

# MANAGEMENT OF FOOD PROVISION FOR VULNERABLE LAYERS OF THE UKRAINE'S POPULATION

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**Abstract.** The topicality of the research paper is based on the fact that taking into consideration the global food crisis we analyzed trends in the domestic and global food sphere and their impact on food security in Ukraine. The author underlines the fact that the aggravation of the crisis in the food markets caused by COVID-19 has led to increased attention to food security in the world. The pandemic has significantly affected food security in all countries of the world. The most immediate impact was due to logistics disruptions caused by various sanitary and epidemiological measures taken by governments to restrict the movement of people and goods. These events have directly affected agribusiness and various value chains in the food production. Lack of adequate food security poses significant ethical, economic and social problems in all countries of the world, which makes it necessary to study this problem. Each country strives to achieve the highest level of self-sufficiency in meeting food needs through its own production. However, the production of sufficient food products is not always fully realized, in particular, its inadequate structure. Proposed research paper focuses on the problem of food security for vulnerable segments of the Ukraine's population in order to form an adequate food policy. The purpose of this study is to reveal the problem of targeted food support for vulnerable groups in Ukraine as an important alternative process for food security. This research is especially relevant given the need to bring social standards in Ukraine to the EU level, as required by the Association Agreement between Ukraine and the EU.

**Key words:** food security; vulnerable citizens; targeted assistance; process management; social features; regional features.

**JEL Classification:** D13, F20, H40, I31,

**Formulas:** 0; **fig.:** 1; **tabl.:** 1; **bibl.:** 13

**Introduction.** The issue of nutrition and food security has been of interest to experts and the public for a long time. FAO experts provided a definition of food security, which argued that it is provided when all people always have physical, social and economic access to sufficient safe and nutritious food that meets their dietary needs and preferences for active and healthy living.

The analysis is based on the need to introduce targeted food support for the poorest people of Ukraine as a necessary step to ensure food security in the context of European integration and accession to the Global Sustainable Development Goals, aimed at overcoming the degrading state of poverty and hunger under the Millennium Declaration [1].

Our country has a long-standing commitment to the fight against poverty and hunger in its international agreements. However, food security of citizens is below standard and is not a priority issue of government policy and international cooperation, and the tools to address it remain largely undisclosed to Ukrainian society. Food security has three dimensions: international, including regional (eg European Union), national (national) and at the household level, including its members.

To ensure food security at the state level, four conditions must be met:

- 1) Physical availability of food, which means that the national food system guarantees the satisfaction of at least the minimum physiological needs of man, while imports provide food that exceeds the minimum need;
- 2) Sustainability and reliability of food supply;
- 3) Affordability of food, which implies that the economically weakest households and their members have access to the necessary food (because there are various forms of food aid);
- 4) Compliance of a particular food product for human health and nutrition (required energy level, the right proportion of nutrients, the absence of harmful contaminants).

In a global economy, no country should be fully prepared for food self-sufficiency, as each country has its own set of food production conditions, which in some sectors gives it an advantage in world markets and in others makes it uncompetitive. National food security is achieved when - at the current level of consumption - the balance in food trade is maintained.

**Literature review.** Ukraine's poorest households use up to 80-90% (and sometimes up to 100%) of their income on food, while the average income in Ukraine is poor (which is expected to be reached only by the 2030s). , and does not allow a significant part of the population to achieve a minimum supply of nutrients and energy in accordance with scientifically sound standards [2]. In the EU, the share of food expenditures is in the range of 20-25%, which is on the one hand a manifestation of higher economic development, and on the other - the result of targeted, transparent and effective social and food policy [3].

The concepts of national food security and food self-sufficiency complement each other. But self-sufficiency is narrowing to strategic food (raw materials) and focusing on the optimal use of the potential of the national food system, which constantly interacts with the international market of means of production, as well as raw and finished foods. Whereas the concept of food security primarily concerns the consumption area (level, structure, quality of food) and the distribution area, which decides whether the interests of the economically weakest households are taken into account and whether their members have access to the necessary food.

