

**STATE SUPPORT IN ENSURING FOOD SECURITY IN RUSSIA:  
ECONOMIC MECHANISMS IN SOLVING PROBLEMS OF  
GREENHOUSE COMPLEX**



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Sulimin Vladimir Vlasovich, Candidate of Economic Sciences, Associate Professor of the Department of State and Municipal Management, Ural State Economic University, 620144, Ekaterinburg, ul. March 8 62. vsulimin@mail.ru

*Abstract.* Prerequisites for the study and writing of this article was the fact that the most difficult time for domestic agriculture and rural areas is the initial period of market reforms, when in Russia began to dominate the market-oriented model of economic management. According to the author, it was minimized or were completely ignored the state regulation of agricultural production and agriculture in general. And as a result, there were many mistakes in the conceptual provisions of the reform of the directions of development of the national economic complex of the country. Author considers the issue of state support in ensuring food security, namely, existing economic mechanisms in solving the problems of the greenhouse complex. In conclusion, author argues that in order to turn our country from an importer of vegetables, flowers and mushrooms into one of world leaders in the production of protected soil, it is necessary to solve a number of problems of

organizational, legal, financial and economic nature. Also reveals each problem and ways to solve it on the basis of the studied material.

*Keywords:* state support, economic mechanisms, greenhouse complex, food security

The most painfully and destructively passed spontaneously declared and implemented reform processes: denationalization and privatization of public property in the agro-industrial complex in the vast rural areas of Russia. As practice has shown, the former agricultural producers were not ready for the market conditions of agricultural production and agrarian business: collective farms and state farms. And this despite the fact that the overwhelming majority of them began to hasten agricultural production cooperatives, limited liability companies, peasant (farm) farms, individual entrepreneurs, etc. Along with this, a large private business, including foreign investors, began to invade the sphere of agrarian and agro-industrial business. At the same time, the main organizational and legal form of management were agroholdings with a closed cycle of production for various types of agricultural products, raw materials and food.

Despite this, according to Rosstat, in 2000 the gross output of Russia's agriculture in a comparable estimate decreased by 40% \* compared with the pre-reform period (since 1990) As a result, for a number of important agricultural products and foodstuffs in the markets of our country there was a clear deficit. To overcome this situation, a course was adopted for the import of agricultural raw materials and food. So, according to Rosstat, in the food balance of Russia, imports of basic food products and agricultural raw materials increased from \$ 9.6 billion in 1992 to \$ 43.1 billion in 2013.

Thus, in the period of a little controlled liberal market economy, the domestic agro-industrial complex functioned in difficult socio-economic conditions, and the role of its basic sphere of agriculture in food supply to the population of Russia was decreasing from year to year. For example, in the structure of the national economic

complex of the country, the gross added value of agriculture decreased from 16.4 (in 1990) to 4.0% (in 2014). Over the same period, investment in fixed capital of agriculture declined from 15.9 to 3.6% \*.

It is noteworthy that since the mid-2000s the new leadership of the country has radically changed the attitude towards agriculture and the agro-industrial complex as a whole. As a result, the formation of a new agro-food policy of Russia began, in which the regulation of agro-industrial production and state support of agricultural producers, food and processing industries began to pay increased attention. Now the government of the country sets before the domestic agro-industrial complex new tasks that fundamentally change the main directions of domestic production, and not at the expense of imports.

As practice has shown, the measures taken by the federal and regional levels to stimulate agro-industrial production at the expense of domestic producers have led to positive results. In particular, for many types of agricultural products (production of pork and poultry meat, vegetable oil, sugar, etc.), the threshold values stipulated in the Doctrine of Food Security of the Russian Federation have already been reached. Along with this, significant progress has been achieved in the production of grain crops, thanks to which the export potential of foodstuffs and, in the first place, grain and products of its processing has grown in recent years.

However, for the most important types of agricultural products (milk and dairy products, beef cattle, fruits, vegetables, grapes), the thresholds declared in the Doctrine have not yet been reached.

Despite the measures taken earlier, the problem of vegetable production in the Russian Federation is particularly acute. For example, in 2015, in all categories of farms in our country, the production of vegetables amounted to 16.1 million tons, including 724.2 thousand or 4.5% in winter greenhouses. The production of vegetables per person per year was 108.7 kg, including the production of vegetables in winter greenhouses for 1 person / year 4.9 kg (data of the association "Greenhouses of Russia"), while the rate of consumption of vegetables per person

per year, recommended by the All-Russian Research Institute of Nutrition of the Russian Academy of Sciences, is 140 kg.

A similar difficult situation has developed in other sub-sectors of protected soil: in mushrooming and floriculture. According to the Association of "Greenhouses of Russia", in 2015, 109,0 thousand mushrooms were sold on the agro-food markets of the country, of which 98,0 thousand were imported. Russia ranks 25th in the structure of world production of mushroom products, and in terms of consumption per capita of the 46th place. The situation in floriculture is also not better. Therefore, in the future, our attention will be focused on the problems of the protected soil of agricultural production and possible ways to overcome them, in people who see, know and solve issues related to the modernization of greenhouse farms in Russia.

