

## MONITORING FOOD SECURITY AND SAFETY IN THE EURASIAN ECONOMIC UNION (EAEU)

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### Abstract

To sustain vital functions it is required for a man to consume food products. When consumed they could have an impact on life and health of the present and future generations. Securing the safety of food becomes rather significant and demands a systematic and comprehensive approach to managing it not just by a certain country but a number of countries as well.

The article sums up the approaches to food security management, provides comparative analysis of legal acts and regulations in respect of ensuring foodstuff safety and works out suggestions aimed at improving approaches to food security management in the EAEU.

This paper considers the previous experience of monitoring the food security in the member countries of the Eurasian Economic Union. The basic trends this security develops in within the Union are as follows: - developing uniform requirements to food products within the framework of technical regulation; - developing legal acts to provide the population with safe foodstuff by steady domestic production and establishing raw food reserves; - introducing risk management system into customs authorities activity within the Eurasian Economic Union, aimed at keeping the EAEU territory free of faulty and dangerous products.

The conducted analysis of the abovementioned priorities aimed at ensuring safety of food products made it possible to reveal a number of issues which require further improvement of approaches to that security management.

**Key words:** *Foodstuff, Security, Security management, Euro-Asian Economic Union, Technical regulation, Foodstuff security doctrine, Risk management system, Raw food reserves.*

### 1. Introduction

Throughout the history of humanity, providing of food has always been one of the major targets of any government. The market of food products is of great importance for the population of any country, as it ensures the necessary functioning of the physiological needs of people in food and has a direct impact on the people life quality and on the entire social and economic development of the country.

The problem of food security and safety for the member states of the Eurasian Economic Union (EAEU) is not somewhat new, but being one of the most important, along with the military, demographic, territorial, economic security, that reinforce the national security of the states and safeguard their sovereignty.

This paper considers the previous experience of food security and safety management in the member countries of the Eurasian Economic Union. The basic trends this security develops within the Union are as follows:

- Developing uniform requirements to food products within the framework of technical regulation;
- Developing legal acts to provide the population with safe foodstuff by steady domestic production and establishing raw food reserves;
- Introducing risk management system into customs authorities' activity within the Eurasian Economic Union, aimed at keeping the EAEU territory free of faulty and dangerous products.

The conducted analysis of the abovementioned priorities aimed at ensuring safety of food products made it possible to reveal the number of issues, which require further improvement of approaches to the security and safety management.

## 2. Materials and Methods

Food security and safety of the EAEU is a complex and multifaceted problem. It demands the creating of sustainable food production industry able to meet the domestic needs of the countries in the basic food products, those that are competitive and safe for the health of the states' population. So ensuring the food security, involves the guarantee of steady food supply and a certain level of food safety. With this in mind, the safety of food products should be managed in both directions.

Food security and safety are a complex and complicated problem that is both of international and national nature. The mechanism of self-regulated market cannot solve this problem alone. It is necessary to apply certain measures of state regulation and first of all customs measures.

The article sums up the approaches to food security management, provides comparative analysis of legal acts and regulations in respect of ensuring foodstuff safety and works out suggestions aimed at improving approaches to food security management in the EAEU.

## 3. Results and Discussion

### 3.1 The concept of food security

In Russia, the concept of food security was originally stated in the Decree of the President of the Russian Federation from 30.01.2010, N 120 "On approving of food security doctrine of the Russian Federation" [1]. At present the EAEU admits two concepts of food security. Thus, "The Food Security of the State" is considered as a state of nation's economy, in which domestic production ensures the food independence of the country. It guarantees, physically and economically, to the population an access to the basic food products and clean drinking water in the quantity and quality needed for an active and healthy life that ensures the growth of the population [2]. "Food Security of the Eurasian Economic Community" as the ability of the EAEU to promote the food independence of the Community member states and to guarantee availability of food in physical and economic terms for the entire population of the Community in the quantity and quality needed for an active and healthy life [2].

### 3.2 The approaches to food security provisions in the frames of EAEU

Nowadays the foreign trade of food products in Russia should be regulated with due account for the Eurasian Economic Union and shared economic space that have been shaped and with the account for acceding to the World Trade Organization.

Modern features of Russian Federation foreign trade in food products should be performed, taking into ac-

count the formation of the Eurasian Economic Union, the formation of the Common Economic Space and the accession to the World Trade Organization.

