

Operation of the market of sunflower In Ukraine

The purpose. To realize analysis of indexes of production and consumption of sunflower, and its price items in the domestic agrarian market, to determine perspectives of development of the market of sunflower in Ukraine.

Methods. Economic-statistical, graphical, comparison method and theoretical generalization.

Results. Analysis of indexes of production and consumption of sunflower in the domestic agrarian market in a split of natural-climatic zones, ranges and classes of equipments of Ukraine is made.

Conclusions. Stable demand from recycling branch and the heavy price for finish products are the motivating factor of the further expansion of boundaries of the domestic market of sunflower.

Key words: production of sunflower, market of sunflower, directions in consumption of sunflower, products of processing, minimum and ceiling prices of sunflower.

Formulation of the problem. Ukraine - the world leader in the production and processing of sunflower oil, domestic oil and fat industry shows positive dynamics of development and even during the crisis. The main oil crop in the domestic agricultural market is sunflower, whose share in the total production of oilseeds in the last five years is 70%. Sunflower - the most profitable crops among other oilseeds. However, in recent years the return on its growing steadily declining (from 57% in 2011 to 28,5% in 2013) due to increase in production cost culture, lower prices for commodity products.

Analysis of recent research and publications. The development and functioning of the agricultural labor market devoted to famous scientists of economists V. Mesel-Veselyak, Y. Lupenko [5] Y. Luzan [2]. Price trends in the agricultural market were subject to domestic research scientists: P. Sabluk [4] A. Shpychak [9], L. Shkvarchuk [8]. Sunflower market analysis presented in scientific publications A. Tartakovsky [6] V. Tum [3]. At the same time, new research specialized agricultural markets, such as the domestic market of sunflower designed and able to provide information on the latest developments and trends can determine the prospects for its development.

The purpose of the article - to analyze the parameters of the production and consumption of sunflower, sunflower price position in the domestic agricultural market, determine market prospects sunflower in Ukraine.

The presentation of the main results of the study. Production of sunflower in Ukraine during 2009-2013 increased by 4686,5 thous. t, or 73,6% due to the expansion of acreage to 897,1 thous. ha, or 21,4%, increase in productivity from 1 ha crop of 6,5 kg or 42,8%. Note that the positive trend observed sunflower production performance in all climatic zones of Ukraine. But most of the growth occurs in the steppe zone, in which Ukraine is traditionally the main focus of this crop (71% in the overall structure of the area) and processing facilities for the production of oil. However, the greatest increase acreage of sunflower almost 6 times occurred in the area of Polesie (35 thous. ha in 2009 to 209,4 thous. ha in 2013). Corresponding increase 8 times become harvests in this area (from 54,8 thous. t in 2009 to 444,5 thous. t) (Table. 1).

1. Dynamics of production of sunflower in Ukraine during 2009-2013 *

Natural and climatic zones	2009	2010	2011	2012	2013	Зміни, %
Gross yield, thousand. t						
Step	4446,4	4612,2	5849,8	5304,4	6924,3	155,7
Forest-step	1862,8	2060,8	2598,6	2763,9	3681,6	197,6
Polesie	54,8	98,5	223,1	318,8	444,5	811,1
Ukraine	6364,0	6771,5	8670,5	8387,1	11050,5	173,6
Yield, kg/ha						
Step	12,8	13,9	16,2	13,8	18,4	143,7
Forest-step	17,0	14,8	18,1	19,7	23,6	138,8
Polesie	13,8	13,5	16,5	16,7	19,0	137,8
Ukraine	15,2	15,0	18,4	16,5	21,7	142,8
Area, thous. ha						
Step	3225,5	3284,7	3419,4	3711,3	3584,4	111,1
Forest-step	932,5	1176,1	1172,0	1206,5	1296,3	139,0
Polesie	35,0	65,0	125,2	163,9	209,4	598,3
Ukraine	4193,0	4525,8	4716,6	5081,7	5090,1	121,4

* According to the State Statistics Service

An interesting trend of exceeding average yield of sunflower in the country can be traced in the forest-steppe zone (up to 23,6 kg/ha). Thus, producers of sunflower forest-steppe zone harvest sunflower 2-2,5 kg/ha more than in other climatic zones.