Experts and experts say that wherever people live, on all continents and in all countries they grow certain types of vegetable products. At the same time, high-tech hothouse vegetable growing takes place in a few countries. Fortunately, Russia treats them, although it is not yet among the world leaders in the production of vegetables in sheltered ground.

The analysis showed that the period 1970-1990. The last century was the initial stage of construction of greenhouses of various modifications for the production of vegetables and growing flowers. As a rule, greenhouse farms began to be built around large industrial centers and cities. Especially large production capacities were greenhouses in the immediate vicinity of Moscow and the Moscow region.

In the period from 1990 to 2010, hothouse vegetable growing was in a state of crisis. In particular, the physical wear and tear of the old greenhouse's fixed assets was at a critical level: 85-90%.

For this reason, there was an annual reduction in the capacity and area used. Along with this, the main factors contributing to the deterioration of the state of greenhouse vegetable growing experts are associated with an increase in the price of

land in suburban areas and an increase in tariffs for energy. Likewise, the drawbacks of the regulatory and legal nature and the low level of state regulation, including the gratuitous support of greenhouse farms, are detrimental.

According to the Association of "Greenhouses of Russia", for more than a decade of market transformations, large greenhouse complexes in Moscow and the Moscow region were closed down or decayed: Marfino, Belaya Dacha agrofirma, Zarechye CJSC, 1 May agrofirma, hothouse combine of agrofirma "Kosino". The areas of the greenhouses of the agro-industrial complex "Moskovsky" have significantly decreased. A similar fate befell almost all hothouse plants in the Moscow region.

Similar situation with greenhouse farms is also taking place in other regions of the Russian Federation. In particular, in the city of St. Petersburg and the Leningrad region out of the turnover of 80 hectares. In addition, the greenhouse complexes in the Perm region were closed. Sharply reduced capacities and areas of greenhouse farms in the Siberian Federal District (for example, in OOO Sibagroholding, Omsk). The greenhouse complex of JSC "Chernovsky Vegetable Grower", Chita, fell into disrepair. Bankrupt OJSC "Spring", the city of Naberezhnye Chelny; TC "Teplichny", Ivanovo, the last green house in the Ivanovo region.

Often this happens in Russia, that in the most difficult years, new personalities, innovators of production, appear in this or that sphere of human activity. In greenhouse vegetable growing, Muravyov Arkady Yuryevich is the president of the republican production and scientific association "Greenhouses of Russia". In addition to his professional work, Arkady Yurievich for a long time was vice-president of the Republican Scientific and Production Association "Greenhouses of Russia", a member of the Board of Directors, and in 2012 was elected its president. The choice of Arkady Yurievich as president of the association was not accidental.

The role of personality, the talent of the leader Arkady Yuryevich lies in the ability to create a team of like-minded people. He realized for a long time that in hothouse vegetable farming it is necessary to rally specialists of different profiles: production organizers, agronomists, plant protection specialists, engineers, economists, marketers, ecologists and many others. He became a generator of new ideas and pilot projects in greenhouse vegetable growing. In a word, he is one of those who raised "from the ruins" domestic greenhouse vegetable growing to a new technical and technological level.

He is also impressed by the fact that Arkady Yurievich always supports his colleagues in search of new innovative products of high technologies in greenhouse vegetable growing. He respects in his team and at the same time is very demanding of his subordinates. In his opinion, if any member of his professional team stops in his development: he does not study advanced foreign technologies, does not ask foreign missions to study best practices in the leading countries of greenhouse vegetable production, can not transform and use the knowledge gained from domestic vegetable production, then he must leave the team. "The experience that has been accumulated by leading countries in the world leaders of greenhouse vegetable growing (Belgium, the Netherlands, Germany, Israel, etc.) for more than a hundred years, we are our country, our vegetable growing must go for 25-30 years," Arkady Yurievich states.

In recent years, one of the few sectors of agro-industrial production in greenhouse vegetable growing has seen an increase in the volume of vegetable production. This is undoubtedly the merit of Arkady Yurievich Muravyov. In particular, his offspring "PCF Agrotip" participates in the development and implementation of high-tech projects for production equipment of salad and seedlings in various regions of Russia and the CIS. To date, more than 80 projects have been implemented on a total area of more than 30 hectares. The annual output of products on these complexes is about 950 million rubles. Under his leadership, about 50 hectares of winter greenhouses were built and reconstructed. He conducts

extensive consulting work on the re-equipping of greenhouse vegetable growing with the latest technologies, provides practical assistance to the leaders of the country's greenhouse farms in techno-technological modernization and increasing their competitiveness.

Undoubtedly, in this direction of development of greenhouse enterprises, significant support was rendered by the government bodies, and primarily the Ministry of Agriculture of Russia. So, for example, after the adoption by the leading countries of the European Union and other sanctions against our country, adequate measures were taken. That is, in pursuance of Presidential Decree No. 560 of August 6, 2014 "On the Application of Certain Special Economic Measures to Ensure the Security of the Russian Federation," the Ministry of Agriculture of Russia, with the assistance of the specialists of the "Greenhouses of Russia" Association, has developed the existing state support measures construction of greenhouse complexes: reimbursement of direct construction costs incurred in the amount of 20% and reimbursement of a part of the interest rate on investment loans.