The first steps towards the development of harmonized agricultural policy that safeguards the food security in the EAEU member states have been already taken. Key documents have been agreed upon by the certain countries and regional groups such as the Concept of Food Security of the Eurasian Economic Community and the Concept of Improving Food Security for the countries within the Union of independent States.

One of the directions to handle the food safety system in the EAEU is regulating the domestic food market, primarily through the national production and mutual supplies by the EAEU partners, as well as through the estimated study of the agro-industrial sector that depends on supplies from third countries and working out measures to substitute those from imports.

This is primarily due to the fact that none of the member states proves to be unable to provide themselves with food products and raw materials for their production, as well as it is due to the high level of dependence of member states' domestic market on the import of certain types of products. In the above documents are given the recommended threshold values that could be used to evaluate criteria for ensuring the food security for such goods as: grain, vegetable oil, sugar, meat and meat products, milk and dairy products, fish products.

To size up the level of food security achieved a certain indicator is used that is a share of manufactured agricultural and fishery products, raw materials and other food products in the total volume of the domestic market commodity resources, expressed in percentage terms. The EAEU is determined to create conditions for deepening a bilateral trade and reducing the dependence of the EAEU countries on import resources for agriculture. This approach brings results [3].

### 3.3 The analysis of food security state in the member states of the EAEU

The volume of agriculture production in the EAEU is currently estimated, as more than 144 billion US dollars, while the leader in producing of agricultural goods per capita is Belarus, and Kyrgyzstan has the lowest rate.

The lowest self-sufficiency of less than 80% is reported for: grapes, apples and pears, butter, cheese, and curd. The meat supply by the EAEU member states, is estimated for about 90%, with the exception of beef that is about 80%.

Foreign trade in agricultural products and foodstuffs by the EAEU member states is estimated as 78.7 billion U.S. dollars, including the export accounting for 28.7 billion U.S. dollars, and the import - 50.7 billion US dollars. The export of the member states to partner

countries within the EAEU is about one third of the total export of agricultural goods and food.

The largest share in the bilateral trade belongs to the Republic of Belarus (about 55%), the Russian Federation (34.6%), and Kazakhstan (6.4%). Taken as a whole, the bilateral trade is 20% of the foreign trade within the EAEU. As for Belarus, the member states of the EAEU are the main market for agricultural products and foodstuffs in it accounting for 89% of the export. At the same time, the other members of the EAEU are less dependent on the internal market: Russia (16%), Kazakhstan (21%), Armenia (58%), and Kyrgyzstan (49%).

Despite the mutual trade, the import of agricultural products and food from the third countries is 42.6 billion US dollars. The high dependence on import from the third countries is noted here. More than 89% of agricultural products and food imports of Russia are from the third countries, more than 76% are from Armenia, and more than 74% are from Belarus. The least dependence on the import from the third countries is typical for Kazakhstan (57%) and Kyrgyzstan (38%).

The issues of food security management are discussed in the regular EAEU meetings. For example, on 29 February 2016, in Bishkek a plenary session of "International forum on developing the Eurasian network of food security, food catering and Eurasian cultivation soil partnership" was held, which focused on the state of food security in the EAEU countries [4]. As a representative of the Eurasian Economic Commission says, recently, the import of dairy products from the third countries fell four times, whereas the import of meat, fish and drinks dropped two times only.

However, the smallest level of self-reliance still remains on fruit and berry group of goods, in particular on apples. In this regard, the countries of EEU need to increase more intensively the production and mutual trade in fruit and berry products.

The greatest dependence of the agricultural sector on the import of capital goods (agricultural machinery, equipment) and resources (seed, feed, fertilizers, plant protection means) has been observed in Armenia (27%), and the lowest one is in Kyrgyzstan (5%). On average, the EAEU specific weight of imported inputs in the agricultural products is 11%. Therefore, it is advisable to propose optimizing value added chains while considering the possibility of import substitution for similar goods produced in the EAEU.

The most important measures of integration interaction of the countries of EAEU, aimed to providing food security and stability of agrarian production, were also under the discussion. The main issues were: forming of demand forecasts and the offer of agricultural and food products, providing conditions of the equal competition in the total agrarian market, development of

mutual trade in high-technology products of agrarian and industrial complex (seeds and breeding products), and close scientific and innovative cooperation.

On October 11-12, in Minsk, the first all-Belarusian forum on food security and the XI international scientific-practical conference "Developing agricultural business in the economy of the Republic of Belarus" took place. The potentials of the EAEU were in focus [5]. According to the forecasts, the indicator of self-sufficiency level in the basic food commodities, in 2017 as compared with that in 2014 will increase from 91.2% to 94%.