The real achievement in this period is the increase in the average level of productivity in the country to 21,7 kg/ha in 2013 against 15,2 kg/ha in 2009, indicating a shift in the production processes of intensification of the culture. At the same time, we note that performance numbers are not sufficient in terms of the potential of oilseeds and achievements of modern breeding. Thus, the potential productivity of modern domestic sunflower hybrids reaches 26-28 kg/ha, and foreign - 40-50 kg/ha [7, p. 73]. Thus, the average yield of sunflower in practical use fewer potential level at 15-43%.

Increased production of sunflower during the study period was due to the expansion of crops: in the Mykolaiv region. - By 55,5 thous. ha, or 15%, in Kirovograd – 42,4 thous. ha, or 9%, in Dnipropetrovsk - 23 thous. ha or 5%. The highest rates of growth of sunflower seed exhibit the following areas: Odessa - 80,4% or 346,2 thous. t, Kirovograd region - 33% or 308,4 thous. t, Nikolaev – 48,6% or 307,4 thous. t (Table. 2).

2. Production of sunflower in regions in Ukraine, thous. t

Region	2011 p.	2012 p.	2013 p.	growth, %	growth, +,-
Kirovograd	918,2	908,1	1226,6	133,6	308,4
Dnipropetrovsk	1034,5	802,9	1171,6	113,3	137,1
Kharkiv	913,0	878,8	1117,2	122,4	204,2

Nicholaev	632,3	692,6	939,7	148,6	307,4
Zaporizhya	1004,2	750,1	921,8	91,8	-82,4
Donetsk	776,7	741,8	778,6	100,3	1,9
Odessa	430,8	480,9	777,0	180,4	346,2
Poltava	543,0	552,7	729,1	134,3	186,1
Lugansk	578,7	558,4	636,8	110,0	58,1
Vinnitsya	289,0	346,6	506,1	175,1	217,1
other	1549,6	1674,2	2232,9	144,1	683,3
Ukraine	8670,0	8387,1	11037,	127,3	2367,0

* According to the State Statistics Service

Changes occurred in the top three among the regions that specialize in growing sunflower. If in 2011 the first position occupied Dnipropetrovsk region. indicator of 1034,5 thous. tons gross yield, the second - Zaporozhye region (1004,2 thous. tons), the third – Kirovograd region (918,2 thous. t). The results in 2013 is the leading position – Kirovograd region (1229,1 thous. t), Dnipropetrovsk region (1172,8 thous. t), Kharkiv region (939,9 thous. t).

Positive results in these areas is a direct consequence of the intensification of the processes of production of sunflower, since the increase in gross yield was due to a higher than average level of productivity in Ukraine. For example, in 2013 in Kirovograd region sunflower yield was 24,2 c/ha, Dnipropetrovsk region – 22,7 c/ha, Kharkiv region – 28,6 c/ha. However, leaders in the field of sunflower seed are not leaders in terms of performance. Thus, the first position on the criterion of yield of sunflower in Ukraine occupies Cherkasy region (31,1 c/ha), second place - Vinnitsa region (30,4 c/ha), the third - Poltava region (29,2 c/ha).

Production of sunflower in Ukraine is concentrated mainly in agricultural enterprises. Thus, over 85% or 9,5 million tons of total sunflower in Ukraine is produced by agricultural enterprises and 15%, or 1,6 million tons - households. However, in recent years, a reduction in the share of manufacturing in households (-4,1%) for the proportion of farm (+4,1) (Table. 3).

