

## HISTORICAL REVIEW OF AGRICULTURAL COOPERATION: WORLD TRENDS AND UKRAINIAN REALITIES

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### Abstract

*The article is aimed at studying the state of agricultural cooperation in Ukraine in a historical retrospective. It is shown that before the October Revolution of 1917, cooperation in the country successfully developed, was profitable and convenient for participants in cooperatives. The methods of pseudo-cooperation, which were practiced in the USSR and received the collective name "collectivization", are analyzed. It has been proved that collectivization and cooperation differ in essence; this is confirmed by the unprofitability of collective farms and the fact that they consistently received subsidies from the state. The main problems of agricultural cooperation in Ukraine from 1991 to the present time are revealed. The regulatory and legal support of this sphere and its change are analyzed, taking into account the international documents signed by Ukraine, as well as Ukraine's obtaining the status of a candidate country for joining the European Union. It is shown that at the present stage, under martial law, the functioning and development of cooperation is difficult, but there is reason to expect an improvement in the situation after the cessation of hostilities on the territory of Ukraine. The statistics used in this study are taken from the official website of the State Department of Statistics of Ukraine; records of agricultural cooperatives have been kept since 2004.*

**Key words:** agriculture, production cooperative, service cooperative, cooperation, Ukraine

### INTRODUCTION

Today, the market economy in Ukraine is at the stage of development, the constant search for new methods of labor organization continues. It is important to restore successful forms of economic activity that were already functioning before the country's accession to the USSR, such as agricultural cooperation. This cooperation has proven itself all over the world from the best side; it causes a strong growth in the welfare of the rural population and the development of rural areas. Agricultural cooperation has a direct or indirect influence on all aspects of village life. Thanks to this type of cooperation, declining territorial communities have a chance to survive. Functioning on the territory of a successful enterprise means: preserving and creating new jobs; improving the quality of

life; stopping depopulation and much more. The presence of the factor of competition between individual agricultural producers should also be taken into account, world experience shows that cooperatives have much more opportunities to establish cooperation with consumers, intermediaries, processing and trading enterprises than individual farmers. The same applies to the joint ownership of expensive equipment and machinery, which is a great difficulty for individual farms. Realizing the importance of agricultural cooperatives, the state takes certain steps to support them and encourage their creation, develops programs for the development and support of agricultural service cooperatives, strategies for the development of regions, which take into account the importance of cooperation for the harmonious development of territories; the

approved State target program for the development of Ukrainian villages and much more. However, there are still many difficult moments and problems in the field of agricultural cooperation, caused by external and internal circumstances, and therefore scientific research in this direction remains relevant. For a deeper understanding of the conditions in which the cooperative movement was born, it is advisable to turn to the newspaper "The Co-operator", which was the first to promote the ideas of cooperation. Later, a collection containing the most important issues of the newspaper for the period 1828-1830 was published. The motto of the cooperative was repeated on the front page of each issue of the newspaper: "Knowledge and union are power. Power, directed by knowledge is happiness. Happiness is the end of creation" [35].

Current information on the state of cooperation in the world is available on specialized Internet sites, among them: International Co-operative Alliance (free access online library) [15]; Coop News [6], Co-operatives UK [7] and other. V. Honcharenko investigated the peculiarities of the historical models of the Ukrainian credit cooperative [11]. Yu. Tymchenko revealed the peculiarities of consumer cooperation in Ukraine during the period of the New Economic Policy (1921-1928) [39]. N. Kuevda and A. Revutska compared the past and present state of agricultural cooperation and formed forecasts for the future [18]. I. Hlotova singled out the most successful practices of the cooperative movement [10]. The works of M. Hrytsenko [13], V. Bondarchuk, J. Alkoley, L. Moldovan and others [3] analyze the high productivity of the world's agricultural service cooperatives. S. Labaziuk proved the need for urgent reorganization of agricultural cooperation in Ukraine [19]. Encyclopedic editions were used to clarify individual terms and wordings in the paper [9]. The legal basis for the functioning of agricultural cooperatives is the legislative framework of Ukraine and international documents to which Ukraine is a party [34], [21], [2], [8], [24], [22]. A. Panteleimonenko [26], [27] and V.

Honcharenko [12] investigated the imperfections of the regulatory and legal support for the work of cooperatives.

In this context, it is advisable to conduct a separate study of the possibilities for the development of agricultural cooperation in Ukraine, taking into account past experience and current global trends.