In particular, beef production will increase from 79.6 to 83.7%, milk production from 91.6 to 95.6%, and pork production from 87 to 93.5%. By the 2017, it is forecasted to reach total self-sufficiency of the EAEU on the basis of mutual deliveries of such items as: lamb, poultry, eggs and potatoes.

It is also worth mention that the Russian Federation as a member state of the EAEU considers issues of import substitution as the most relevant. This is due to signing by the President of the Russian Federation the decree of 06.08.14 No. 560 "On applying certain special economic measures to ensure security of the Russian Federation". This decree prohibits the importation of agricultural products, raw materials and food from the number of the countries.

The Decree, however, is in effect only in the territory of the Russian Federation, while other EAEU member states need much more attention in respect of certain agricultural products, raw materials and food, which can get to Russia via them. The Federal centralized system of customs bodies within the Russian Federation is to play a certain role, which acts as a hub ensuring the economic and food security of the Russian Federation, thus carrying out measures to protect the state security and promoting the international trade exchanges and the export and transit potential of Russia.

### **3.4 Food products security, safety and quality provisions**

In addition to the substituting of imports and providing the population with domestically produced goods, ensuring the quality and safety of food is considered as one of the top priorities in pursuing the food safety strategy for the EAEU member states. As for the product safety, it is referred, to as a condition in which no inadmissible risk occurs, that causes harm to life and health of citizens, property of physical or legal persons, state or municipal property, environment, life or health of animals and plants. The urgency of the food safety problem increases every year, as the safety of food raw materials and food products is one of the main determinants that affect the human health and the preservation of nation's gene pool.

The global trend is that the economic success of both certain companies and states, as a whole, now depends on the ability to manage their activities according to the criteria, applied for the quality and safety. In the first place, it is related to the safety requirements of products and services, environmental protection and energy saving.

At present time, the system of technical legislation is enacted. It sets specific requirements for products and services. In the United States, more than 160 relevant laws have been adopted. In Japan, more than 100 laws were issued. As for the European community is concerned, more than 400 directives and regulations have been adopted and put into effect. They constitute the legal basis of the European market.

Due to the acceding of the Russian Federation and some EAEU member states to the World Trade Organization, and arising epidemiological problems that occur in the countries with which the trade expands, there is a real threat of: contaminants, pests, pathogens, dangerous for people, as well animals and plants penetrating to the EAEU territory. With this in view, the Eurasian Economic Commission actively contributes to the creation of legal conditions for entering safe products in each of the EAEU countries. The import of only safe products into the territory of the country is a matter of national security for each of the EAEU member states.

The main provisions in the field of quality and food safety are made in the Federal law "On Technical Regulation" dated 27.12.2002 No. 184-FZ (Federal Law), which became the basis for reforming the system of requirements as applied to the quality and safety of products in the Russian Federation. As a result, the standardization policy was substituted for technical regulation, and a new form of conformity declaration was introduced, in which the security and customer informing requirements remained as mandatory [6].

The law of the Russian Federation from 07.02.1992 № 2300-1 "On Consumer Protection", the Federal Law "On Sanitary and Epidemiological Wellbeing of Population" from 30.03.1999 № 52-FZ, the Federal Law "On Quality and Safety of Food Products" from 02.01.2000 № 29-FZ and ISO standards relating to the quality and food safety management system also contain provisions for ensuring the quality and safety of food products.

The mandatory safety requirements, including the lists of controlled substances and their maximum permissible values, unless the relevant technical regulations otherwise provided, are contained in the sanitary-epidemiological regulations and norms, sanitary and veterinary rules, and other applicable legal acts and normative documents. The emerging Customs Union has triggered developing technical regulations of the Customs Union with the general requirements for the

food safety, and technical regulations for the certain products, which in turn, have canceled the existing technical regulations of the Russian Federation.

The established EAEU has led to the need for developing of the EAEU technical regulations with unified requirements of food safety within the EAEU. The processes of development, internal coordination, public discussion and resolution of controversial issues are rather long. Keeping in mind, that the present technical regulations of the Customs Union have not been provided for all of the food products, working out and adopting of the EAEU technical regulations are also time consuming.