This determines the food security of the household and its members, depending on the state of national food security. But still there is a specificity that follows from the fact that the household is the main entity in the field of consumption. The food policy pursued by the state should, first of all, be focused on the rationalization of food consumption. To this end, the state is launching a set of measures to inform consumers about the methods and possibilities of nutrition rationalization. The decision on how information is used in households is made by their members. These decisions depend on the level of education, traditions and habits, which streamline the process of food consumption.

When analyzing food security at the household level, there is often a mismatch between the economic security of the household in terms of access to food and distribution among family members. According to our observations, today this

discrepancy appears where malnutrition of children and other family members is a result of the need to provide better nutrition for working family members.

This discrepancy necessitates the provision of various forms of food aid to economically weak households (food stamps, school meals for children, and pregnant and lactating women). Food safety affects how food is produced, processed and distributed. Food safety standards are decisions that affect agricultural markets. The processes are especially noticeable in the countries that implement the Association Agreement with the European Union.

Food safety is a very important issue, especially in countries bringing their legislation closer to EU standards, such as Ukraine, and new EU members, as rules need to be put in place and enforced in a very short period of time. Biological balance, physical and economic availability of food are important factors for ensuring family and personal food security of the population, for individual citizens of the country, households, regions and society as a whole. Food security issues are particularly acute during the war, according to opinion polls and international organizations: 4.4 million civilians affected by the conflict in eastern Ukraine face a difficult humanitarian situation, reflected in limited access to food, medicine and education [4].

The situation with COVID-19 has raised serious food security concerns in a world where the pandemic has affected food supplies in different ways. The most immediate impact was due to logistics disruptions caused by various sanitary measures taken by governments to restrict the movement of people and goods. This has directly affected agribusiness and various food value chains.

It should be noted that the debate on food security at the global level is very quantitative, although the FAO has recently focused on the potential for faster progress, given the quality of safe and nutritious food and its nutritional benefits for active and healthy living. At the same time, 54% of internally displaced persons (IDPs), of whom there are currently 1.5 million in Ukraine, spend their money only on food or are forced to save even on this [5,6].

Significant volumes of agricultural production and the presence of trade networks in all regions of Ukraine, except for local territories of the armed conflict in eastern Ukraine, allow to establish targeted food aid according to world approaches. Only by receiving the necessary amount of calories and nutrients from food, a person becomes able to conduct socially useful activities.

One of the tools to curb price increases is to introduce price controls by setting a marginal level of profitability for producers and a marginal margin for retailers. However, in the process of economic liberalization, these price regulation tools have been abolished due to the fact that such government intervention is costly and due to the negative economic consequences it causes. It should also be noted that such instruments are ineffective in providing assistance to the poor, while targeted remittances play an important role in providing food assistance to the poor.

**Method.** In the process of preparing the analytical study, it was planned to develop and refine statistical information on own research in the pilot regions identified at the planning stage of the study at the level of spot surveys, namely:

Zhytomyr (Zhytomyr), Kyiv (Kyiv, Bila Tserkva, Fursy, Shamraivka), Odesa, Odesa, Belgorod-Dniester, and Dnipropetrovsk (Dnipro, Magdalinivka). Stakeholders were identified on the basis of an analysis of relevant categories of effective structures / types of actors in national and global food security practices - with some refinements in the research process - to identify the most interested actors in further development. public food programs and projects security.

The sequence of analysis of the listed categories of documents and identification of stakeholders for their discussion was determined by their thematic focus in the areas of research. Further work on the implementation of this globally recognized approach is based on identifying the types and characteristics of food aid in existing domestic approaches, which should be further transformed into pilot models and tested in various appropriate options (taking into account the specifics of vulnerable groups and regional differences). more effective forms.

**Results.** According to the Association Agreement between Ukraine and the EU, the use of national budget funds of Ukraine should be consistent with financial practices of planning and attracting EU support funds, based on publicly available calculations and reports, on a transparent basis of timely exchange of information with recipients (recipients of budget funds). in accordance with the principle of sound financial management, in accordance with Regulation (EU, Euratom) № 966/2012 of the European Parliament and of the Council ("Financial Regulation") [7].