## MATERIALS AND METHODS

The paper mainly explores the possibilities of developing agricultural cooperation in Ukraine. For a deeper insight into this process, the historical origins of cooperation in the world are considered.

Ukrainian cooperation in the pre-Soviet period developed quite successfully and more and more farms were involved in it. As a result of the 1917 revolution, the established system was disrupted and cooperation actually ceased to exist. Food problems in the country forced the Soviet government to develop the so-called "New Economic Policy", which, among other things, provided for the restoration of the cooperative movement. However, the NEP did not last long and was replaced by a policy of collectivization, which completely contradicted the essence of cooperation. The restoration of agricultural cooperation in Ukraine began only after 1992 and continues to this day.

The main analyzed indicators are: official statistical information on the number of agricultural cooperatives in Ukraine since 2004; normative and legal support of cooperation, including the main changes made to the legislation; problems of cooperation that arose as a result of martial law in Ukraine and possible ways to solve them at the present stage. Numerous sources were used to write this paper, including: scientific publications of Ukrainian and foreign scientists, statistical information, specialized materials.

The research results are presented in the form of tables and diagrams.

## RESULTS AND DISCUSSIONS

The first documented cooperative in Europe was the association of weavers in Fenwick

(Great Britain) created in the 18th century. In 1844, the consumer cooperative of weavers in the city of Rochdale (England) formulated the fundamental principles of the functioning of enterprises of this type, which were of great importance for the further development of the entire European cooperation [25] and were named "Rochdale principles" (hereinafter – the Principles).

The principles have been officially approved by the International Co-operative Alliance (hereinafter – ICA) and in the latest version (2013) have the following form [14, p. 3]:

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Co-operation among Co-operatives
- Concern for Community

Today, cooperatives are distributed to almost all areas of the European economy, and work regardless of size wherever it is profitable: from very small ones operating in rural areas – to extremely large ones that unite powerful producers.

Global practice shows that cooperatives are much more sustainable than individual farms. They are almost twice as likely to survive the early years of existence when compared to other start-up businesses. More than three quarters of co-op start-ups (76%) are still flourishing after the difficult first five years. Other business forms are far less likely to survive, with only 42% of all new companies making it through to the end of year five [15, p. 4].

Today, there are more than 300,000 cooperatives in Europe, in which more than 140 million people participate. According to international experts, France has the most developed cooperation among all European states. There are more than 21,000 cooperatives with a turnover of 260 billion euros and about 23 million people are employed. The French cooperative movement covers various sectors of the economy. At the request of the French government, a thorough study of the country's 100 most powerful cooperatives was conducted. It turned out that their sales amount to 181 billion euros, and

the number of participants is 22 million people (674 thousand service personnel). It is significant that 65 of the top 100 cooperatives in France are agricultural, with more than 300,000 joint partners and 100,000 service workers, about 75% of French farmers are united in cooperatives [38].

In Germany, the largest share is occupied by cooperatives in the agriculture and food industry sector (28.7%) [5, 25].

The relief of Spain is predominantly mountainous and there is little land suitable for agriculture [30]. However, the country successfully produces agricultural products and is among the Top-10 world exporters [28]. This is a great merit of local cooperatives, for example, horticultural products are produced on family farms united in agri-food cooperatives, the total number of such cooperatives in Spain is 3,200 units [4].

The share of agricultural cooperatives in the agricultural market of the EU is 40-50%, and in some states and sectors it reaches 70%. The annual turnover of the 10 largest cooperatives in the EU is more than 93 billion dollars, which is almost equal to the annual GDP of Ukraine [19].

Today, there are more than 700 million cooperatives worldwide. The activities of some of them have long gone beyond the borders of a certain country – they are powerful transnational associations with thousands of employees and billions in earnings. For example, National Agricultural Cooperative Federation or NACF is an umbrella organization for Korean agricultural cooperatives. The 1,155 primary member cooperatives represent over 2.35 million member farmers in Korea. NACF was founded in 1961 and provides supply, processing, marketing, and banking services. Nonghyup operates a number of retail grocery stores. Nonghyup provides about 50% of rural food marketing in South Korea. Nonghyup was ranked fourth among the 300 largest cooperative organizations in the world [20].

In countries such as Sweden, Denmark, Norway, the Netherlands, and Japan, cooperatives cover 100% of agricultural producers. In most of these countries, cooperatives are organized according to the

sectoral principle, and the largest group is a group of cooperatives for procurement, processing and sales of products. For example, in Denmark they process 90% of commercial milk, produce the same amount of butter and cheese for export, in Finland the participation of cooperatives in the slaughter of cattle and the production of meat products reaches 80% [13].

