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DIGITAL TRANSFORMATIONS OF STATE FINANCIAL SUPPORT FOR AGROINDUSTRIAL SECTOR OF UKRAINE'S ECONOMY

Sustainability of agricultural and rural development, efficiency and competitiveness of domestic producers, ensuring the proper level of food security are largely determined by the formation of a favourable institutional environment for the functioning of the agro-industrial sector of the country's economy. This requires the creation of the necessary prerequisites for the evolutionary restructuring and dynamic transformation of informal institutions and formal institutions, taking into account the requirements and needs of modern socio-economic and political transformations, the challenges of financial and economic globalization, as well as the rapid development of digitalization of public relations. An important component of these processes is the active stimulation of the advanced development of digitalization and automation of state management functions.

Digitalization, as one of the defining trends in the development of modern socio-economic relations, aims to reform state administrative functions towards a gradual transition to the provision of public services through electronic online services, which will significantly improve the efficiency and quality of public services, increase their coverage and convenience of their provision, expand methods of cooperation between economic entities, and achieve a high level of inclusiveness.

Digital transformations in public administration have become extremely relevant and important in the context of the need to effectively overcome military and European integration challenges for the development of Ukrainian economy and its fundamental component – national agro-industrial production, in particular to increase the economy, efficiency and effectiveness of spending public funds to support the industry and accelerate the processes of its post-war reconstruction, as well as for a dynamic transition to European standards for the formation

and implementation of agri-food policy and its state financial support [1, 2].

Upon acquiring the status of candidate for membership in the European Union, Ukraine has committed to reforming national agro-industrial production in accordance with the sustainable, innovative, ecological, inclusive and digital principles of the EU's Common Agricultural Policy, as well as modernizing the mechanisms and instruments of state financial support for agricultural producers on a digital basis. The Ukrainian Government must ensure the creation of favourable institutional conditions to simplify access of domestic agricultural producers to existing EU's financial and credit programs by providing consulting services on issues of informing about support opportunities within the framework of various programs, the features of their implementation using digital tools, assistance in the formation and submission of project applications through the relevant EU's digital platforms, as well as the newly created domestic platforms of the State Agrarian Register of Ukraine and the Diya portal.

Thus, the development of digital instruments of state financial support for Ukrainian producers was intensified during the war period as a response to the requirements of the transition to digital principles of providing assistance in accordance with European standards, as well as the need to ensure effective and accessible state support for producers in conditions of unprecedented military challenges, especially in the affected and close to combat areas. There is a rapid development of digitalization and automation of the processes of planning and implementation of budget programs to support agricultural producers through the platform of the State Agrarian Register of Ukraine, the portal Diya, IT - budget planning and monitoring system (Table 1).

Currently, the use of digital tools to provide the industry's state support is being improved and important steps are being taken to digitalize the agricultural sector of Ukrainian economy as a whole. In particular, last year the Law of Ukraine "On the Information and Communication System "State Agrarian Register" was adopted, which substantiated the legal, organizational and financial principles of its creation and functioning. In addition, this year the Government approved the procedure for the functioning of the State Agrarian Register, which improved the mechanisms for providing state support to agricultural producers and ensured the integration of the register with other state registers and cadastres, which will allow identifying all domestic producers of agricultural products. This is necessary for the formation of

reliable statistical and analytical information on the list of domestic agricultural producers and the features of their activities, which will create the prerequisites for making balanced and substantiated management decisions.

Table 1

Digital tools of state financial support for agro-industrial sector of Ukraine's economy

Digital tool	Type of state financial providing
"Diya" Portal	Providing state grants to small and medium-sized agricultural producers on the basis of co-financing for the creation or development of: horticulture, berry growing and viticulture; greenhouse farming; processing enterprises; own business.
Information and communication system "State Agrarian Register"	Budget subsidy for 1 ha of agricultural land (4,000 UAH), special budget subsidy for keeping cows (7,000 UAH), special budget subsidy for keeping goats and/or sheep (2,000 UAH) for small agricultural producers (cultivating up to 120 ha of land or keeping up to 100 cows, 500 goats and/or sheep). State compensation for costs for humanitarian demining of agricultural lands. Financial support for the restoration and construction of reclaimed systems and water user organizations. Humanitarian support programs for agricultural producers from international and donor organizations (free fertilizers, sunflower seeds, spring and winter crops, grain storage sleeves and grain packaging machines).
AKIS (Agricultural Knowledge and Innovation System)	Joint organisation and knowledge flows between individuals, organisations and institutions producing knowledge for agriculture. EU's concept for the effective exchange of knowledge, innovation and expertise for agriculture and rural development, which brings together people and organisations to promote mutual learning and the use of agricultural technologies.
IT - budget planning and monitoring system (<i>under development</i>)	Planning and monitoring of budget programs of state financial support

Source: based on the data [3, 4]

It should also be noted that the digitalization of the processes of providing state support to agricultural producers and its implementation through the DAR platform is an important indicator of the implementation of Ukraine Facility plan, a special four-year (2024–2027) financial instrument of assistance in the EU's budget in the amount of EUR 50 billion, managed by the European Commission and designed to provide medium-term indicative planning and financing of Ukraine's needs in supporting macro-financial stability, recovery and reconstruction processes, as well as to facilitate the implementation of key reforms for rapid accession to the EU, in particular in terms of the transition to digital and inclusive standards of conducting economic activity and its state support [5].

An important strategic priority of Ukraine's agri-food policy in the medium and long term is to implement key reforms to transition to the standards of an innovative, “green”, digital, inclusive agrarian economy to accelerate accession to the EU, as well as to modernize the mechanisms and instruments of budget support for the sector in accordance with the principles of the EU's Common Agricultural Policy [6]. This will require further active stimulation of the development of digitalization of state management functions and processes of providing support to the sector, which will lead to a reduction in the share of management and administrative costs in state financial support for the development of the agricultural sector, increased accessibility, transparency, and effectiveness of state support for agricultural producers, as well as savings in budget funds while achieving the strategic priorities of the country's agricultural and rural development.

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