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Capacity and saturation of the food market in Ukraine

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► **Abstract.** In a market economy, the optimal supply of food to the population depends entirely on the development of the food market. To establish indicators of rational consumption, it is important to determine the capacity and saturation of the food market. The purpose of this study was to highlight the current proportions of supply and demand in the Ukrainian food market, establish the correspondence of the capacity and saturation of the food market to rational consumption parameters. The study used dialectical method of cognition of market processes and a systematic approach, analytical generalizations, statistical comparison, constructive-calculation, tabular, and abstract-logical method. The food market is recognized as aggregative, as it includes several interconnected markets for crop production, livestock production, and industrial processing. The study investigated the specific features of the formation of demand for food with low purchasing power of the population. The market capacity was established – standard with minimum and rational consumption standards and real. The latter was almost 30% lower than the calculated one based on rational norms, which indicates additional opportunities to replenish the income of the agricultural sector. It was found that even with an increase in effective demand of the population, the improvement in consumption is levelled due to rising food prices. A prominent level of self-sufficiency of the country in food products (excluding fish and fish products) was established, and a considerable saturation of the market with essential products – potatoes, vegetables, eggs, butter, and bread. The study results should be used in the formation of a target program for the development of the food market for a long-term period aimed primarily at rational provision of food products to the population of Ukraine

► **Keywords:** foods; commodity supply; effective demand; sufficiency of consumption; expenses; needs of the population

► Introduction

The socioeconomic development of the state prescribes the direction of food systems toward fully providing the population with food. In recent years, researchers have investigated and examined the development of the Ukrainian and world food market, pricing, insurance, agricultural development based on greening and resource conservation, production on an innovative basis, made a forecast of market conditions considering the requirements

of the World Trade Organization, etc. Thus, it was found that the Ukrainian food market cannot yet be recognized as optimal in terms of functioning, structure, and content. Over a prolonged time, it has been caused, on the one hand, by the low purchasing power of the population, and therefore by the non-compliance of the level of consumption of food products with the established rational norms, as well as weak economic positions on the world market.

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T. Lozova (2019) investigates the current trends in the development of the market for fruit and berry products in Ukraine and defines the boundaries of the market, its main subjects, competitive advantages, and issues of supply chain development. Lozova proposed the following key points: the creation of sales or processing cooperatives, the construction of warehouses, the creation of wholesale markets, the establishment of communication between manufacturers and wholesalers, and providing them with a set of marketing services. Furthermore, O. Nikishyna (2019) described the significant role of connections and interactions between link entities in forming the structure of an effective supply chain.

N.V. Roznina *et al.* (2022) determined that the instrument of economic growth of the country is private consumption. On the other hand, there is the underdevelopment and low profitability of many branches of crop production and animal husbandry, the lack of sufficient areas of industrial plantations, livestock, the formation of the supply of certain types of food products mainly by households, its non-compliance with product quality standards, resale through numerous intermediaries, inefficient market infrastructure covered in the study by S. Cheremisina (2022). The article by A. Pedorchenko (2022) examines the impact of a full-scale Russian invasion in February 2022 on the territory of Ukraine regarding the production, and export of agricultural products, ways of supplying grain and oil crops and products, their processing of Ukrainian origin to world markets. The purpose of the study by K. Shatnenko (2017) and C. Béné *et al.* (2021) was to figure out the consequences of the decline of industrial production in post-Soviet and developed countries using evidence from Ukraine.

Considering the globalization of the world economy, substantial changes in climatic conditions, and their impact on the volume of production and sale of agricultural products, the main economic parameters of the food market in the country require additional, more profound investigation, precisely from the standpoint of ensuring the rationality of consumption and adaptation to modern economic conditions, which was researched and covered by the authors of the present paper.

Scientific originality. The capacity and saturation of the food market are determined from the standpoint of the need for rational provision of food needs of the population, increasing the purchasing power of the population, and further market development, considering the economic realities of the time.

