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MANAGEMENT OF THE ECONOMIC SECURITY SYSTEM OF THE ENTERPRISES OF THE FOREST INDUSTRY COMPLEX OF UKRAINE

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ABSTRACT

This article determines that the threats to the economic security of forestry are: insufficient level of forest cover in Ukraine; lack of legally established forest policy; low productivity of forests; corruption in the forest industry. Dependence on import of resources is characterized; high level of equipment wear, low level of introduction of innovative, resource - and energy - saving technologies, insufficient investments.

It is generalized that the process of ensuring the economic security of Ukraine's forest industry includes the following stages: formation of principles of ensuring economic security of forestry; assessment of the external and internal environment of FIC; determining the list and priority of threats to the economic security of forestry; assessment of the level of economic security of forestry; modeling of scenarios for ensuring the economic security of forestry; development and implementation of management decisions and recommendations to ensure the economic security of forestry; monitoring and control of the effectiveness of financial and economic security of forestry.

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Introduction. The forest industry complex of Ukraine is a set of enterprises involved in the cultivation and processing (until the final product) of forest raw materials. The timber industry complex includes the following sub-complexes: forestry, woodworking, pulp and paper, forest chemical [2].

Research purpose. The purpose of the article is to develop an organizational approach to ensuring the economic security of the forest industry of Ukraine.

Research materials and methods. In this article uses general scientific methods of analysis and synthesis of action induction and deduction, the transition from abstract to concrete, as well as special methods of analysis: grouping, comparison, systematic and others.

Results. In Ukraine, the timber industry complex operates in conditions of forest deficit. The total land area of the forest fund of Ukraine is 10.8 million hectares, of which 9.5 million hectares are covered with forest vegetation, which is 15.7% of the country's territory. Ukraine's forest cover is 15.9%. However, despite the relatively small forest cover of the territory, Ukraine ranks 9th in Europe in terms of forest area and 6th in terms of timber reserves [4] (Table 1.).

Table 1. TOP-10 European countries in the area of forested lands. Source: [4].

№	Country	Total area countries, thousand hectares	Area covered with forest	Forest cover, %
1.	<i>Sweden</i>	45 218	30 625	67.7
2.	<i>Spain</i>	50 596	27 748	54.8
3.	<i>Finland</i>	33 814	23 116	68.4
4.	<i>Turkey</i>	77,945	21,702	27.8
5.	<i>France</i>	54,919	17,572	32.0
6.	<i>Norway</i>	32,376	12,384	38.3
7.	<i>Germany</i>	35,702	11,076	31.0
8.	<i>Italy</i>	30 132	10 916	36.2
9.	<i>Ukraine</i>	60 355	9573.9	15.9
10.	<i>Poland</i>	31 268	9319	29.8

According to Art. 1 of the Forest Code of Ukraine, Ukraine's forests are its national wealth and by purpose and location perform mainly water protection, protection, sanitation, health, recreational, aesthetic, educational, other functions and are a source to meet society's needs in forest resources [1].

The total sales of round wood to the domestic market in 2016 amounted to 11,673.1 thousand cubic meters. m for a total of UAH 8.1 billion. 2552.7 thousand cubic meters were sold on the foreign market. m of round wood for a total of 2.7 billion UAH, including firewood 1204.3 thousand cubic meters. m and pine logs 1348.4 thousand cubic meters. meters [4]. In Ukraine, fuel wood and commercial roundwood are the leaders in terms of production, their share in exports of forest products was 42 and 20.2% of production, respectively, which indicates the raw material orientation of the forest industry.

The volume of production is determined primarily by the possibilities of its implementation, but it was constrained by factors such as high prices and low quality products. High prices for products were formed as a result of significant costs for their production (high cost of raw materials and other material resources). In addition, the increase in prices was influenced by the use of outdated technologies and the operation of worn-out equipment [5].

