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# THE STUDY OF THE FOOD SECURITY OF THE COUNTRY IN THE CONDITIONS OF THE CRISIS

**Abstract.** The paper examines the country's food security in a crisis. The main threats to Ukraine's food security include political threats, excessive import thresholds, food price disparities, poor solvent demand of the population, underdeveloped system for analyzing, assessing and forecasting the dynamics of the agro-food market. To increase the level of food security of the country, state policy is a prerequisite, which can ensure the stable development of the domestic agro-industrial complex against the background of risks and threats.

The main risks that threaten the state of food security of Ukraine in the near future are identified, namely: an increase in the share of cultivated areas under technical crops, which leads to a decrease in the share of cultivated areas for food crops; the absence of analogues of imported equipment and, consequently, the reduction of the pace of modernization of a number of branches of the agro-industrial complex; insufficient development of the infrastructure of transportation, movement of goods and storage of food products; macroeconomic factors and fluctuations of the exchange rate; rising prices for material and technical resources and energy resources; epizootic risks, the manifestation of which is most likely to occur in the event of the emergence and spread in the country of cells of

particularly dangerous and quarantine diseases of animals, including those with imported animals — carriers of pathogens or the movement of pathogens from the territory of adjacent states.

It is concluded that ensuring food security is first and foremost a complete self-sufficiency, or maintenance of a critical minimum level of production. The identified food security risks create threats that can lead to non-compliance with the food safety margin. To ensure the sustainability of economic development, implementation of state regulation measures aimed at stabilizing and maintaining food security of the country is necessary.

Security, measures of state regulation, crisis, food safety, risks. It is concluded that ensuring food security is first and foremost a complete self-sufficiency, or maintenance of a critical minimum level of production. The identified food security risks create threats that can lead to non-compliance with the food safety margin. To ensure the sustainability of economic development, implementation of state regulation measures aimed at stabilizing and maintaining food security of the country is necessary.

**Keywords:** security, measures of state regulation, crisis, food safety, risks.

# ДОСЛІДЖЕННЯ ПРОДОВОЛЬЧОЇ БЕЗПЕКИ КРАЇНИ В УМОВАХ КРИЗИ

Анотація. Досліджено продовольчу безпеку країни в умовах кризи. Основними загрозами продовольчої безпеки України можна вважати політичні загрози, перевищення порогового рівня імпорту, диспропорція цін на продовольчому ринку, слабкий платоспроможний попит населення, слаборозвинена система аналізу, оцінки і прогнозування динаміки розвитку агропродовольчого ринку. Для підвищення рівня продовольчої безпеки країни необхідною умовою є державна політика, здатна забезпечувати стабільний розвиток вітчизняного агропромислового комплексу на тлі ризиків і загроз.

Визначено головні ризики, що загрожують стану продовольчої безпеки України в найближчій перспективі, а саме: збільшення частки посівних площ під технічні культури, що веде до зменшення частки посівних площ під продовольчі культури; відсутність аналогів імпортного устаткування і, як наслідок, зниження темпів модернізації ряду галузей агропромислового комплексу; недостатня розвиненість інфраструктури транспортування, руху товару і зберігання харчової продукції; макроекономічні чинники й коливання валютного курсу; зростання цін на матеріально-технічні засоби та енергоресурси; епізоотичні ризики, вияв яких найбільш ймовірний в разі виникнення та поширення в країні осередків особливо небезпечних і карантинних хвороб тварин, пов'язаних у тому числі з імпортованими тваринами — переносниками збудників хвороб або з переміщенням збудників хвороб з території суміжних держав.

Зроблено висновок, що забезпечення продовольчої безпеки — це повне самозабезпечення, або підтримання критичного мінімуму рівня виробни-

цтва. Виявлені ризики продовольчої безпеки формують загрози, здатні призвести до недотримання граничних критеріїв продовольчої безпеки. Для забезпечення стійкості економічного розвитку потрібна реалізація заходів державного регулювання, спрямованих на стабілізацію та підтримку продовольчої безпеки країни.