The purpose of this study was to establish the main economic parameters of the food market from the standpoint of providing the population with food products that undergo the stages of commodity-money relations, including normative, real capacity, and saturation indicators.

► Literature review

O. Shpychak *et al.* (2017) investigated the issues of the formation, functioning, and development of the food market, its infrastructure, its capacity, pricing

issues, the effectiveness of agricultural product sales channels, and the purchasing power of the population from the very beginning of a market economy in Ukraine. Their research served as a basis for solving the problems of the development of the agrarian industry and the functioning of the market for agricultural products. Given the change in social relations, forms of ownership, the structure of commodity producers, the state system, Ukraine's entry into the international economic level, and the emergence of the latest information sources, they are still quite relevant and necessary. At the same time, the scientific developments of L. Khudolii (1998) are no less important. She paid special attention to the formation and functioning of the main market of crop production – grain. Khudolii thoroughly covered its composition, and structure, and characterized the state of the market situation and methodological aspects of its forecasting and development.

The areas of development of the food market have somewhat changed – apart from increasing the requirements for the formation of supply and trade in products, a need occurred to improve foreign trade relations and enter the world market (Casas-Rosal *et al.*, 2023). Therefore, there was a need for additional and more in-depth scientific investigation of theoretical, methodological, and practical aspects concerning the provision of rational standards of consumption of high-quality foods at affordable prices, the ratio of supply and demand by their types, the efficiency of production and sale by various types of agricultural enterprises, activities of households, pricing, insurance, improvement of market infrastructure and marketing activities, forecasting, prospects for the development and financing of agriculture, increasing export potential, effective national support for market development, etc. Considering this, the studies of S. Ostapenko (2021), O. Senyshyn and N. Dzyubenko (2013) are important and timely. The authors cover the theoretical aspects of the food market from the standpoint of the classical market economy as a component of the socioeconomic system of society and the protectionism of domestic market operators. Yu. Biliavska *et al.* (2023) and I. Kyrylenko *et al.* (2018) covered the specific features of the development of the Ukrainian food market by types of agricultural products and the place of Ukraine in the formation of the world supply of food products, the issue of competition between countries, and export-import transactions. O. Bazaluk (2020) thoroughly investigated the development of the organic food market in Ukraine and the world. O. Darmograi (2015), and S. Sehedra *et al.* (2019) investigated the strategic development vectors of the regional agri-food market, its structure, regulation, and factors shaping the market conditions. In addition, in earlier studies, the author of the present paper substantiated and developed a market development strategy aimed at optimal provision of internal needs, import substitution, and expansion of export potential, the main trends of operation and specific features of the development of aggregative markets were determined based on the system of indicators

of food supply, which allowed estimating the competitiveness of Ukrainian products and substantiating market forecast (Salo *et al.*, 2022).

K. Ryabchenko (2018) investigated the world practices in the development of the food market and providing for the population, specifically in the EU countries, and also directs the research to improve the mechanism of market regulation, which contains the relevant stages of the implementation of national policy. N. Pohuda (2023) and I. Fedulo-va (2015) focused on the investigation of influencing factors and their interaction with the food market, namely price policy, market conditions, market infrastructure, demand and supply of food products, institutional support, and budget restrictions of consumers, as well as factors of cyclical and economic growth.

Summarizing the research of scientists, in the future, to expand the general supply of the food market and fully meet the needs of the population for quality food products, according to rational consumption norms, expand export supplies, and reorient the status of the country from a supplier of raw materials to a supplier of finished products, the expansion of the Ukrainian industrial sector is of particular importance production of agricultural products.

► Materials and methods

During the study, the authors were guided by modern economic theory, methodological approaches to the study of the capacity and saturation of food markets, as well as separate normative indicators for the production and sale of food products. The study used the dialectical method of understanding market processes and a systematic approach (to investigate the issues that arise in the production, formation of the product offer, and sale of food products); analytical generalizations, statistical comparison, the constructive calculation (to generalize, analyse, and evaluate market conditions), tabular (to illustrate research results), abstract-logical method (for conclusions).