The UK's agricultural and farming cooperatives are the second largest proportion of the co-operative sector, in 2014 their number was 621 units. 155,000 farmers (approximately half of the country's farmers) are members or co-owners of these enterprises. Over the period 2010-2014, their annual turnover increased from £4.8 billion to £6.2 billion [1]. At the beginning of 2021, due to the impact of the COVID-19 pandemic, consolidation and reorganization took place and the number of agricultural cooperatives decreased to 432 units, but the turnover increased to 7.9 billion pounds [36, p. 7].

In neighboring Poland, cooperatives are market organizations of farmers who voluntarily organize themselves into horizontally and vertically integrated structures with the aim of jointly selling the products of their members. Experts note that the policy of stimulating cooperative associations in the agricultural sector of the economy introduced in Poland, based on the principles of the common agricultural policy of the EU, has given positive results, primarily in the context of encouraging farmers to increase their competitiveness on international markets. In addition, it made it possible to correct some mistakes made at the initial stage of market reforms [3, p. 16-17].

According to the definition of the Great Soviet Encyclopedia, two types of collective property were used in agriculture: the property of collective farms and other cooperative organizations (consumer, housing) and higher in terms of the degree of socialization of property – inter-cooperative property, owned by several collective farms or cooperative organizations [9, p. 473].

The vast majority of these associations in the USSR and Ukraine were created by force, and their property was property taken from the

peasants and transformed from private property into collective property, it concerned tools of labor, livestock, materials and other things, this activity of the state was called "collectivization". Work in collective farms and state farms were mandatory, very low-paid, and payment was mostly in kind. People were forced to put up with this under the threat of eviction to other, unfavorable places for life, for example, to the undeveloped territories of Siberia or imprisonment. In addition, passports began to be issued to residents of rural areas only in 1974. Without a passport, which indicated residence, a person had no right to leave his place of residence, get a job, etc. For violation of these rules, the laws of that time provided for severe punishments. Accordingly, the peasants were actually completely lawless hostages forced to live and work under imposed conditions.

Throughout the Soviet period, despite the rich natural resources, Ukrainian agriculture was subsidized. After the collapse of the USSR (1991), state support for agricultural enterprises ceased, liquidation of collective farms, mechanized enterprises that served them and their transition to other forms of ownership began. Enterprises that produced agricultural machinery and spare parts for it (for example, in the city of Lviv – this is the Silmash plant, the Lviv auto tractor spare parts plant, and others) stopped or began to be repurposed. Mass labor migration of working-age peasants to cities and abroad began, which exacerbated the decline of agriculture.

The majority of collective farms, created by the method of forceful association, well known in history under the name "collectivization", were reorganized in the same violent way into new pseudo-cooperatives, which this time were called "payhospiv" or associations of citizens – land owners and co-owners of property shares ("payiv"). At the same time, the "reformers" confidently ignored the fact that a significant part of the new "owners" turned out to be completely indifferent to the unexpectedly obtained "out of nowhere" property, and were not oriented in the legal subtleties of possible management of this property; and also did not have elementary management, economic or

agronomic knowledge for its effective use. As a result, they suddenly became members of "new cooperatives" called CAE (collective agricultural enterprises). In fact, these "owners" were not allowed to manage, and for transferring the right to use their property to skilled agricultural workers (usually from among the former heads of collective farms and state farms), they received a symbolic payment in kind. Subsequently, the place of CAE was gradually taken by agricultural holdings, and discussions about the need to develop agricultural cooperation intensified again in Ukraine.

The problem arose of reviving cooperation in a country where, after more than seventy years, there were practically no people left who would remember what a real agricultural cooperative is. The Ukrainian experience of the end of the 19th and the beginning of the 20th centuries is today mostly mentioned in scientific works and intellectual discussions, and the world practice of cooperation is weakly correlated with the Ukrainian traditions of rural management.

The idea of agricultural cooperation came to Ukraine from Europe under the influence of the development of cooperative lending, which arose in Germany in the form of "village funds" by F. Raifeisen and "people's banks" by H. Schulze-Delich. The creation of rural credit societies of the Raifeisen type on the territory of Ukraine, which was part of the Russian Empire, became possible only in 1895 after the adoption of the law "On Small Credit Institutions", which established the possibility of establishing credit cooperatives not only on a share basis, but also on a non-share basis. In 1895, in the village of Ivankivtsy, Prylutsky District, Poltava Oblast, the first credit society of the Raifeiseniv type was established in the entire Russian Empire [11, p. 36].

