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ESSENCE AND CONTENT OF THE MANAGEMENT PROCESS BY THE STATE RESERVE OF UKRAINE

Key words: state reserve, strategic reserve, State Reserve, state administration, institutional support, formation of state reserve, national security.

ABSTRACT: The article identifies the special significance of state reserves for purposes of ensuring the national security of Ukraine. Established the main purpose of state reserves as a set of strategic reserves of the state to overcome the effects of risk factors. A review and analysis of recent domestic publications on this topic was done. The main definitions of state reserves are found. Established that the existing definitions of state reserves have, mainly, the material and economic plane of understanding. The author's definition of state reserves was derived and proposed. It was noted that the definition should also contain an institutional and organizational component.

The main structural components of state reserve are considered, among which the mobilization reserve, reserves to meet the strategic needs of the country and reserves to perform priority work during emergency response are identified.

The peculiarity of the process of state reserve management is studied, where such classical components as normative-legal, institutional and organizational are singled out. A number of normative legal acts were analyzed, which regulate the basic principles of formation, use and disposal of state reserve of Ukraine, as well as the principles of activity of the State Reserve. Established that the institutional component of state reserve management process is embodied in the State Reserve, which is the central body of executive power. The relevance of the thesis that activity of the State Reserve as an active subject of economic processes is one of the main elements of state reserves management is also proved.

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The content of the process of managing the state reserve is revealed through the need to stabilize the socio-economic situation both in conditions of uncertainty and the consequences of emergencies, and in the normal functioning of the state economy. The essence of process of state reserve management is defined as the rational use of material and technical values that form the strategic reserve of state, in order to regulate economic development in normal socio-economic conditions or quickly overcome the negative consequences of man-made or natural emergencies as well as the consequences of martial law.

INTRODUCTION

Actuality of theme. The current state of socio-economic development of the state requires significant resources and finding new reserves and potential for future growth and increasing the welfare of the nation and effective implementation of national security tasks. In the face of opposition to Russian aggression, liberalization of economic relations and stimulation of the domestic economy, it is important to find and accumulate all possible internal resources. Traditionally, in this aspect, the role of the stabilizer should be played by the state reserve, which is one of the elements of the national security system, because by its nature it serves as a strategic reserve of strength. The state reserve, as a set of stocks that make up the primary importance for the proper functioning of the national economy and food security, is a rather complex object of management. The state must ensure an extremely high level of relevance of the components of the state reserve, as well as create conditions for their appropriate effective storage and periodic renewal. In this aspect, the whole complexity of the process of managing the state reserve is presented. Therefore, today increased the urgency of the problem of finding an effective state policy in this direction, including through organizational, legal and institutional support for the functioning of the state reserve of Ukraine.

Degree of scientific research of the topic. The process of managing the state reserve as the most important strategic resource of the state for a long time did not receive the necessary attention of scientists and was considered mainly in terms of socio-economic sciences as an element of economic growth management. Instead, today quite close attention to this issue is paid in the works of such scientists as Bilokon' Yu.M., Vashchenko

V.V., Golinka I.V., Kovalenko S.O., Melnyk V.I., Pogrishchuk B.V., Potety-ueva M.V., Tarasyuk O.B., Shamray Yu.P. etc.

The purpose of the article. The purpose of this article is to determine the essence and the content of the process of managing the state reserve of Ukraine.

THE MAIN MATERIAL

The state reserve of Ukraine is considered to be a strategically important element of economic support of the national security system of Ukraine. By its nature, it includes a number of things, food, dual-use goods, weapons, etc., which together must meet the vital and priority needs of the state in resources to ensure socio-economic stability. Such a number of products, materials, equipment and other things requires complex logistics, operational management using techniques of network planning, project organization and a functional support system, which must be mobile and effective in responding to situations that require provision from the state reserve. Today the state reserve does not meet those requirements that set him Ukrainian realities today, particularly in the context of capacity to meet the needs of the Armed Forces of Ukraine in their resistance to Russian aggression.

