agricultural land sale and purchase agreements revealed transactions where the value of 1 hectare was more than UAH 10 million, and the area of the land plot itself was less than 0.5 hectares. Such land plots are located near megacities and are purchased for the purpose of further commercial construction. To avoid distortion of data in the calculation of the value of agricultural land, transactions, with the value of the land plot of more than 150,000 UAH/ha, were not considered.

According to the calculations obtained, the average monthly value of agricultural land is 33,500 UAH/ha, and the average value in Ukraine is 30,500 UAH/ha. The highest value of agricultural land is in the Western regions of Ukraine – an average of 45,000 UAH/ha.

Depending on the location of the land plot to settlements, its cost is 59,700 UAH/ha within cities, 41,400 UAH/ha within villages and 31,900 UAH/ha outside settlements. The median value of agricultural land, which allows for calculating the cost more accurately, is 29,500 UAH/ha.

Among the issues of the agricultural land market turnover operation are the following: erroneous method (analogue, comparison) of land valuation at the start of market turnover; non-use of scientifically and economically sound method of land valuation; inefficient and completely inoperative mechanism of pre-emptive right; incomplete electronic databases of the State Service of Ukraine for Geodesy, Cartography and Cadastre on agricultural land, the reluctance of the banking system to provide mortgage loans for individuals; neglect and failure to use European practice regarding the use of tools and methods for the establishment and operation of the market turnover of agricultural land.

Summarising the above, it can be stated that the market turnover of agricultural land, which has been functioning in Ukraine for more than a year, has no purpose other than the purchase and sale of land. In terms of international experience, this looks like a utopia, as every country with developed agriculture and functioning market turnover of land clearly defines the goals of such turnover. For example, such countries as Poland, Germany and France have a legally enshrined goal of agricultural land

market operation – the development of farming, which is the main vector of agricultural policy.

The results of the study addressed a number of questions and formed new challenges for further research on this topic, including: the determination of the effectiveness (social, economic, environmental) of the functioning of the market turnover of agricultural land; definition of the definition of “perfect/imperfect” market turnover, research on the pricing of agricultural land, etc.

The practical value of the conclusions is formed by the key findings of the study, which are based on a detailed analysis of the state of functioning of the market turnover of agricultural land in Ukraine and provide an opportunity to quickly adjust and overcome the gaps and shortcomings of this turnover with its approximation to successful European and world practices. Among the main measures to address these issues are:

- definition of farming development (including family farming) as the main goal of land market turnover at the legislative level;
- implementation of structural changes in legislation in terms of forming a regulatory policy on the functioning of the market turnover of agricultural land (strict state control over turnover);
- revoking the right of the State Service of Ukraine for Geodesy, Cartography and Cadastre to dispose of state-owned agricultural land on behalf of the state;
- establishment of an appropriate state institution for supervision and control over the market turnover of agricultural land;
- establishment of a financial state institution with the exclusive right to grant loans secured by agricultural land;
- development of a scientifically and economically substantiated method of land valuation by the leading professional scientific institutions of the country that have been engaged in this subject for at least 10 years;
- building a mechanism of pre-emption following the European experience.

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## Ринковий обіг земель сільськогосподарського призначення в Україні: моніторинг та аналіз

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► **Анотація.** Основним завданням земельної реформи в Україні, яка була розпочата 22 роки тому, є залучення земель сільськогосподарського призначення в повноцінний, ефективний та прозорий економічний (ринковий) обіг. Протягом різних етапів здійснення перетворень в земельних відносинах, в науковому, політичному та соціальному колах питання ринкового обігу земель сільськогосподарського призначення стояло особливо гостро та завжди викликало багато розбіжностей в поглядах на те, яким саме має бути ринковий обіг земель. Із запровадженням (з липня 2021 року) ринкового обігу земель сільськогосподарського призначення, питання щодо його функціонування були не тільки не зняті, а навпаки, до них додалися нові: яку саме модель ринкового обігу обрала Україна; які результати функціонування ринкового обігу земель сільськогосподарського призначення; чи відповідає модель ринкового обігу земель сільськогосподарського призначення Євроінтеграційному напряму розвитку України тощо. Саме на висвітлення таких питань спрямоване це дослідження, через аналіз статистичних даних чітко розкриває суть проблематики, що в свою чергу формує актуальність представлених результатів. Метою статті є висвітлення та аналіз результатів ринкового обігу земель сільськогосподарського призначення в Україні та виявлення проблем даного обігу. Завданням дослідження є комплексне вивчення результатів угод купівлі-продажу прав власності на земельні ділянки сільськогосподарського призначення, що були укладені в Україні протягом 01.07.2021 р. – 01.07.2022 р., для визначення основних тенденцій результатів. Методами аналізу проблеми стали загальнонаукові, серед яких структурно-функціональний (опис та пояснення ціноутворення та функціонування ринкового обігу земель сільськогосподарського призначення); порівняння (виявлення розбіжностей в даних вартості земель та бази її розрахунку на основі зібраних статистичних даних за результатами ринкового обігу земель), абстрактно-логічний (узагальнення та формулювання висновків). За результатами дослідження здійснено аналіз результатів функціонування ринкового обігу земель сільськогосподарського призначення, виявлені причини завищення вартості земель та встановлені основні цінові тенденції. Розраховано вартість земель сільськогосподарського призначення шляхом застосування медіани, отримані результати порівняно з розрахунками середніх показників вартості. Доведено, що дані державних органів щодо вартості земель сільськогосподарського призначення обраховані некоректно. Досліджено кількість та структуру укладених договорів купівлі-продажу земель сільськогосподарського призначення в розрізі областей. Висвітлено вартісні показники земель сільськогосподарського призначення залежно від місця розташування, цільового призначення та виду угідь. Встановлено основні проблеми функціонування ринкового обігу земель сільськогосподарського призначення. Перспективи подальших досліджень полягають в пошуку шляхів вирішення проблем ринкового обігу земель сільськогосподарського призначення, через використання отриманих результатів дослідження

► **Ключові слова:** вартість земель, купівля-продаж, площа земель, середня вартість, медіанна вартість