The food safety within the EAEU, is ensured not only through the compliance with the safety performance indicators, but also with the veterinary and sanitary, phytosanitary, sanitary-epidemiological, radiological, and other types of state control (supervision), when moving goods across the customs border. All these measures, in accordance with the "Eurasian Economic Union Treaty", along with the relevantly adopted Eurasian Economic Commission acts, and the regulatory legal acts of the member states, or in accordance with the laws of the member states, are fulfilled. Thus, for example, in Russia, the customs officials at checkpoints, carry out additional veterinary, phytosanitary and sanitary-quarantine control.

When performing their duties, the authorized customs officials contact directly with the staff of the Federal Service for Veterinary and Phytosanitary Control (Rosselkhozadzor), as well as Sanitary-epidemiological Service (Rospotrebnadzor). Certain problems are solved jointly, those that are related to the safety of the imported food products of plant and animal origin, the prevention of importation into the EAEU customs territory, and the spreading of infectious diseases, that represent danger to the population, and also the preventing of importation and sale of goods, chemicals, biological and radioactive substances, wastes and other goods, representing danger to a person.

The representatives of supervisory authorities of Rosselkhozadzor and Rospotrebnadzor carry out their activities directly at the customs checkpoints, in the vicinity of the border crossing areas or at the customs territory of the country, at large industrial facilities engaged in export-import operations.

### **3.5 The role of the customs authorities in food products security and quality provision in the frames of the EAEU**

Speeding up a foreign trade turnover and creating favorable conditions for the legitimate trade, in most cases, lead to the decreased time and selection of consignments for customs control during their movement across the customs border. This increases the risk of

missing false declared goods, including dangerous articles. An effective mechanism to prevent this from happening is the risk management system (RMS), implemented in the Russian Federation. One of the main directions to use RMS is implementing the principle of selectivity when carrying out customs control, which reduces the number of customs inspections and their conduct, only, if risk profiles are found.

With the foresaid in mind, the top priority is forming and using customs operations information from the single RMS operational and analytical center. The most important component of RMS information should also be a database, obtained during the information exchange with the Federal executive authorities, on the basis of interdepartmental agreements, including the necessary information from the customs services of foreign states.

The other perspective direction of optimizing customs control of goods, imported into the customs territory, is to improve the information technology. To this date, the creation of the integrated information system for foreign and mutual trade of the Customs Union (IIS-FMT) is in progress.

This system is designed to organize a joint work together with the geographically distributed state information resources and information systems of the state bodies that regulate the foreign and the EAEU trade between the member states, as well as information systems and information resources of the Eurasian Economic Commission, combined with the national integration sectors of the EAEU member states. The main purpose of creating this system (IISFMT) is to optimize the: customs, tax, transport, veterinary and phytosanitary quarantine, and sanitary-quarantine control at the customs border of the Customs Union.

The process of creating the above integrated information system must go in parallel with the improvement of the information systems of the state authorities, exercising control on the borders of the EAEU member states, as well as setting up the integration segments at the national level, and simplifying documentary registration of the consignments.

Considered as one of the tools to control the safety of products, is a mechanism for ensuring traceability of goods in the EAEU member states, which was proposed in the drafts of the agreement under the same title, at the Eurasian Intergovernmental Council meeting on August 12, 2016 [7]. It is expected to ensure traceability via the use of special identification labels on the product or its packaging, and the use of the integrated information system, that will allow users to obtain online data, relating to the turnover of goods contained in the national systems of products traceability.

All this is achieved through the use of the information exchange between the competent authorities of the

EAEU member states. The exchange of information includes the name of the taxpayer, selling and purchasing goods, the registration number of the goods declaration, the product name and the HS code, specified in the declaration of goods, as well as the amount (volume) of goods, the destination of goods at the territory of the EAEU member states.

The pilot project should implement the mechanism of traceability for a limited number of commodity positions (at least 4 digits according to the EAEU HS code) that should be in effect on February 1, 2018.

#### 4. Conclusions

- The food security, is therefore, ensured by the sustainability of food supply and reservation of the necessary food stock, as well as by reaching the required level of quality and safety of products. This requires the comprehensive and systematic approach to their management, both at the national and international levels.

- The conducted research showed that the main directions of ensuring food security in the EAEU countries at the present stage are:

A. Single requirements for food products within the technical regulations development;

B. Development of legal acts for the purpose of providing the population with the safe food products due to stable internal production and creation of allowances and inventories of food raw materials;

C. Development of risk management system in the activities of customs authorities within the Eurasian Economic Union, which is directed toward the prevention of poor-quality and dangerous products invasion to the internal territory of EAEU;

D. Implementation of the mechanism of goods traceability provision to the member states of EAEU.

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