The conducted research is based on methodological approaches to determine the capacity of the food market, which is formed under the solvency of the population, the state of development of the agrarian sector, and the development of the foreign economic activity. The normative (potential) capacity of the internal food market is determined under the conditions of consumption of food products at the level of rational or minimum consumption norms. The total (real) capacity of the internal food market depends on the real volumes of consumption and the prices of the consumed products. As a result, the capacity is established proceeding from the real solvent demand of the population, excluding the amount of food that is outside commodity-money relations.

Having determined the quantitative indicator of market capacity, it is necessary to calculate its saturation with foods. The market saturation indicator is defined as a percentage of the share of market capacity and population needs for food.

The food needs of the population are established based on their rational consumption norms per capita.

The step-by-step algorithm for determining the capacity of the food market according to the current methodology can be described as follows (O. Shpychak *et al.* (2017).

1. The normative capacity of the internal food market is defined as the sum of the products of the norm of consumption by the population of a certain type of food and their average consumer price.

$$FMC = \sum_{n=1}^c (Rc_n \times CP_n) \times H, \quad (1)$$

where FMC is the food market capacity, UAH; Rc_n – rate of consumption of the n^{th} type of product per capita, kg; CP_n – consumer price of the n^{th} type of product, UAH; H is the average annual number of permanent populations, people; n is the type of food products that form the market capacity; c is the number of types of products that form the market capacity.

2. The aggregate (real) capacity of internal food consumption (commodity and natural part) is determined at market retail prices according to the following formula:

$$ACC = \sum_{i=1}^a C_i \times P_i, \quad (2)$$

where C_i is the number of i^{th} products consumed per year (pcs.); P_i is the price of the i^{th} product, which is an aggregate value (UAH); i is the type of product consumed by the population; a is the number of types of products consumed by the population.

3. The volume (capacity) of internal consumption of food, which is outside commodity-monetary relations, is determined according to the following formula:

$$CC_{ps} = \sum_{i=1}^a C_i \times SC_i \times P_i, \quad (3)$$

where SC_i is the share of consumed i^{th} type of food that has passed commodity-money relations.

4. The capacity based on the real paying demand of the population is determined according to the formula:

$$M_i = TCn_i - CC_{ip}, \quad (4)$$

where M_i is the capacity of the internal consumer market of the i^{th} type of agricultural products, t; Cn_i is the total capacity of internal consumption of the i^{th} type of products in natural measurement, t; CC_{ip} is the consumption capacity of the i^{th} type of production that has passed commodity-money relations, t.

► Results and Discussion

The capacity of the food market can be characterized in detail using the balance sheets of individual food products. Notably, the set of food products in the table was approved by the Resolution of the Cabinet of Ministers of Ukraine “On approval of sets of food products, sets of non-food products and sets of services for the main social and demographic groups of the population” No. 780 dated October 11, 2016 (2016) (Table 1).

Table 1. Balances of individual food products in Ukraine in 2020, thous. t

Balance sheet items	2020								
	Potatoes	Fruits berries grapes	Vegetables and melons	Meat and meat products	Milk and dairy products	Eggs	Oil	Sugar confectionery products	Fish and fish products
General offer	21 163	3 455	10 440	2 708	9 955	938	7 794	986	542
Production	20 838	2 305	10 148	2 478	9 264	934	7 549	982	118
Import	325	1 150	292	230	691	4	245	4	424
Total demand	20 812	3 310	10 003	2 723	9 784	939	7 783	1 386	537
Internal demand	20 808	3 038	9 706	2 250	9 344	747	542	1 216	522
Spent on feed (egg incubation)	5 840	681	1 512	6	904	74	-	55	-
Spent on planting (sowing)	5 611	-	110	-	-	-	-	-	-
Losses (expenses for non-food purposes)	3 764	230	1 238	-	10	3	30	-	5
Export	4	272	297	473	440	192	7 241	170	15
Year-end stock change	351	145	437	-15	171	-1	11	-400	5
Consumption fund	5 593	2 357	6 846	2 244	8 430	670	512	1 161	517
Consumption level. kg per capita	134.0	56.5	164.0	53.8	201.9	16.1(278 pcs.)	12.3	27.8	12.4
Rational consumption rates kg per year	124	90	161	80	380	290 pcs.	13	38	20
Deviation of real consumption from the rational norm. kg	10.0	-33.5	3.0	-26.2	-178.1	-12.0	-0.7	-10.2	-7.6