3. Production of sunflower in Ukraine by class households, thous. ha *

Categories farms	2009	2010	2011	2012	2013	Change s, %
Agricultural enterprises	5177,4	5585,6	7288,8	7131,1	9445,8	182,5
Share,%	81,4	82,5	84,1	85,0	85,5	+4,1
Households	1186,6	1185,9	1381,7	1256,0	1605,0	135,3
Share,%	18,6	17,5	15,9	15,0	14,5	-4,1

* According to the State Statistics Service

Distribution, which is formed between entities can be explained by the fact that the effective cultivation of sunflower is associated with the execution of complex agrotechnological activities that require the specialized agricultural machinery for the production and handling of commodity seeds, significant production costs for seeds, fertilizers, plant protection plant. Provide appropriate set of high-level quite difficult small producers (farmers) due to the limited number of vehicles, or even its absence in his own possession, as well as a small amount of financial resources. The level of productivity in terms of categories

of farms also shows a higher level efficiency of sunflower in the category of farms – 21,7 c/ha in 2013 against 16,8 c/ha in the category of households.

Pricing positions on the sunflower agricultural commodity markets during the last three years ranging 2900-5000 UAH/t, a sharp drop in the market price is not fixed. Price fluctuations during the season due to several factors: seasonality, supply volume and quality of sunflower commodity market, intentions and declarations of large sunflower market and, above all, processors, pricing on the domestic agricultural market (Fig. 1).

By-products of sunflower seeds - in pressing cake and meal at extraction (about 35% by weight of seeds) is a valuable concentrated feed. Meal and cake are important components in the production of various fodder for livestock and poultry industry.

Structure of consumption of sunflower lines formed in such a way that the bulk of the seed produced is directed to the production of sunflower oil - from 96,7% in 2011 to 99,3% in 2013, a small fraction – 0,3% is the seed export decreases each year at the end of 2013 was 0,4% against 3,0% in 2011 of total consumption culture.

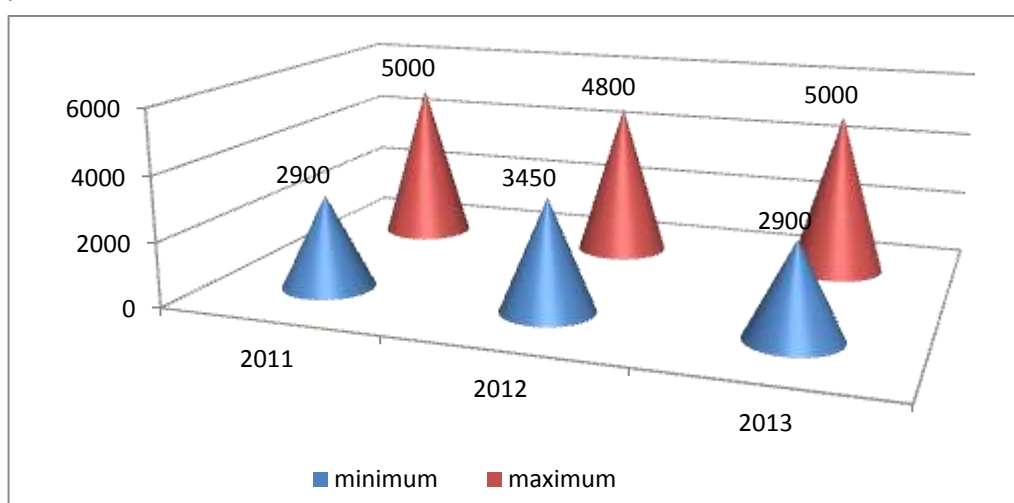


Figure. 1 The price in the market of sunflower during 2011-2013., UAH/t (according to IA “APK-Inform”)

The increasing processing sunflower oil for the last 3 years was 1,4 million tons, or 16% from 8,9 million tons to 10,4 million tons, is a record in the domestic oil and fat industry. Exports of sunflower decreased by 83% (from 282 thousand tons in 2011 to 50 thousand tons in 2013) due to the effective mechanism of protection in the form of export duty of 10%. Stable is the direction seeds at 26 thousand t in the year (Table. 4).