**Ключові слова:** безпека, заходи державного регулювання, криза, продовольча безпека, ризики.

# ИССЛЕДОВАНИЕ ПРОДОВОЛЬСТВЕННОЙ БЕЗОПАСНОСТИ СТРАНЫ В УСЛОВИЯХ КРИЗИСА

Аннотация. Исследованы продовольственные безопасности страны в условиях кризиса. К основным угрозам продовольственной безопасности Украины можно отнести политические угрозы, превышение порогового уровня импорта, диспропорция цен на продовольственном рынке, слабый платежеспособный спрос населения, слаборазвитая система анализа, оценки и прогнозирования динамики развития агропродовольственного рынка. Для повышения уровня продовольственной безопасности страны необходимым условием является государственная политика, способная обеспечивать стабильное развитие отечественного агропромышленного комплекса на фоне рисков и угроз.

Определены основные риски, угрожающие состояния продовольственной безопасности Украины в ближайшей перспективе, а именно: увеличение доли посевных площадей под технические культуры, что ведет к уменьшению доли посевных площадей под продовольственные культуры; отсутствие аналогов импортного оборудования и, как следствие, снижение темпов модернизации ряда отраслей агропромышленного комплекса; недостаточная развитость инфраструктуры транспортировки, товародвижения и хранения пищевой продукции; макроэкономические факторы и колебания валютного курса; рост цен на материально-технические средства и энергоресурсы; эпизоотические риски, проявление которых наиболее вероятно в случае возникновения и распространения в стране очагов особо опасных и карантинных болезней животных, связанных в том числе с импортированными животными — переносчиками возбудителей болезней или с перемещением возбудителей болезней с территории сопредельных государств.

Сделан вывод, что обеспечение продовольственной безопасности — это прежде всего полное самообеспечение, или поддержания критического минимума уровня производства. Выявленные риски продовольственной безопасности формируют угрозы, способные привести к несоблюдению пороговых критериев продовольственной безопасности. Для обеспечения устойчивости экономического развития нужна реализация мер государственного регулирования, направленных на стабилизацию и поддержку продовольственной безопасности страны.

**Ключевые слова:** безопасность, меры государственного регулирования, кризис, продовольственная безопасность, риски.

Thesis statement. Ensuring Ukraine's food security is an essential component of national security, a factor in maintaining its statehood and sovereignty, a key component of demographic policy. The strategic goal of food security is to provide the country's population with safe products. The guarantee of achieving this goal is the stability of domestic production, as well as the availability of necessary reserves and stocks. Implementation of measures related to ensuring food security of the country is associated with certain risks, which can significantly weaken it.

Analysis of recent research. A large number of works by domestic scientists, in particular O. G. Bilorus, V. I. Vlasov, P. T. Sabluk and others, are devoted to the study of food security problems of various hierarchical ranks, as well as the principles, factors, and threats of its formation. However, it can be argued that this issue requires additional scientific research, which led to the choice of the topic of the scientific article.

**Objective.** The purpose of the article is to study the country's food security in the context of the crisis and to identify the main risks that threaten Ukraine's food security in the near future.

**Results.** The food security problem always occupies a leading place in the overall national security of each country, as it is a prerequisite for the social and economic stability of the state.

Problems of food security have fallen into the field of view of representatives of the national economic science relatively recently. A factor in the emergence and constant increase of attention to these problems is the transformational crisis of the Ukrainian economy, which covered all spheres and became a significant obstacle to ensuring sustainable development of the economy and society. The first report on the state of food security in Ukraine was disclosed in 2007, when there was a threat of shortage of fish products, fruits, oils and other products. According to the methodology for determining food safety indicators, the situation is considered normal when the share of imported products does not exceed 30 %.

Satisfaction of the population's needs for food, within its purchasing power, in 2017, as in fact during all years of Ukraine's independence, was ensured, mainly due to domestic production.

