

Ensuring food security in the economic and legal regulation of the world

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Abstract. Agriculture has a huge impact on the development of the food security system in the world (KR), but there are difficulties such as population growth, land degradation, poor financing of the industry, which significantly affects the insufficient volume of products produced and affects the development of the regions. The work examines the possibilities of implementing and assessing food security in the KR, the volume of sales of agricultural products and the sustainability of the development of domestic food production, and also considers the regulatory framework affecting the security of the management process, where organizational, legal and financial conditions for state support for agricultural development are necessary food production, based on attracting investment with the expected demand for the products produced. The main research method used was data from official statistical, departmental, and sectoral information of the KR on economic indicators in the agricultural sector, financing indicators and the development of agricultural export opportunities. The study used economic and statistical methods, dynamics of basic indicators, legal analysis, development of the regional economic system, aimed at ensuring food security and providing the population with necessary food products. Some problematic fragments of economic policy were also identified and directions for improving the development of the country's food security system (food security) were recommended.

1 Introduction

KR is a country of agricultural development; more than half of the country's population is employed in agriculture. Agricultural products are grown depending on the current demand for products, but most farmers do not conduct a preliminary analysis of the sale of products in markets. There are also problems particularly in the preservation of grown products, which include an undeveloped storage infrastructure, which is reflected in the existing weak mat. - tech. base. In addition, there are many other factors affecting exports that need to be analyzed.

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Industrial processing of agricultural products is based on the work of farms that do not have new technologies due to financial difficulties, although some existing enterprises and farms are trying to automate production lines and the process of processing raw materials to modern standards, but in the total number of agricultural processing enterprises their share insignificant. The agricultural sector always strives to achieve high-quality and safe products, but this has not always led to a reduction in losses and cheaper products [1, 2, 3]. Therefore, as a result of the study, it is expected to: 1) assess the potential for food safety; 2) study the export potential of agricultural products; 3) analyze legislation in the field of food safety; 4) develop proposals to improve the country’s food security.

2 Materials and methods

The study used methods of statistical analysis, economic analysis, legal analysis, as well as the dynamics of the systems of main indicators of the agricultural sector of the KR.

3 Results

Since gaining independence, the country’s trade balance has remained low, therefore, at the foreign economic level, the government of the KR has created all the conditions for increasing exports, including accession to the WTO, the EAEU, including a free trade zone, as well as GSP+ status from the EU [4].

In recent years, agriculture has received major loans through Aiyl Bank OJSC under the Agricultural Financing (AF) program, where the bank is the main beneficiary of loans to farmers and has issued 4,170 loans worth 1.85 billion soms since 2016. In 2020, the AF program continued and leasing interest rates ranged from 4 to 10%, and the main source was the budget of the KR. Bank leasing rates for 2022 are shown in Table 1.

Table 1. Directions of lending to Aiyl-Bank OJSC (Leasing).

| Credit | Currency | Time frame (years) | Rate (annual) |
|---|------------|--------------------|---------------|
| OJSC "Aiyl Bank" | Kyrgyz som | up to 5 | 19 - 21% |
| | Dollar | up to 5 | 12 - 14% |
| "EBRD-EAEU" | Kyrgyz som | up to 7 | 6% |
| "Leasing - Credit" | Kyrgyz som | up to 3 | 16 - 20% |
| "AB - leasing" | Kyrgyz som | up to 6 | 17- 21% |
| | Dollar | up to 6 | 10- 14% |
| "HPBS" (Highly productive breeding stock) | Kyrgyz som | up to 5 | 16% |

Source: OJSC “Aiyl-Bank” [16]

Preferential loans for agricultural development are provided in the following sectors: “farms” - 10%; "cluster "grain processing and food wheat" - 8%; food and processing industry enterprises - 6%; "drip irrigation" - "greenhouse farming", "intensive gardening", "organic agricultural production" 4%.

Within the framework of the previous project "FSH-10", OJSC "Aiyl Bank" provided a total of loans: for "crop production" - 3171 units. in the amount of 151.461 thousand soms; for "livestock" - 1881 units. in the amount of 450,084 thousand soms; for “processing of agricultural products” – 16 units. in the amount of 9650 thousand soms.

During the implementation of the equipment leasing project, 3,866 units were issued to farmers and agricultural producers. various agricultural equipment in the amount of 655.1 million soms, of which 495 units. in the amount of 128.2 million soms were issued in 2021.

Including - 2564 tractors, 178 grain harvesters, 19 units. industrial equipment, 9 units. agricultural machinery, 373 units. special equipment, 17 cars. In 2022, under leasing projects, the state issued 300 units to rural producers. equipment for 800 million soms. In 2022, preferential loans were issued at an interest rate of 4.5% to 6% to 13 thousand bank clients. In order to continue the implementation of the “FSH” project in 2024, by order of the Cabinet of Ministers of the KR, a new project “AF-12” was adopted, in which 2 state companies are already participating. com. bank, with a lending volume of seven billion soms.

However, ensuring the country’s food security even with such funding has not been achieved; no significant growth in agricultural exports has been observed. KR does not provide itself with basic food products, which leads to a high level of import of food products from other countries [5, 6]. If in 2022 the total exports of the KR to the countries of the Eurasian Economic Union (EAEU) amounted to 1 billion 438 million dollars. and increased by 82% compared to 2021, the share of main export food products amounted to 53,647 thousand dollars. in total supplies (3.6%). Thus, food was exported in thousands of dollars, to Russia - fruits and dried fruits worth 23,845; to Kazakhstan - flour confectionery products for 14.671, milk and milk. products at 14.407; to Belarus - meat and food by-products 557; to Armenia - peas, beans, beans for 86, dried fruits for 56, pasta for 28.