Moreover, today the process of management of the state reserve, its replenishment, renewal, protection is not performed in a way as effective as the socio-economic conditions of development of the Ukrainian state require.

The review of approaches to the management of the state reserve of Ukraine should take place not only taking into account these conditions, but also given that the state reserve is a permanent strategic asset of the state, which must exist permanently, and its management meets only national security needs, not political conjuncture of circumstances and the configuration of political forces in the state.

We emphasize this taking into account the number and terms of office of the heads of the State Reserve of Ukraine. Thus, during the whole historical process of institutional transformations of the state reserve of

Ukraine (State Committee of Ukraine for State Material Reserve (1991–1999); State Agency for Management of State Material Reserve (1999–2001); State Committee of Ukraine for State Material Reserve (2001–2010); The State Reserve Agency of Ukraine (since 2010) has been headed by almost 20 people, which in no way meets the requirements for the stable functioning of the most strategically important resource of the state.

Therefore, we proceed from the fact that the analysis of the essence and the content of management of the state reserve should be based on the following initial aspects:

- the management of the state reserve is a dynamic process, as it involves constant replenishment and renewal of its reserves, taking into account not only modern but also future needs of national security of Ukraine;
- the state reserve is a strategic economic potential of Ukraine. Therefore, it must be actively involved in economic processes and not only act as a means of accumulating material resources. The state reserve should stimulate, first of all, the domestic producer at the expense of state procurement;
- the state reserve is an active economic entity and must be profitable;
- the management of the state reserve cannot be outsourced to public law entities, including private ones, and must be carried out exclusively by the state.

Last point is perhaps the most controversial, but we insist that the state reserve is a strategic resource and the state of its relevance, utilitarianism and relevance to meet national security needs in case of emergencies must meet state standards and requirements of state bodies and structures, which these needs must be met at the expense of the state reserve. In other words, the state reserve is the strategic basis of the national security system of the state, and therefore its management should be carried out and controlled exclusively by state bodies.

The availability of reserves allows the state to remain calm in critical periods, so when developing the nomenclature and norms of accumulation should take into account: the concept of national security, military doctrine, the probability and possible scale of natural disasters and man-made disasters, current economic and financial opportunities, forecasts

of socio-economic development and demographic situation, structure and prospects of development of industrial and agricultural production and consumption, level and rates of scientific and technical progress, and also possibilities and technologies of the system of the state material reserve (Potetiuiieva, 2018, pp. 69–70).

This thesis reflects the main purpose of state reserves as a set of strategic reserves of the state to overcome the effects of risk factors. But by their socio-economic nature, state reserves are a set of material values, the management of which should ensure not only future security, but also modern economic stability and stability of the system of economic ties in the state.

Management of the state reserve from the point of view of economic realities should be considered as an integral element of market relations in the state, the reserve itself should be a potential source of economic activity for domestic producers. Replenishment of the state reserve should be based on the principles of a market economy. The state cannot accumulate material values in reserves, in fact excluding them from further economic turnover, and therefore the replenishment of state reserves should take place at the expense of market mechanisms: government procurement, state order and so on.

In fact, due to the imperfection of economic mechanisms of state reserves management, namely due to the financial imbalance of the state reserve system and the focus of budgetary resources management on the temporary socio-economic effect causes failure to meet targets and sparing use of available resources. Similarly, the regulatory disorder of the system of storage of material values of the state reserve leads to inefficient use of the capacity of state custodians. The State Reserve did not use the opportunities to strengthen the regulatory and methodological foundations for the development of the state reserves system, having a scientific institution with significant resource potential in its own system (Potetiuiieva, 2018, pp. 72–73). Confirmation of this point of view can also be found in the works of previous periods – the stage of formation of the domestic system of state reserve management.