At the same time, in three food groups, the share of imports traditionally exceeds the 30 % benchmark for this indicator. The highest level of import dependence — almost 75 % — was noted for the group "fish and fish products", since 90 % of imported deliveries belong to fish species that are exclusively extracted in the waters of the marine economic zones of other states, due to the peculiarities of their biological cycle [3].

Exceeding the limit criterion for the group "vegetable oil" is due to the import of tropical oils (palm and coconut oil occupy more than 90 % of imports), which are in active demand from domestic producers of food industry.

The import dependence on the group "fruits and berries" is related to the import of significant volumes of exotic fruits, cultivation of which is not characteristic of Ukraine (bananas, citrus fruits, kiwi, etc.).

The problem is also that many domestic food products are made from imported raw materials. Often, real import volumes are hidden, "gray" imports are not taken into account, so it is difficult to determine the objective situation with the danger of a crisis. The share of imported food is dangerously increasing. Ukraine's accession to the WTO increased the share of food imports.

Among the main risks that threaten the food security of our country in the near future, one can distinguish the following:

- an increase in the share of cultivated areas for technical crops, which leads to a decrease in the share of cultivated areas for food crops;
- the absence of analogues of imported equipment and, consequently, the reduction of the pace of modernization of a number of branches of the agro-industrial complex;
- insufficient development of the infrastructure of transportation, circulation of goods and storage of food products;
- macroeconomic factors and fluctuations of the exchange rate;
- rising prices for material and technical means and energy resources;
- epizootic risks, the manifestation of which is most likely to occur in the event of the emergence and spread in the country of particularly dangerous and quarantine diseases of animals, including those with imported animals carriers of pathogens or the movement of pathogens from the territory of adjacent states.

Insufficient budget financing of antiepizootic measures in order to provide means for specific prevention and diagnosis of animal diseases negatively

affects the state of livestock, the epidemiological situation in the country, as well as the possibility of ensuring the protection of the population from general animal and human diseases.

Against the availability of the abovementioned risks, food security threats are created, leading to non-compliance with the food safety margin criteria. To ensure the sustainability of economic development, implementation of state regulation measures is required.

The socio-economic policy conducted by the state in the field of ensuring economic security of the country should take into account the risks and threats that may adversely affect food security.

The main threats to Ukraine's food security include political threats, excessive import thresholds, food price disparities, poor solvent demand of the population, underdeveloped system for analyzing, assessing and forecasting the dynamics of the agro-food market.

To increase the level of food security of the country, state policy is a prerequisite, which can ensure the stable development of the domestic agro-industrial complex against the background of risks and threats.

The current macroeconomic situation raises the issue of food security as a priority. Factors for ensuring food independence and the policy of import substitution of the main categories of food were exacerbated by the political situation in our country. The question of the possibility of ensuring food sovereignty has been actively considered over the past few years [1].

Addressing food security and nutrition issues requires food availability, its accessibility, adequacy and quality, and improved diet. Proper and balanced nutrition promotes human development; it helps a person to fully fulfil his or her potential and make use of opportunities for development. It should be noted that effective governance, political stability and the rule of law, as well as the absence of conflicts and civil unrest, contribute to all these aspects of food security.

In the field of sustainable development of agricultural areas, great attention should be paid to such directions as public financial support for social programs in rural settlements, the analysis and assessment of unemployment and the level of real incomes of rural population [2].

In the foreign economic field, under the conditions of growing imports of agricultural products, raw materials and foodstuffs, as well as the gradual decrease of the dependence of the agroindustrial complex on the import of machinery, equipment and other resources, state policy should ensure the active use of protective measures and the effective functioning of the system of veterinary, sanitary and phyto-sanitary control respectively to international rules and standards, thus, foreign-economic policy should be conducted with the observance of criteria of food security.

In order to ensure the safety of food products, monitoring of conformity of products (including imported ones) with the requirements of Ukrainian legislation at all stages of the circulation of goods is required.

In the area of economic availability of food (in particular, its increase for all groups of the population), special attention must be paid to measures aimed primarily at reducing poverty, providing priority support to the most needy walks of the population.

In order to ensure the physical availability of food, it is expedient to effectively use mechanisms to support regions that do not produce enough food or find themselves in extreme situations.