At the same time, the agricultural cooperation in the territory of Ukraine began to acquire its significant spread only during the Stolypin reform. Thus, at the beginning of 1915, out of 3,750 agricultural cooperatives created in the Russian Empire, 1,500 operated in Ukraine. At that time, the main types of cooperative organizations were cooperative societies [18, p. 67].

A new wave of activation of the Ukrainian cooperative movement occurred during the period of economic policy liberalization under the conditions of the NEP (New Economic Policy). By the decision of the October (1921) plenum of the Central Committee of the RCP(b), the cooperative received certain benefits and advantages in the organization of trade, which were aimed at preventing the growing activity of private traders, who from the beginning of the introduction of the NEP confidently occupied leading positions in retail trade. In December 1922, the property that had previously been nationalized was returned to the consumer cooperative, and it also received monetary and commodity loans from the state to cover organizational expenses at the expense of Narkomprod in the amount of 10 billion krb. The State Bank of Ukraine has increased the volume of lending to the Central Union ("Tsentrospilka"). A committee on cooperation financing was established under the People's Commissariat of Food. In 1923, Vukoospilka joined the International Cooperative Alliance and began to create its representative offices in individual countries, establishing ties with foreign cooperators. In the same year, the Ukrainian Economic Council adopted a resolution on export-import activities of the Vukoospilka. In order to conduct trade operations abroad, it was allowed to have its representative offices at the Committee of Foreign Trade of Ukraine (Komzovshtogi Ukrainy), to sell products that were part of the nomenclature approved by it. Ukrainian cooperatives exported agricultural products, mineral fertilizers, soda, lime, vitriol, oil, acids, leather, down, feathers. Since 1923, cooperators began to export bread, which became the main article of Ukrainian export. In 1924-1925, in order to increase the interest of the peasants in establishing relations with the foreign market through consumer cooperation, customs duties on most agricultural goods were abolished, railway tariffs were reduced, etc [39].

Thanks to the new economic policy, market-type cooperatives began to actively revive. The number of primary cooperative societies increased from 8.1 thousand in 1923 to 26.1

thousand in 1928, cooperative unions – from 68 to 114. At the beginning of 1930, there were 4,000 multifunctional cooperatives, 691 credit societies, 1,191 beet growers' cooperatives, 390 dairy and meat cooperatives, and 102 poultry cooperatives working in Ukraine. At the same time, starting from the end of the 20s, cooperative organizations began to acquire more and more features of state structures. The final decline of the cooperative idea began in 1927 after the decision to collectivize agriculture and forcefully organize collective farms. From the very beginning of their establishment, collective farms were declared as cooperative organizations [18, p. 68]. The heads of collective farms and state farms were often appointed people far from agriculture; the main characteristic was the obedient implementation of all instructions sent from the executive committees of the Communist Party of different levels. Such managers did not understand the specifics and did not know the basics of agriculture, this led to the fact that these associations quickly turned into unprofitable ones.

The only reason that prompts peasants to join cooperatives is their own economic interest and potential benefit, but when market mechanisms work poorly, the cooperative movement declines. This happened during the period of "war communism" in 1919-1921, during the period of existence of collective farms (1927-1991), and the same thing happened in the post-Soviet period. That is, cooperation acts as a peculiar indicator of the development of the market environment and the quality of its institutional support. After all, the voluntary association of peasants into cooperatives with the aim of obtaining additional benefits from their work implies a significant increase in the level of economic coordination of peasant households, improvement of their specialization, increases the requirements for the quality of the social capital of the village, etc. This explains the retardation of the development of cooperation in Ukraine, which during all the post-Soviet years did not become sufficiently widespread (Fig. 1).

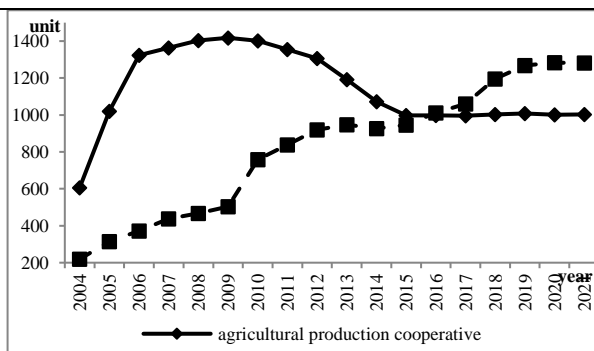


Fig. 1. The number of agricultural cooperatives in Ukraine in 2004-2021.