In contrast to classical agriculture, when rural workers, peasants and their children, using the simplest tools of production and with the predominance of heavy manual labor, produced agricultural products, raw materials and food for themselves and the market, at present the level of development of agrarian and agro-industrial production determines highly industrial agricultural producers of various forms of ownership and management. They are equipped with advanced agricultural machinery, due to which they master high-tech and resource-saving technologies and use modern achievements of science and best practices.

Thus, in general, by 2009, imports of vegetable products in Russia amounted to 1.5 million tonnes (data of the association "Greenhouses of Russia"). The main suppliers of greenhouse vegetable products to our country are Turkey, People's Republic of China, Iran, Spain, Uzbekistan.

Thus, taking into account the introduction of 160 hectares of new greenhouse complexes in 2016, the total area of winter greenhouses operating in the system of



the Ministry of Agriculture of the Russian Federation amounted to 2,376 hectares, and the production of domestic greenhouse vegetables is more than 815,000 tonnes. It should also be noted that in recent years, modern greenhouse complexes are built using innovative designs of domestic designs, which allows growing vegetables all the year round with the necessary certification of product quality.

At the same time, life does not stand still, and the processes of integration of agro-industrial production within the framework of the Eurasian Economic Union and the tightening of competition in agro-food markets initiate the urgent need to increase the capacities and areas of greenhouse farms in the Russian Federation as an indispensable condition for ensuring food security.

As the president of the republican production and scientific association "Greenhouses of Russia", a great professional who knows his business and is rooting for domestic greenhouse vegetable production Muraviev Arkady, for turning our country from an importer of vegetables, flowers and mushrooms into one of the world's leaders in the production of protected soil simultaneously to solve a number of problems of organizational, normative-legal and financial-economic character.

First. Creation of adequate economic and economic conditions for Russian producers (compared to greenhouse farms of advanced countries-exporters of closed-ground vegetables). In order to compete with foreign suppliers of vegetable products, flowers, mushrooms, etc. on agro-food markets, it is necessary to increase the amount of state support to domestic producers.

The second. It is necessary to further increase the investment attractiveness of vegetable agribusiness in the foreseeable future in order to ensure a significant inflow of extra-budgetary investment and financial resources into greenhouse vegetable growing at the expense of a private investor.

Third. It is urgent to resolve the issues of gasification and electrification of greenhouse complexes, of which much has already been said. As practice shows, Gazprom timely allocates gas for greenhouses on preferential terms, but not in every place and even subject of the Russian Federation. With electricity, things are even



more complicated. In the required volume, it is not obtained anywhere. Moreover, at the present time when developing the innovative technology of "light culture" electric power in the right volume and at a reduced price is a very important segment of greenhouse vegetable growing.

Fourth. As you know, land is the main means of agricultural production, including greenhouse vegetable growing. On land plots assigned to vegetable growers in different regions, big questions. Here, without real assistance from local (municipal) regional authorities, the problem of selecting land plots can not be resolved positively. Even little is believed that in our vast country there is such a problem.

Fifth. The problem with water for greenhouse farms in Russia remains unresolved at present. The water suitable for greenhouse plants is either difficult or expensive. At the same time, water of the right composition and quality is one of the necessary components for the production of high-quality greenhouse vegetables.

The sixth. Increasing the qualitative composition of specialists of various specialties and workers in greenhouse farms is one of the real factors for mastering high-tech innovation projects. Therefore, it is necessary to solve this issue at the highest level, especially since there are enough agrarian universities and colleges in the country.

Seventh. The organizational and economic conditions for ensuring the movement of goods from hothouse combines to the consumer remain a complex and unsolved problem. There are various barriers to entry into major retail chain stores in industrial centers of Russia. It is also necessary to improve the logistics link from the producer to the consumer.

Eighth. Administrative resource administrative (imperious) support of greenhouse farms is one of the most important factors for increasing the efficiency of greenhouse vegetable production in Russia. This factor is acute at the federal and regional levels. Moreover, many issues of agrarian and agro-industrial production, including hothouse vegetable growing, in the context of globalization and

integration processes are being resolved not in the field, but in Moscow, Brussels, Washington, and Istanbul.

The ninth. The problem of financing and concessional lending to greenhouse farms of the country is also acute. In particular, the issue of the possibility of repayment of loan funds is one of the conditions for the formation of a worthy credit history. As a rule, after the investor for loans has implemented the first stage of greenhouse construction, the economic entity quite reasonably wants to move on. At the same time, experts of the creditor bank monitor how the conditions of the first stage are fulfilled. Meanwhile, the vegetable market is not stable. Therefore, the vegetable growers may have temporary difficulties in repaying the debt to the creditor. Here it is necessary and important that the investor has other sources to repay the loan.

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