In order to improve the quality of products, the system of control and safety of food products throughout the circulation of goods, measures should be taken to create a modern organizational structure for controlling the quality and safety of food raw materials and food products, as well as the instrumental and methodological basis [2].

The joint work of all government bodies is necessary to ensure the country's food security.

Much attention needs to be paid to the issues of the creation of effective mechanisms for ensuring food security. These mechanisms should be considered as part of the analysis, assessment and forecast of socio-economic development of the state.

The role of providing food products to the population is in support of the stability of the social and economic fields and determines the importance of the food security issue.

Currently, our country is in a situation of economic instability, which leads to higher prices and a reduction in incomes of the population. The forced redirection of consumers to food products, which are cheaper and less nutritious, leads to negative consequences for the working capacity and health of people.

One of the most important indicators of the level of economic development of the country is the nutrition level of the population. Providing the population with food serves as the most important one that defines the parameters of the level of social life of the state, the state structure and the viability of the economic structure.

Lack of food, as a rule, arises because of wars, economic crises, natural disasters, etc. In connection with this, there is a problem of providing food for both an individual and for the state. Food and ecological safety are closely interrelated, as agricultural activity significantly influences the deterioration of environmental safety in the world. This negative tendency on the one hand prevents the growth of production as a raw material for food, and on the other leads to the production of products contaminated with various toxic substances.

Currently, the most acute problem in our country is the low competitiveness of agriculture.

Globalization, which seeks to market with equal opportunities for all, with total resources, is currently showing its failure. The problem of WTO countries negotiations on agriculture was a conflict in which the US farmers sharply reduced the cost of agricultural products, receiving a subsidy of about 120 billion USD from the Government, thereby forcing foreign agricultural producers to close their production because of low profitability and the impossibility of competition with the Americans [3].

The state economic policy on food security can be divided into the following fields:

 a quick and adequate response to the external and internal threats to the stability of the food market, provision of the population with the necessary food products;

- support and development of the domestic agro-industrial complex;
- effective international cooperation in the field of food security.

As a rule, food security is considered using a variety of indicators and criteria. An example of such parameters is the degree of food dependence of the country on imported products, that is, self-sufficiency in food, economic and physical availability of food products for the population, etc.

It is necessary to create favourable conditions by the state for small and medium business entrepreneurs in connection with the emergence of a large number of external economic threats. First of all, at the expense of low, but better, zero, bank credit rates for several years, the creation of zones of proactive development and free economic zones, with the creation of preferential tax conditions favourable for the inflow of investments.

The above measures will contribute to solving the problem of import substitution of food products for goods of domestic producers. Solving the food security problems in Ukraine requires the adoption of a package of measures. Firstly, a modification of the system of socio-economic planning is required. This requires the implementation of systemic interconnected actions in different fields. Secondly, in order to use own agricultural machinery and modern equipment, development of the domestic industrial complex is necessary. Thirdly, state aid to agricultural producers, the imposition of a ban on nontargeted use of agricultural land, as well as assistance in their development, including through the involvement of private farmers. Fourthly, it is necessary to reduce tariffs for fuel and energy, as well as to modernize power plants. Fifth, it is advisable to create state-owned trading enterprises with a market share of 5–10 %. This measure will allow the use of market mechanisms to control retailers. Sixth, it is recommended that measures be taken to revive the training system in the field of trade [2].

Providing financial and economic stability of agriculture is also no less important. To solve this problem, continuous analysis and evaluation of the price relationship between the agricultural sector and other sectors of the economy is required, in addition to reacting promptly to foreign policy changes to take timely measures to ensure the profitability of production of milk, meat, grain crops, sugar and other food products that are vital.

Conclusion. Thus, ensuring food security is first and foremost a complete self-sufficiency, or maintenance of a critical minimum level of production. The identified food security risks create threats that can lead to non-compliance with the food safety margin. To ensure the sustainability of economic development, implementation of state regulation measures aimed at stabilizing and maintaining food security of the country is necessary.

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