Source: [31, p.69], [32, p.47], [37].

Figure 1 shows that the dynamics of the development of agricultural cooperatives in Ukraine is unstable, as of the beginning of 2022, the number of service cooperatives significantly exceeds the number of production cooperatives. Some researchers believe that the reason lies in the fact that the rural population equates cooperatives with collective farms and, for the most part, does not see the prospects and potential of this form of management [29, p. 43].

Table 1. Part of agricultural cooperatives in the total number of cooperatives in Ukraine in 2004-2022, units

	Total number of Cooperatives	Agricultural cooperatives	Agricultural cooperatives, %.
2004	29,616	825	2.79
2005	30,229	1,334	4.41
2006	30,790	1,696	5.51
2007	31,428	1,802	5.73
2008	33,257	1,872	5.63
2009	34,324	1,921	5.60
2010	35,063	2,160	6.16
2011	29,275	2,105	7.19
2012	28,675	2,139	7.46
2013	28,435	2,083	7.33
2014	28,649	2,143	7.48
2015	24,868	1,908	7.67
2016	25,763	1,947	7.56
2017	26,460	2,014	7.61
2018	26,975	2,069	7.67
2019	27,524	2,212	8.04
2020	28,071	2,279	8.12
2021	28,596	2,195	7.68
2022	33,694	2,292	6.80

Source: [31, p.69], [32, p.47], [37].

However, if the reason were so simple, it could be quickly solved by explaining to the villagers the benefits of cooperation. It is obvious that, in addition to certain

conservatism inherent in the rural population of all countries, the development of agricultural cooperation is hampered by the imperfection of the legislative framework and institutional support of this sphere. These problems explain such a small percentage of agricultural cooperatives in the total number of cooperatives in Ukraine (Table 1).

Table 1 shows that there are many nominally agricultural cooperatives in Ukraine, but their percentage is very small in the total number of cooperatives.

Service cooperatives, in contrast to production cooperatives, are by their economic essence non-profit organizations that, in the case of securing this status, are subject to Article 133 ("Tax payers") of the Tax Code of Ukraine dated 02.12.2010 No. 2755-VI (edition dated 09.07.2022). Clause 133.4.6 of this article specifies that "agricultural service cooperatives, cooperative associations of agricultural service cooperatives" are non-profit organizations and are not tax payers [34].

Adopted in 2020, the Law of Ukraine "On Agricultural Cooperation" [21] (hereinafter – the Law) simplified the conditions for the functioning of cooperatives and at the same time took into account the need for the gradual adoption of international norms and rules of cooperation, which, among other things, is provided for by the "Association Agreement between Ukraine and the EU" [2]. The law significantly improved the level of legal regulation of agricultural cooperatives, provided an opportunity for members, associate members of a cooperative that operates for profit, to receive dividends, introduced guarantees for associated members, improved the procedure for establishing cooperatives and joining a cooperative, created an opportunity to freely choose the type of activity of a cooperative, made it easier to recognize the cooperative as a non-profit organization [16].

However, in the case of liquidation of a cooperative as a non-profit organization, its assets are transferred by decision of the general meeting to another agricultural cooperative (association of agricultural cooperatives) operating with or without the

purpose of making a profit, and in the absence of such a decision, they are credited to the state or local budget [21].

In addition, according to the provisions of the Law, in order to obtain the status "non-profit", a cooperative must meet the following conditions [34]:

- 1) the cooperative does not produce agricultural products and provides services exclusively to its members;
- 2) the cooperative does not acquire the right of ownership of agricultural products that were produced, grown, fattened, caught or collected (harvested) by its members – producers of agricultural products. At the same time, the owners of agricultural products harvested, processed, supplied, sold by such a cooperative are its members;
- 3) the cooperative meets the requirements established by subsection 133.4.1 of clause 133.4 of Article 133 of the Tax Code of Ukraine for non-profit organizations.

The listed conditions mean that the produced products can be sold only in large quantities on the basis of contracts concluded with each member of the cooperative personally. This practice is too complicated and involves a lot of risks, so trading organizations prefer larger deals.

In the event of the creation of an agricultural cooperative in the form of a non-profit organization, its members will not so much reduce their transaction costs as increase them due to the growth of property risks and the actual need to create another non-profit organization that could become the property successor of the cooperative in the event of its termination of its activity.