For example, S.O. Kovalenko emphasizes that the state reserve is a stock of strategic materials and goods for mobilization needs of the country, providing urgent works during liquidation of consequences of emergency

situations (Kovalenko, 2012, pp. 255–257). V.A. Lipkan understands state reserves as stocks of raw materials, fuel, machinery, equipment, food products, which are created and replenished by the state and are necessary for the smooth functioning of the economy during a natural disaster, for defense purposes (Lipkan, 2008, p. 512). O.B. Tarasyuk and O.O. Kasyanova define the state reserve as a means of ensuring socio-economic conditions for the normal development of society and the state's economy, regardless of the negative consequences of emergencies of man-made, natural or military nature (Tarasiuk, Kasianova, 2012, pp. 148–149). In turn, A.G. Zagorodniy and G.L. Voznyuk, approaching the problem of determining state reserves from an academic point of view, propose to understand this category as «a special state stock of tangible assets intended for use for the purpose and in the manner prescribed by law, which creates a non-reducing inventory of tangible assets» (Zahorodnii, Vozniuk, 2007, p. 768). Thus, it is clear that today the state material reserve is a component of the national security system, as well as a tool of the state to respond quickly to adverse changes in the economic and socio-political situation in the country and in the world.

For the purposes of this article and taking into account the needs of establishing the essence of the process of state reserve management, we propose to define the state reserve as one of the main elements of the national security system, which consists of a set of material values, the composition of which is determined by the Government in accordance with the socio-economic needs of the state and in case of critical situations (regardless of their nature) that can negatively affect the internal stability of any of the state subsystems that can ensure socio-economic and socio-political stability, to balance economic ties and to provide the population and the economy with priority products and materials.

This definition demonstrates only one plane of understanding of state reserves – material and economic. If we talk about the state reserve as an object of state administration, we should also emphasize its institutional and organizational component, i.e. the system of normative legal acts and the structure of the relevant state bodies capable of ensuring the appropriate level of quality in the formation, use, renewal and movement of strategic resources.

This institute strategic reserve supported by the state, is a kind of insurance against various resource limitations and is becoming increasingly important as how global processes of globalization and technology development triggers the growth of the variety and intensity of risk.

In the modern world practice two main approaches to the creation of strategic reserves: the reservation directly by the state (government reserves) and the imposition of state obligations under reservation for private companies (commercial reserves). However, only the state model of reservation makes it possible to quickly use large amounts of tangible assets and provides full control over the availability and condition of stocks (Potetiuiieva, 2018, pp. 73–74).

Traditionally, the structural components of the state reserve are determined by:

- mobilization reserve (formed from stocks of material, technical resources and raw materials intended to ensure the deployment of military or other industrial products in a special period, wartime, etc.);
- stocks of raw materials, logistics and food resources to meet the strategic needs of the country;
- stocks of material and technical resources for the implementation of priority works during the elimination of the consequences of emergencies (Kovalenko, 2015, pp. 102–104).

This structural structure reflects, on the one hand, the main functional directions of the state reserve: mobilization needs, food and public security needs, the need to eliminate emergencies; on the other hand, it determines the functional, organizational, legal and institutional features of the process of state reserves management, as it is possible to meet these needs only if there is a clear stable and operational coordination of efforts of several agencies and a large number of subjects of government administration.

This is due to the following:

- first, our definitions of state reserves show that it is due to the material and technical values stored in the state reserves, various public authorities, depending on the area of responsibility, plan to ensure the normal and stable functioning of those entrusted with of state property, social and economic processes, etc. Therefore, it is the

various State authorities that must determine the needs for such material values and form a plan of nomenclature, the procedure and terms of replenishment (renewal) of the state reserve;

- secondly, the management of the state reserve should be centralized, which means the need to coordinate the plan and procedure for meeting the needs of various government authorities at the expense of state reserves in the performance of their functions and powers, including during the negative consequences of emergencies and force-major state. This means the need to introduce technologies of network planning, project management and adaptive management;
- thirdly, state reserves must be restored (renewed), and therefore they must bring economic profit from the sale of balances of reserves or material and technical values, the storage of which ceases to be relevant given the projected needs in the future.