Source: calculated by the author based on data from the State Statistics Service of Ukraine (Resolution of the Cabinet..., 2016)

According to these balance indicators, a prominent level of self-sufficiency is observed for almost all types of foods, i.e., the share of imported supplies, compared to domestic production, is insignificant or significantly lower. However, almost 80% of the population consumes fish and fish products of imported origin. Almost all oil produced in Ukraine is exported – 96% (7,241 thous. t). That is its import of 245 thous. t almost equalled the volume of Ukrainian production remaining for own consumption – 308 thous. t. Fruit and vegetable products are exported mainly at the expense of processing industries. To a certain extent, this indicates a lack of technical equipment of Ukrainian producers for conducting foreign trade in these fresh products and a more profitable sale of value-added goods.

Special attention should be paid to setting indicators of food consumption. In 2020, bread and bread products, potatoes, vegetables, melons, butter, and eggs are close to rational consumption standards, i.e., this suggests sufficiency. Critical indicators should be considered indicators for the consumption of milk and dairy products – this is

59% of the established minimum standards and 53% of the rational ones, with an increase of only 1.5% in 2020 compared to 2000. Poultry meat is cheaper than pork and beef, and it is the reason the positive dynamics of the consumption of meat and meat products are observed. The best situation is observed in the egg market. Their consumption in 2020 was 278 pcs. or 96% of the norm, which is 2.2% more than in 1990. Thus, among the principal factors that led to the expansion of the product offer of poultry products, the increase in investment support for this type of activity, the volume of industrial Ukrainian production of agricultural enterprises, their use of new breeds of poultry, as well as their effective marketing policy should be included.

Ensuring the needs of the population with food products largely depends on its material well-being. The principal issue in expanding the volume and cost of food market capacity is the low purchasing power of the population. Indicators of the sufficiency of consumption are in low positions relative to norms for such food products as meat, milk, fruits, berries, and fish; therewith, there is also a

substantial differentiation in the nutrition of the population, depending on the size of average per capita total incomes. The analysis indicates that in

2021, the difference in food costs between population groups with the lowest and highest levels of income is substantial – 4.43 times (Table 2).

Table 2. The level of public spending on food in 2021, UAH per capita per month

Indicator	Decile (10%) groups of households by the level of average per capita total income		Ratio of higher and lower deciles (4.43)
	First (lowest) decile (5 991.88)	Tenth (highest) decile (26 539.20)	
Bread and bread products	319.0	474.2	1.49
Meat and meat products	357.0	813.4	2.28
Fish and fish products	76.2	201.9	2.65
Milk and dairy products	192.8	417.5	2.17
Eggs	55.8	76.5	1.37
Oil	158.4	241.5	1.52
Fruits	86.9	264.8	3.05
Vegetables and melons	155.3	296.9	1.91
Potatoes	75.5	72.0	0.95
Sugar and confectionery products	120.1	255.6	2.13
Other foods	46.9	65.3	1.39
Soft drinks	73.6	199.1	2.71
Eating out	19.0	190.4	10.01
Total food costs	1736.4	3569.2	2.06

Source: calculated by the author based on data from the State Statistics Service of Ukraine (Resolution of the Cabinet..., 2016)

The population with the lowest level of total income consumes 2.2-2.7 times less meat and meat products, fish and fish products, milk and dairy products, and fruits per month compared to the highest level of income. This indicates a higher level of consumption of energy-expensive food products in high-income groups. To determine the qualitative structure of demand, the energy

value of food consumption by the population was estimated (Table 3). Thus, in 2020, the total caloric content of the diet almost corresponded to the rational norm (2,928 kcal), was 2,674 kcal. However, the main consumption is made up of plant-based products (70%). In terms of calories, their actual consumption is 5% higher than the standard one.