For non-profit organizations, there are also separate requirements for the submission of tax reports, approved by the order of the State Tax Administration of Ukraine dated 17.06.2016 No. 553 [24], therefore certain difficulties remain in the accounting system in the event that peasant farms join cooperative associations and their transition to the new system reporting. At the same time, it should be recognized that the new form of reporting has advantages over those forms used in the previous period (approved by the relevant orders of the Ministry of Finance of Ukraine

dated 31.01.2011 No. 56 [22] and dated 27.01.2014 No. 85 [23]), since the new form the report consists of fewer sections. At the same time, the fact remains that the introduction of changes three times within a short period has created tangible difficulties for agricultural cooperatives and introduced confusion into their work.

In Europe, cooperation acts as a kind of economic ideology, which represents the struggle of small and medium-sized businesses against monopolies, which are so characteristic of the economy of Ukraine. Unfortunately, Ukrainian society lacks a deep awareness of solving its own problems through cooperation [33]. In a number of European countries, cooperation is not divided into types, as it happens in Ukraine, there are simply cooperatives that help farmers in conducting their business.

One of the indicators of progress in the field of regulatory and legal support of agricultural cooperatives was the approval in 2021 of the "Exemplary rules of intra-economic activity of agricultural cooperatives" [8], which remained unchanged since 2008 and were the cause of additional difficulties in the work of these enterprises.

It is also necessary to take into account the main world trends in the development of rural areas, according to which, it can be predicted that the following areas should become priority for the agricultural cooperation of Ukraine: the production of organic agricultural products, diversification of the economic activity of the village, ensuring the environmental purity of the territories, the restoration of social infrastructure, increasing the standard of living of the rural population [17].

The establishment of the effective functioning of the agricultural cooperative in Ukraine began and was carried out taking into account international norms and rules, so it was possible to predict the successful completion of this process, but the state of war and hostilities stood in the way, which negatively affected all spheres of people's lives. Urgent changes were made to a number of normative legal documents, which caused changes in the interpretation of certain concepts and affected

the course of procedures. In particular, this concerns the understanding of force majeure circumstances that occur massively in the specified conditions, and it is impossible to predict all situations, since there is no previous experience.

In the conditions of martial law, for each force majeure circumstance, it is necessary to urgently start negotiations with the counterparty, issue a corresponding certificate at the Chamber of Commerce and Industry of Ukraine, certifying the fact of the event, and perform a number of other necessary actions, which in individual cases will have to be carried out by each member of the cooperative. This refers to cases when an agreement is concluded personally with each member of the cooperative, then each person must receive a certificate of force majeure. It should also be taken into account that not all regional chambers of commerce and industry continue their work during hostilities in the respective territory, so documenting the problem may be impossible.

## CONCLUSIONS

Thus, the modern world and positive Ukrainian experience of the development of agricultural cooperation testify to the inextricable connection of the cooperative movement with the establishment of the principles of the market economy, the free exchange of goods, the spread of open competition, the freedom of foreign economic activity, and the presence of civil society.

At the international level, there is a tendency to consolidate these structures with a simultaneous increase in turnover.

In Ukraine, due to specific shortcomings in the legislative provision of this area, on the contrary, the separation of cooperative members and the creation of separate enterprises is being formed – this is how you can understand the need to conclude personal contracts with each member of the cooperative. This approach prevents the normal operation of Ukrainian agricultural cooperatives in market conditions.

Newly adopted legal acts, the idea of which is to ensure favorable conditions for the



functioning of cooperation in Ukraine, along with a positive effect, provoke the emergence of new difficulties, for example, the rules of tax reporting have changed several times during a very short period. In addition, some documents necessary for the proper operation of the agricultural cooperative remain neglected. Among them are the "Sample rules of intra-economic activity of an agricultural cooperative" – they, despite the numerous changes in the legislation of Ukraine, remained unchanged for more than 8 years, and were edited only recently.

Military actions on the territory of Ukraine cause numerous force majeure circumstances. Given the specificity of the legislation and the lack of experience in solving problematic issues in such conditions, the work of all agricultural cooperatives is significantly complicated or stopped altogether.

In general, there have been positive changes in the organization of agricultural cooperation in Ukraine, which gave reason to predict further development, even in the presence of a large number of unresolved problems that remained or arose. However, the hostilities taking place in the territories of traditionally agrarian regions make it completely impossible for cooperation to function in them. Agricultural cooperation in non-combat areas has also suffered as a result of staff shortages, inflation, and recurring force majeure.

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