Based on the above, V.I. Melnyk and B.V. Pogrishchuk believes that for effective management of state reserves it is necessary to solve the following tasks and overcome the following problems:

- fulfillment by the state reserve of the function of the current source of material and technical resources, raw materials and food products of individual consumers;
- coordination of certain relations in the field of organization of outsourcing and management processes caused by the activities of controlled entities for procurement, renewal and distribution of material values of the state reserve;
- optimization of the system of storage of material values and capacities of state enterprises and organizations of the state reserve, logistics and transport support;
- ensuring the reliability of the system of storage of material values of the state reserve and the use of capacity of the custodians of resources of the state reserve;
- use of values of the state reserve exclusively for the intended purpose;
- optimization of procedures for renewal of material reserves, storage of physically or morally obsolete values (Melnyk, Pohrishchuk, 2020, pp. 39–40).

In turn, I.V. Golinka, Yu.P. Shamrai and Yu.M. Bilokon' believes that the main option for resolving the issue of effective management of the state reserve of Ukraine is improving the mechanisms of realization of material values stored in it and the direction of the released funds to renew the state reserve (Holinka, Shamrai, Bilokon, 2020, pp. 107–108). This thesis is supported by us, as scientists advocate the need to introduce the principles of rationalization and optimization in the process of managing the state reserve of Ukraine.

If we analyze the point of view of V.V. Vashchenko, it can be concluded that the scientist identifies the management of state reserves with the process of functioning of the institutional component of state reserves, which in the case of Ukraine is embodied in the structure of the State Reserve. That is, scientists defend the thesis about the inexpediency of the division of state administration by this institution and the actual state reserves (Vashchenko, 2015, pp. 129–130). We deliberately reject this point of view and emphasize the need to separate the system of state reserves management as its strategic reserve, and the management of the state institution – the State Reserve – whose main task is to ensure the implementation of state policy in this area.

Summarizing the above, we can conclude that the process of managing state reserves of Ukraine is a complex phenomenon, which embodies the state-administrative influence on one of the elements of the national security system of Ukraine – strategic reserves of the state – which is manifested through systems of mechanisms and tools on rational use of available reserves, formation of their nomenclature with taking into account strategic needs of the state in the future, realization of surpluses of the state reserve, optimization of the state resources directed on the maintenance of the state reserve, and also on creation of conditions of optimum and high-grade logistics of the state resources for emerging needs.

In addition, the state reserve is a strong accumulator of material values that can be used as a means of regulatory or stimulating effect on the market, increasing GDP and using market mechanisms to curb rising prices for petroleum products, metals, basic goods, which form the basis of development the entire industry of the country, as well as to use the

possibility of market intervention of the state in the pricing policy to regulate and smooth out market price fluctuations (Kovalenko, 2012, pp. 257–258).

Thus, the management of state reserves is aimed at stabilizing the socio-economic environment of the state, which is impossible without the active participation of relevant government agencies and institutions in market processes. This proves the relevance of the thesis that one of the main elements of state reserve management is the activity of the State Reserve as an active subject of economic processes.

The above allows us to conclude that in the structure of state reserve management there are such classic components as regulatory, institutional and organizational.

Thus, regulatory and legal support of the process of state reserves management is due to a number of regulations, which regulate the basic principles of formation, use and disposal of the state reserve of Ukraine, as well as regulate the principles of the State Reserve. Thus, the leading place in the system of legal support of the process of state reserve management is occupied by:

- Law of Ukraine «On the State Material Reserve», which defines the general principles of formation, placement, storage, use, replenishment and refreshment (renewal) of stocks of the state material reserve and regulates relations in this area. In addition, this law stipulates that the state reserve is a special state stock of tangible assets intended for use for the purposes and in the manner prescribed by law (The Verkhovna Rada of Ukraine, 1997);
- Law of Ukraine «On Management of State Property», which defines the basic principles of management and disposal of state assets. The entire state reserve of Ukraine, as well as the system of institutions and enterprises that are part of the State Reserve are exclusively state property (The Verkhovna Rada of Ukraine, 2006);
- Resolution of the Cabinet of Ministers of Ukraine dated 08.10.2014 No. 517 «On approval of the Regulations on the State Reserve Agency of Ukraine», which determines the legal status and main tasks and functions of the State Reserve (The Cabinet of Ministers of Ukraine, 2014).