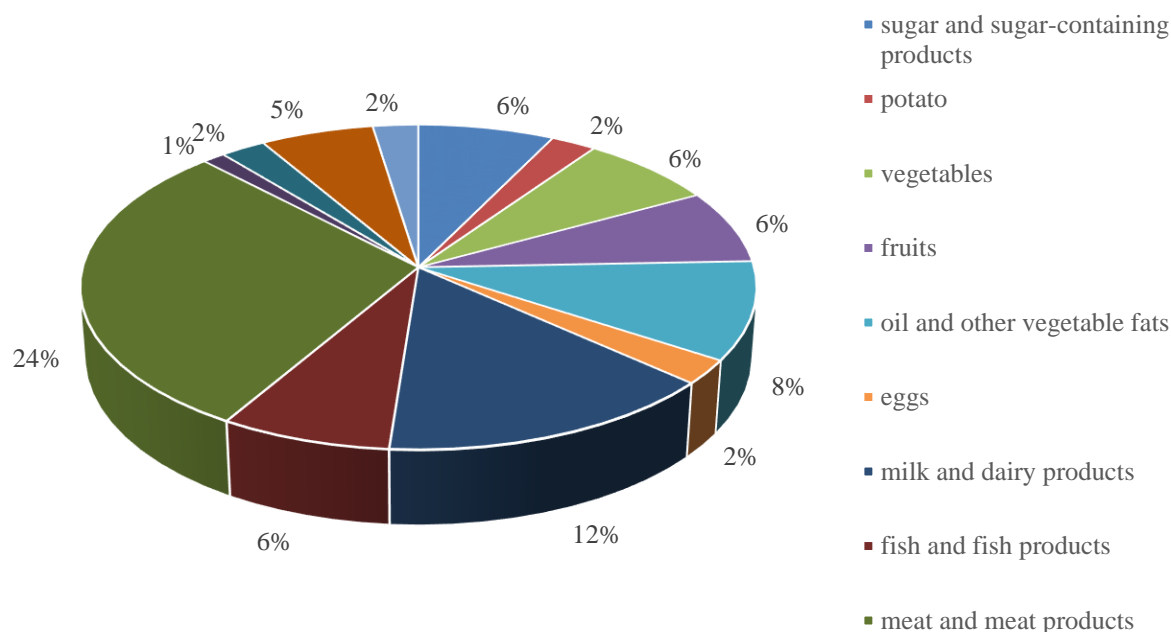
An important feature of procurement programs for refugees is their compliance with international standards of quality management, the availability of specific certificates of quality and safety of products, as well as environmental certificates and requirements of the Ten Principles of the UN Global Compact in their corporate activities [8]. aggregates correspond to the ability of companies to participate in food security programs not only in Ukraine [9].

As for the structure of consumer spending on food (Fig. 1), compared to previous years, no positive changes were observed.

The first place is occupied by expenditures on: meat and meat products - 24% (UAH 1,032 per household per month), bread and bakery products - 17% (UAH 716), milk and dairy products - 12% (UAH 501) . At the same time, an average of 4,077.30 hryvnias was spent on food by the household in 2020. That is, the indicator of economic affordability was 47.6% with its 60 percent threshold. Compared to 2019, this figure increased by 3.1 percentage points, which indicates negative trends in food markets in Ukraine and around the world. If the structure of household expenditures is 50% or more of food, then such a country is classified according to the UN classification as poor countries, and if household expenditures on food are 60% or more - then such a country is very poor. According to statistics, Ukraine is close to poor countries with a negative trend in overcoming poverty. If we take into account not the total, but only the total consumer expenditure of households, the share of food expenditures in 2020 was 48.9%.

The study of the experience of using UN funds to help victims of the armed conflict in eastern Ukraine, opens significant prospects for expanding sales of farm products (while achieving the objectives of internal food security). Access to EU

structural funds is increasingly linked to participation in migrant assistance programs [10].



**Figure 1. Structure of expenditures of Ukrainian households on food in 2020**

Source: author's development based on [2]

The problem of access to food is a powerful factor in destabilizing societies across countries and continents, which can cause political and economic crises, serve as a means of genocide of certain social groups and ethnic groups, a weapon of mass destruction and incitement of the poor to participate in aggressive political groups.