Table 3. Energy value of food consumption by the population of Ukraine, kcal per capita per year

Indicator	Rational consumption rate, kcal	Years							2020 in % to 1990
		1990	2010	2016	2017	2018	2019	2020	
Plant and animal-based products, kcal	2 928	3 597	2 933	2 742	2 707	2 706	2 691	2 674	74.3
Plant-based products, kcal	1 786	2 572	2 124	1 952	1 926	1 919	1 891	1 872	72.8
Animal-based products, kcal	1 142	1 025	809	790	781	787	800	802	78.2
Share of food in total expenditures, %	-	32.8	53	49.8	47.9	47.7	46.6	48.1	146.6
Indicator of purchasing power of 1% of budget expenditures, kcal based on 1% of expenditures	-	109.7	55.3	55.1	56.5	56.7	57.7	55.6	50.7
Deviation from 1990, times	-	-	2.0	2.0	1.9	1.9	1.9	2.0	-

Source: calculated by the author based on data from the State Statistics Service of Ukraine (Resolution of the Cabinet..., 2016)

For a more reliable description of the development of the food market, the cost of the total capacity of domestic demand is established, i.e.,

the cost expression of the part of food products that has reached the consumer in the form of goods (Table 4).

Table 4. Capacity of the internal food market in 2021, billion UAH

Indicator	Standard capacity (minimum standards)	Standard capacity (rational standards)	Total real capacity	The ratio of real indicators to normative ones, %	Deviation of real indicators from the standard ones, billion UAH	The share of food outside the commodity-money relations, %	Internal food market capacity
Bread and bread products	92.5	99.4	89.8	90.3	-9.6	1.4	88.5
Meat and meat products	245.1	377.1	288.5	76.5	-88.6	10.8	257.5
Fish and fish products	41.8	69.6	58.5	84.0	-11.1	2.8	56.8
Milk and dairy products	1 002.2	1 116.8	663.0	59.4	-453.8	13.9	570.9
Eggs	27.7	34.8	27.4	78.6	-7.4	30.2	19.1
Oil	19.5	31.6	37.9	120.0	6.3	3.5	36.6
Fruits	51.6	68.4	35.5	52.0	-32.8	11.4	31.5
Vegetables and melons	39.7	60.9	38.6	63.4	-22.3	41.8	22.5
Potatoes	41.9	54.1	30.4	56.1	-23.7	57.2	13.0
Sugar and confectionery products	34.6	41.1	29.8	72.6	-11.2	17.8	24.5
Total basic food products	1 596.6	1 953.8	1,299.4	66.5	-654.4	x	1 120.9
Other food items, soft drinks, out-of-home meals	175.6	214.9	142.9	x	x	x	142.9
Total	1 772.2	2 168.7	1 442.3	x	x	x	1 263.8

Source: calculated by the author based on data from the State Statistics Service of Ukraine (Resolution of the Cabinet..., 2016; Prokopenko, 2022)

It was determined that the most consumed products were those outside of commodity-money relations – potatoes, vegetables, and eggs, and the least consumed – bread and bread products, fish and fish products, oil, and sugar. The capacity of the internal food market is UAH 1,263.8 billion, which is UAH 904.9 billion less than the standard capacity established based on rational norms (the cost share of the food basket is considered). Notably, this difference in cost can be attributed to

losses in the budget of the agricultural sector of the country. Apart from capacity, an essential indicator of the assessment of the internal food market is its saturation. Saturation in this case should be interpreted as the real level of satisfaction of consumers' needs with food products through purchases on the market.

In Ukraine in 2021, the highest level of saturation occurred in the markets of oil, bread, and fish within 84.0-120.0% (Fig. 1).