4. Dynamics of consumption of main oilseeds in Ukraine for 2011-2013.*

Destination consumption	Years			Structure, %			Growth, % (+,-)	
	2011	2012	2013	2011	2012	2013		
Processing of oil, thousand. t	8961	8400	10400	96,7	98,0	99,3	116,1	+1439
Seeds thousand. T	26	27	26	0,3	0,3	0,3	100,0	0
Export thousand. T	282	150	50	3,0	1,7	0,4	17,8	-232
Total:	9269	8577	10476	100,0	100,0	100,0	113,0	1207,0

* According to IA "APK-Inform"

Sunflower oil is the basis of domestic processing complex fat as sunflower seeds as compared to other oilseeds gives more oil per unit area. Sunflower oil is widely used as a food in its natural form. This oil is used in cooking, baking, in the manufacture of varnishes, paints, stearin, linoleum, electroarmature, oilcloth, waterproof fabrics more.

Ukraine is a leader in the production of sunflower oil in the world. In 2013/14 MY produced 4,7 million tons of sunflower oil. Main power for processing sunflower oil is concentrated in the area of primary production. Thus, in Kirovograd region produced 7,6 million tons of sunflower oil, in the Zaporozhye region – 5,9 million tons, in the Donetsk region, - 3,9 million tons, the Odessa region – 3,6 million tons. The top five this year included the following companies -processors of sunflower oil: Creative (Kirovograd region) - power - 3 tons/day, Zaporozhye plant oil and fat (Zaporozhye region) – 2,5 t/s, Vinnitsa oil and fat factory (Vinnitsa region) – 2,2 tons/day, Pology plant oil and fat (Zaporozhye region) – 2,0 tons/day, Ukrainian Black Sea Industry (Odessa region) – 2,0 tons/day.

The world market of Ukraine exported 4,2 million tons sunflower oil. Main importers - India (1160 thousand tons or 37%), China (483 thousand tons, or 15%) [1, p. 30]. Significant oil exports due to small volume of domestic consumption of sunflower oil (0,5 million tons), as experts predict a further increase capacity and processing sunflower in Kirovograd, Odessa, Kharkiv region.

During the processing of seeds other than oil, prepared meal or flakes, about 35% by weight of seeds, which is a valuable livestock feed. The standard meal contains 38-42% digestible protein, 20-22% non-nitrogenous extractives, 6-7% fat, 14% fat, 6,8% ash, many mineral salts. Nutritionally 100 kg cake correspond 109 feed. units. Flakes contains about 33-34% digestible protein, 3% fat, 100 kg 102 correspond to its food. units.

Without a meal and cake is almost impossible to balance the feed for livestock and poultry, they are an important component in the production of various animal feed and help reduce the cost of feed per unit of livestock production, reduce its costs, increase competitiveness in a market economic system.

Sunflower meal, which is mainly used for fodder, is also actively exported Ukrainian traders. In the 2013/2014 MY produced 4,5 million tons of sunflower meal, which aims to export 3,4 million tons. Mainly buying Ukrainian sunflower meal - France (19%), Belarus (16%), Poland (13%) [1, p. 33].

Conclusions.

The main advantages of sunflower in the agricultural market - liquidity finished products, stable demand and high prices in the domestic market. Increased production of sunflower in recent years driven by the development of processing facilities oilseeds and stable demand from European buyers unrefined sunflower oil.

Relative stability and minor fluctuations during the year of market prices for major oilseed uniquely serve a motivating factor and give a clear message about the future prospects of their cultivation. The demand for sunflower in Ukraine will continue to grow from primarily domestic processors oil and fat industry.

Thus, the market of sunflower in Ukraine - balanced within subjects and major options does not show significant growth, focused on domestic oil fatty processing complex (production of crude oil) and then export. Characterized by stable production and price indexes, projected, developed infrastructure, will increase only slightly.

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