Currently, there is a demand for agricultural products of the KR from a number of countries, but for export to these countries there are internal problems that need to be solved and they can be identified in a general analysis of the problems of the agricultural industry [7, 8, 9], which will affect the improvement of food safety indicators (Table 2).

Table 2. Problems and proposed ways to improve agricultural exports.

| № | Problems | Ways to improve |
|----|--|--|
| 1 | Production in the KR does not ensure the country's food security | Ensure increased productivity through the implementation of approved programs |
| 2 | Better equipment of laboratories, recognition of test results on the foreign market. | Investment with government participation structures, accreditation |
| 3 | Standards Certification | Closer participation in international standardization and unification programs |
| 4 | Limited and inaccessible finances | Improve government agricultural financing programs |
| 5 | Non-competitive technologies corresponding to international standards | Attraction of investments, certification, creation of joint ventures |
| 6 | Lack of own production of planting materials | Attracting foreign companies |
| 7 | Small-scale production of products | Formation of internal and external integration |
| 8 | Low yield of agricultural crops | Search for optimal and high-yielding agricultural crops |
| 9. | Lack of technology and knowledge for growing crops | Search for optimal technologies, training |

Source: Compiled by the authors.

In 2022, self-sufficiency of agricultural products was achieved for potatoes 100.9%, for vegetables and fruits 104.6%, for dairy products 102.7%. The share of food security in the KR within the EAEU countries is 84% and ranks third out of five countries.

Food security in the KR is also based on legal analysis aimed at developing the regional economic system and ensuring food security at the level of macro and micro economic indicators, including indicator indicators that provide the population with necessary food products. Regulatory legal acts (RLA) regulate and contribute to improving food safety indicators, including:

1. The Law “On Food Security of the KR”, which establishes the basis for the legal regulation of the country’s food security, in particular Article 1 designates food security as an economic state that can ensure national food security. This law forms the main directions of state support, which is implemented in the form of providing guarantees for payment of finished products delivered by agricultural producers at a fixed price, promoting leasing (including for the purchase of agricultural machinery and equipment) [10,11], providing financing in the field of scientific programs etc. An important component in the development of food safety is the creation of the Council on Food Safety and Nutrition at the level of the Cabinet of Ministers of the KR, which, on the basis of Article 8, is an advisory body that develops strategic directions, consisting of representatives of the public administration system (Vice Prime Minister, Minister of Agriculture, etc.).

2. The Law “On the Development of Agriculture of the KR”, which, according to Article 5, introduces state regulation of food safety, through the protection of the domestic market through tariff and non-tariff regulation, public procurement, etc. Special attention under Article 7 is paid to veterinary, sanitary and phytosanitary safety, where methods of prevention, diagnosis and elimination of diseases in animals are used. Phytosanitary methods are aimed at preventing the spread of harmful organisms throughout the country.

3. Program of food security and nutrition in the KR for 2019-2023. establishes the main directions of development, focuses on the formation of a system for qualitative improvement of nutrition for the population, according to Part 3, where food should be accessible, nutritional status improved, and the management system in the field of food safety and monitoring is effective. Basic food products (bread, milk, vegetables, etc.) should be given priority, taking into account possible economic and trade risks. Domestic food production must comply with all necessary standards established by national legislation [12, 13]. At the same time, in Part 2 of the Food Security and Nutrition Program in the KR for 2019-2023. a number of problems are identified that need to be solved in the near future, such as reducing the volume of agricultural products. The competitiveness of products is at a low level due to the weak integration of rural producers, there is a reduction in arable areas (85% are in good condition), a significant loss of water (about 1.7-2.3 billion cubic meters per year) due to old irrigation structures and etc.

4. The action plan for the implementation of the Food Security and Nutrition Program in the KR for 2019-2023 established a number of priorities for the country’s food development [14] - from supporting agricultural products to the formation of an effective food safety management system. The total amount of funding for the implementation of food safety amounted to 12,567,535 thousand soms.

5. The National Development Program of the KR until 2026 notes that in the context of Covid-19 and the subsequent crisis, the state plans to support the production of agricultural goods [15] and combat speculation in the domestic market.

Currently, at the legal level there is no Food Security Program of the KR for 2024-2028, which should be a logical continuation of the previous one, as well as a plan for its implementation, therefore it is proposed:

- formulate and adopt the Food Security Program of the KR for 2024-2028. and a plan for its implementation;
- strengthen the role of state regulation of goods, including basic food products.

4 Conclusion

Data from official statistical information, information from departmental bodies affecting the production of agricultural products and trade with neighboring countries were used. The program and regulatory documents for the development of the country's food security were studied, where an assessment and analysis of the development of the food security system was given. Food safety criteria are identified based on a comprehensive analysis of the problem of agricultural exports, a structural analysis and ways to improve agricultural exports that affect food production in the country are given.

The effective implementation of the country's economic policy provides further ways of development and improvement of the efficiency of the agricultural industry, which ensures the expected demand for products and provides the population with the necessary food products. Official statistical data and data from departmental bodies provided the basis for assessing the objective development of the country's food security and, based on the results of the study, some problematic ways to ensure the stability of the production of necessary products were identified. A number of proposals were recommended to improve and stabilize the country's food security.

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