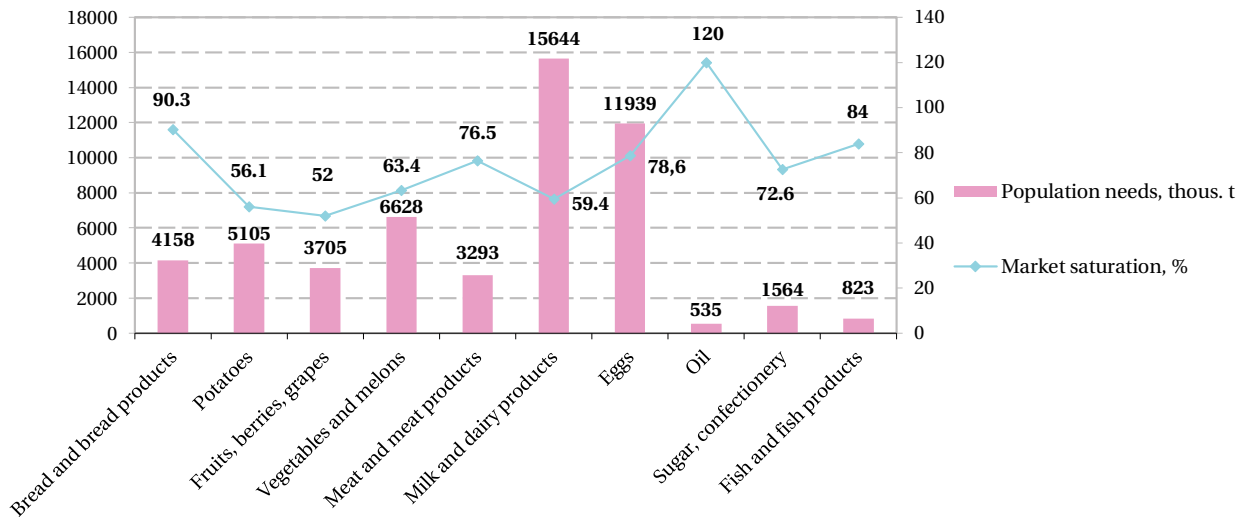


Figure 1. Population needs and food market saturation in 2021

Source: calculated by the author based on data from the State Statistics Service of Ukraine (Resolution of the Cabinet..., 2016; Prokopenko, 2022)

The lowest saturation rate of fruit and vegetable, potato, and milk markets is within 52.0-59.4%. Their supply is insufficient to meet the needs of the population. The level of production by households is 79.2%, 97.7%, and 68.3% (1,770.9 thous. t, 20,861.7, and 5,961.4 thous. t), respectively. In the absence of an organized supply of high-quality and affordable food products from agricultural enterprises to the internal market, the population independently produces them for domestic needs and partially sells them to friends or local markets. Chaotic production and sales cannot ensure uniform and sufficient consumption.

Notably, the food supply problems of any country can be considered both at the global macro- and micro-level, including at the regional level for a truer description of the economic situation, which is also discussed in the studies of foreign researchers (Hinrichs, 2013; Ge *et al.*, 2017; Béné *et al.*, 2021). Therewith, food security is assessed by the main components, namely energy supply, weather conditions, rationality, and quality of consumption (Gebhardt & Thomas, 2002; Sage, 2013; Krolchik & Latawiec, 2015). In their research, the authors focused mainly on macro-level indicators for the country and quantitative and qualitative indicators of food consumption, which allowed figuring out the main indicators of capacity and saturation, considering the solvent demand of the population, which comprehensively characterize the food market.