Some aspects of the management of the state reserve of Ukraine are also defined in the resolutions of the Cabinet of Ministers of Ukraine: No. 832 dated 19.06.2007 «On approval of the Procedure for monitoring the performance of functions of the manager of state property and the criteria for determining the effectiveness of management of state property»; No. 1482 dated 21.09.1998 «On the transfer of objects of state and communal property»; No. 1314 dated 08.11.2007 «On Approval of the Procedure for Write-Off of State-Owned Objects»; Resolution of the Verkhovna Rada of Ukraine dated 20.02.1996 No. 57/96-VR «On the mechanism of application of the measure of responsibility of legal entities, in storage of which are the material resources of the state reserve for their unauthorized alienation (use, sale)»; Order of the Ministry of Economic Development and Trade of Ukraine dated 24.09.2012 No. 1042 «On approval of the Instruction on registration of operations with material values of the state material reserve»; Order of the Ministry of Economic Development and Trade of Ukraine dated 28.12.2018 No. 2003 «On approval of the Procedure for development of the nomenclature of material values of the state reserve and norms of their accumulation, including non-reducible stock».

As for the institutional component of the state reserve management process, it is embodied in the State Reserve, which is a central executive body, whose activities are directed and coordinated by the Cabinet of Ministers of Ukraine through the Minister of Economy, Trade and Agriculture and which implements state policy in the in the sphere of state reserves.

The main tasks of the State Reserve are: implementation of state policy in the field of state material reserve; making proposals to ensure the formation of state policy in this area (The Cabinet of Ministers of Ukraine, 2014). Thus, in accordance with paragraph 4 of the Regulations on the State Reserve Agency of Ukraine, the State Reserve manages the state reserve of Ukraine, as well as manages the activities of enterprises, institutions and organizations belonging to the sphere of management of the State Reserve for the formation, placement, storage, use, replenishment and refreshment. (renewal) of stocks of the state material reserve, observance of normative conditions of their storage.

Thus, we conclude that the process of managing the state reserve is a complex manifestation of state administration influence in the formation, accumulation, distribution, renewal and use of strategic stock of material values of the state to ensure national security and creating stable conditions for socio-economic development, regardless of the occurrence of negative consequences of emergencies, natural or man-made disasters, the consequences of hostilities or special conditions.

CONCLUSIONS

In view of the above, the following conclusions can be drawn:

- Taking into account the peculiarities and importance of the state reserve for the purposes of ensuring the national security of Ukraine, the content of the management process is revealed through the need to stabilize the socio-economic situation both in conditions of uncertainty and the onset of the consequences of emergencies, and in conditions of normal functioning of the state economy.
- The essence of the process of state reserve management is defined as the rational use of material and technical values that form the strategic reserve of the state, in order to regulate (stabilize or stimulate) economic development in normal socio-economic conditions or quickly overcome the negative effects of man-made or natural emergencies, as well as the consequences of martial law.
- Management of the state reserve is a complex state administration process, which includes a number of important components, namely: determining the range of material and technical values; organization of procedures for replenishment, renewal, use, transportation and storage of material and technical values; management of the activities of the enterprises, institutions, organizations that are part of the State Reserve – taking into account not only modern, but also perspective needs of national security of Ukraine.
- The state reserve is a strategic economic potential of Ukraine and an active participant in socio-economic processes, and not just a means of accumulating material resources.

- Its management is also a means to stimulate economic activity, especially domestic producers, because during its formation, replenishment or renewal should be created a system of economic mechanisms that implement government orders, government procurement and the sale of those material and technical values from the state reserve that have lost their utilitarianism.
- The formation of the state reserve and its use should be based on the principles of rationality and optimization of state resources, which means its payback and self-sufficiency.
- Such a process consists of organizational, legal and institutional support, each of which requires research and study to find ways to improve.

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