The same reasons contributed to the deterioration of product quality. All this had a very negative impact on the competitiveness of a large number of industry products not only on the world market, but also on the possibilities of its implementation within Ukraine. The increase in material costs has led primarily to rising resource prices, a sharp decline in the use of cheap raw materials - wood waste and waste paper, overuse of raw materials, fuel and energy due to the operation of worn-out equipment and outdated technology [3].

Analyzing the state of the timber industry, it is necessary to pay attention to its production potential. Thus, according to statistics, the state of fixed assets does not meet modern production requirements. The degree of wear is 43.6%, including machinery and equipment - 56.6%. The highest level of depreciation of the active part of fixed assets is reached in the forest chemical industry - 81.1%, the production of pulp and wood pulp, paper and cardboard - 62.7% [3].

Despite insufficient capacity for the production of the main types of forest products, the latter are used unsatisfactorily (in the production of pulp - 46.9%, paper - 25.8%, cardboard - 38.4%). It should be noted that the demand for these products is 2-6 times higher, so demand is met by imports, which costs about \$ 400 million annually USA [3].

The subordination of forests also affects the aggregate potential of the forest industry. Thus, the State Forest Agency manages about 74% of the country's forests. The remaining 26% belong to other forest users, who cut down up to 1.5 million cubic meters of forest per year. Of this amount, only 10% goes through electronic accounting, while in the structure of the agency this figure reaches 90%. With a total annual felling of 14-15 million cubic meters, the volume of «black» forest, according to experts, reaches 3 million cubic meters [7].

Insufficient level of forest cover in Ukraine, low forest productivity, corruption in the forest industry cause difficulties in providing the timber industry with its own raw materials and increase its dependence on imports. Ukraine does not have a legally established forest policy that would include economic, environmental and social priorities, tools and mechanisms of state regulation.

Insufficient level of technical support, high level of equipment wear, low level of introduction of innovative, resource- and energy-saving technologies, insufficient amounts of investments - all these are threats to the financial and economic security of the forest industry of Ukraine.

Economic security is a multifaceted, multifaceted, systemic phenomenon. As a system, it consists of a large number of elements, has a hierarchy of levels of the organization, able to generate

new levels in the development process, while the new level inversely affects the previous levels, rebuilds them, resulting in a new integrity [9]. The system of economic security involves the organization of the state and society to make and implement decisions on national security, taking into account the conceptual, organizational and resource aspects of the formation and effective functioning of the system of economic security [6].

Ensuring economic security has horizontal and vertical dimensions, which consist of interconnected and interdependent levels. Thus, the vertical dimension includes: ensuring financial, foreign economic, investment, scientific and technical, energy, industrial, demographic, social, food security. The horizontal dimension of economic security should include the levels of individuals, enterprises, industries, industrial complex, region, state. There is no doubt that the economic component is key in the security system at all levels.

The study of the problem of forming the methodological foundations of economic security showed the lack of methodological support for the organization of economic security of industrial complexes of the country. It can be concluded that ensuring the financial and economic security of the industrial complex requires the introduction of an organizational approach, which is a sequence of stages of planning, detailed analysis and definition of goals, forecasting, programming and development of management decisions to protect economic interests from external and internal threats.

The main tasks of economic security management are:

- detection and forecasting of internal and external threats to the economic security of enterprises;
- forecasting and prevention of crisis phenomena;
- establishing a system of priority interests that need to be protected in the development of economic entities;
- providing an effective mechanism for countering threats to the economic security of enterprises, development of measures to eliminate them and methods for assessing the effectiveness of these measures [8].

Conclusions. The article presents recommendations for improving the organization of the process of ensuring the economic security of the FIC of Ukraine, which includes the following stages:

- formation of the principles of ensuring the economic security of the FIC;
- assessment of the external and internal environment of FIC;
- determining the list and priority of threats to the economic security of forestry;
- assessment of the level of economic security of forestry;
- modeling of scenarios for ensuring the economic security of forestry;
- development and implementation of management decisions and recommendations for financial and economic security of forestry;
- monitoring and control of the effectiveness of ensuring the economic security of forestry.

As a result of careful implementation of these actions in full, it will be possible to achieve the appropriate level of economic security of the forest industry of Ukraine.

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