For a detailed investigation and assessment of the internal food market, referring to the methodical approaches of L. Khudolii (1998), it was recognized as aggregative (unifying, connecting). The authors of the present study believe that it comprises separate markets according to their types, characterized by a set of economic relationships in the system of "production-sale-consumption" of food products at the country level. First of all, the food market is divided into the markets of raw materials of crop

production and animal husbandry, then into products of their food and technical processing. Next, for a more realistic definition of consumption, capacity, and saturation indicators, the food market is divided into submarkets of the following hierarchical levels – fresh, frozen, dried, canned products, etc. J.K. Casas-Rosal (2023), H. Wasserbacher, and M. Spindler (2022) also paid attention to the issue of segmentation of the food market based on consumer preferences using multi-criteria approaches and its analysis and forecasting.

T. Lozova (2019) and O. Nikishina (2019) have analogous studies of food markets, but they are conducted mainly at the macro level and are focused on the problems of supply chain management, investment, and innovation policy of nature use. Thus, the researchers developed a theoretical and methodological approach to the interaction of the economic interests of the subjects of supply chains of commodity markets, methodological recommendations for a comprehensive assessment of the dominant investment-innovation policy of nature use of the national economy based on sustainable development with an emphasis on the sectoral, structural, and investment dimension of diagnostics, organizational economic mechanisms of effective supply chain management of commodity markets. The issues of risk assessment regarding a sustainable supply chain in the food industry were addressed by H.I.Y. Tavakoli and A.S. Darestani (2023).

In the research of the authors of the article, the market capacity is perceived as the total paying demand of the population for particular types of products during a certain time (mostly during the year, marketing year) or potential demand for them, which, corresponds to the statement of A. Timonin, O.A. Nebylitsa (1997), M.S. Firouz *et al.* (2021). The indicator was calculated as the product of the production volume and the marketability level,

including the volume of imported products and excluding export deliveries, which corresponds to classical methods O. Shpychak *et al.* (2017).

In general, scientists, when investigating and evaluating the food market, mainly use statistical indicators of the total supply and demand, the Consumption fund (Kyrylenko *et al.*, 2018; Riabchenko, 2018). In contrast to these developments, the authors of the study focused on the formation of a product offer, emphasizing that a considerable share of the population's needs is met through natural production. In this regard, it should be noted that the total production of potatoes and fruit crops in Ukraine is concentrated at almost 85-95% of households. Because of this, the level of self-sufficiency is quite high, and the product offer cannot be stable. After all, productivity depends substantially on weather conditions, manual labour prevails in the care of plantations, the sale of products is still problematic due to the underdevelopment of their procurement system and distance from markets, prices are formed depending on demand and prices of competitors, products are competitive on the market in terms of environmental friendliness. According to the authors, for the effective operation of this category of farms, expanding the market capacity, the development of service cooperatives, especially in the sales sphere, with the presence of individual processing shops, is still essential (Jurabaevich & Mullabayev, 2020).

One of the important and promising ways of expanding the capacity of the food market is to increase the organic production of foods, as the demand for them is growing substantially (Krolczyk & Latawiec, 2015). The authors believe that among the main issues of the development of organic production in Ukraine, the following should be highlighted: the imperfection of the regulatory framework, the lack of appropriate material and technical support for agricultural enterprises, the focus exclusively on raw material production, the lack of an effective and reliable distribution system, the proper policy of supporting the organic sector, etc. M.S. Firouz (2021), H.V. Nguyen *et al.* (2019), and A. Sharma (2023) paid attention to relevant studies of market demand for organic food products, the influence of consumer factors on its development, issues of ecological marketing of the food chain, the shelf life of food products, their consumption safety and quality.

In addition, an important and urgent measure of state regulation is the development of the trade structure, specifically wholesale markets, production, and service cooperatives. A.R. Abbas *et al.* (2022), S.N. Jurabaevich, and B.B. Mullabayev (2020) paid attention to the need for state funding of scientific research, specifically regarding climate change, energy, transport, industrial production, as well as areas and specific features of state regulation of the food market.

The authors of the present paper believe that the objective features of the development of the food market necessitate its infrastructural development and legislative regulation of state financial support.

The strategic tasks of support from the state should be control of the volume of import deliveries, revision of the legal framework regarding financial support of agriculture and the targeted use of funds, promotion of the creation of transparent sales channels and an optimal price situation for producers and consumers, stimulation of the development of crop insurance, as well as lending to enterprises.

► Conclusions

According to the set purpose, the authors of this study established that, despite the prominent level of self-sufficiency of Ukraine in certain food products, the capacity of the market is narrowed, and the level of consumption of most of them is insufficient to meet the physiological needs of the population. Studies of indicators of material support in population groups show that at a low level of purchasing power, energetically expensive food products are mostly consumed under conditions of higher incomes. The determined indicators of market saturation showed that due to insufficient product supply, primarily fruit, potatoes, and milk, the share of providing the population due to natural products is growing substantially. This additionally creates issues of uneven and sufficient consumption of products by the urban and rural populations of the country and does not contribute to the development of market relations.

Among the set of organizational and economic measures aimed at improving the food supply of the population and expanding the market capacity, given its disproportion, primary importance should be given to the problems of selling food products, increasing the level of the population's solvency, promoting a healthy lifestyle and an optimal nutrition structure, as well as the formation of an effective and a wide range of fresh plant and animal products and their processing products, primarily by Ukrainian producers. Therefore, soon, the strategic development vectors of the food market should be as follows: increasing the volume of production of high-quality goods by agricultural enterprises, improvement of relations between producers and intermediaries should underlie the commercial policy of enterprises and this policy should focus on the main profits in the primary chain – direct producers. Pricing on the Ukrainian market should be aimed at ensuring the affordability of product consumption, covering production costs, and the possibility of expanding the supply, mutually coordinated economic relations between farmers and operators of industrial resource markets should be aimed at providing enterprises with material and technical resources (machinery, fuel, pesticides, fertilizers, etc.) based on the principles of equivalence, the use of innovative ecologically safe technologies for growing products to obtain maximum profits at minimum production costs.

To better meet the needs of the population of Ukraine, the authors of this paper consider it expedient to further focus attention on estimating

the purchasing power of the population by region, capacity, and saturation of regional food markets. Furthermore, to make a forecast of these indicators for the formation of a target program to develop the food market for the long term.

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► Conflict of Interest

None.

► References

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Місткість та насиченість продовольчого ринку в Україні

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► **Анотація.** За ринкової економіки оптимальне забезпечення населення продуктами харчування цілком залежить від розвитку продовольчого ринку. Для встановлення показників раціональності споживання важливо визначити місткість та насиченість ринку продуктами харчування. Мета статті – висвітлення сучасних пропорцій попиту та пропозиції на вітчизняному продовольчому ринку, визначення відповідності місткості та насиченості ринку продуктами харчування раціональним параметрам споживання. У дослідженнях використовувалися: діалектичний метод пізнання ринкових процесів та системний підхід, аналітичних узагальнень, статистичного порівняння, конструктивно-розрахунковий, табличний, абстрактно-логічний метод. Продовольчий ринок визнано агрегативним, оскільки складається з множини пов'язаних між собою ринків продукції рослинництва, тваринництва та промислової переробки. Досліджено особливості формування попиту на продовольство за низької купівельної спроможності населення. Встановлено місткість ринку – нормативну за мінімальних і раціональних норм споживання та фактичну. Остання практично на 30% виявилася нижчою за розраховану на основі раціональних норм, що свідчить про додаткові можливості поповнення доходів аграрного сектору. Виявлено, що навіть за підвищення платоспроможного попиту населення, поліпшення споживання нівелюється через зростання цін на продукти харчування. Встановлено високий рівень самозабезпеченості країни продуктами харчування (за виключенням риби та рибопродуктів) та значну насиченість ринку продуктами першої необхідності – картоплею, овочами, яйцями, олією та хлібом. Результати досліджень слід використати при формуванні цільової програми розвитку продовольчого ринку на довгостроковий період спрямованої, перш за все, на раціональне забезпечення населення України продуктами харчування

► **Ключові слова:** продукти харчування; товарна пропозиція; платоспроможний попит; достатність споживання; витрати; потреби населення