Promising tools for solving the problems of food security for vulnerable groups of Ukraine include:

1. Introduction of electronic food aid cards through trade networks;
2. Introduction of electronic food aid cards through the farmers' association.

The first tool provides for the main form of targeted food aid to transfer to the card funds from the budget, for which the poor will be able to buy food. Social cards already valid in the region or special bank cards introduced for the implementation of the targeted assistance program with the participation of one of the banks of Ukraine can be used for accruals. In the event of an unstable market situation, hyperinflation or shortage of certain necessary products in the country, a mechanism is provided for receiving food aid in kind, when the citizen will be able to receive a set of products directly on the card. A new methodology for identifying needs should be proposed. It would be fair to provide assistance from the standpoint of the real subsistence level. We offer to issue food cards to those families in which the average per capita income per family member is less than the real subsistence level.

The amount transferred to a social or special bank card should increase income

to the level of the real subsistence level. Food non-cash targeted assistance should be financed from both local and state budgets, giving the program national status. Bringing national practice closer to the experience of the EU and the US, where similar programs already exist, in these countries, citizens who are listed as low-income in social services are entitled to a special bank card. The state regularly transfers subsidies to it, which can be spent only on food. At the same time, in the EU and the US, product cards are also issued depending on the income of citizens, rather than their belonging to a particular social group.

The main condition for obtaining an "electronic food aid card": each family member must be registered at the same address (in the same apartment or in the same house). You will also need documents proving the difficult financial situation of the family. If a person simply avoids work, he or she will be denied food aid. The introduction of this alternative creates operational programs that should identify and confirm the forms of nutrition and / or material poverty that need to be addressed and / or support social integration, and should describe the specifics of assistance to the poorest through the State Social Protection Service. . They should also include the elements necessary to ensure the effective and appropriate implementation of targeted food aid.

Emphasis is placed on the achievements of the world experience, which shows the possibility of reducing poverty and social exclusion through the use of social and economic policies by expanding access to education, health and other social services, improving the environment and using natural resources, especially in the countryside. It is in this integrated approach that FAO and EU programs on overcoming hunger are implemented and addressing needs and opportunities to address them in specific situations is identified [12].

The authorities should take appropriate measures to ensure the proper establishment and functioning of their management and control systems to ensure the lawful and regular provision of targeted food aid. Therefore, it is necessary to note the obligations of the social protection service regarding the management and control systems of their operational programs, as well as regarding the prevention, detection and correction of violations of the legislation of Ukraine. Those in need will receive an electronic food aid card (debit bank card of the national payment system), which can be used to pay for purchases. Credits not spent within a month will be burned. It is not possible to withdraw cash from the card, but it can be replenished. You can only spend money on basic necessities. Their list should be developed jointly with the Ministry of Health.

The recommended range includes flour, cereals, pasta, potatoes, fresh fruits and vegetables, sugar, salt, drinking water, eggs, vegetable oil, meat, fish and dairy products. In order to ensure the effective and efficient implementation of targeted food assistance measures financed from the state and local budgets, the state should promote cooperation between regional and local authorities and organizations representing civil society. The principle of partnership must be applied in order to respond as effectively and adequately as possible to different needs and to better reach the poorest people. The law on the protection of individuals with regard to the

processing of personal data and on the free movement of such data (to be implemented in accordance with European approaches and other trade and fair rules) should apply, in particular in the form of public-private partnerships with intellectual property rights, which meet the requirements of Regulation (EU) № 223/2014 of the European Parliament and of the Council of 11 March 2014 on the European Aid Fund for the Poor.

Potential benefits include the introduction of international standards for targeted food aid; control and food security of vulnerable groups; extensive retail network; a wide range of food. Potential disadvantages are that the initial stage of implementation requires large financial costs; lack of a state body with experience in implementing electronic food aid cards through the trade network at both national and regional levels.

The second tool involves the introduction of electronic food aid cards through a farmers' association. It should be noted that this targeted food aid instrument is aimed at helping local producers. All farms that are members of a farmers' association that has been certified to participate in the targeted food aid program and if they accept bank cards and set up scoring equipment will be eligible to participate in the program.

The participation of farmers in the sale of food through a targeted food aid program to vulnerable populations can play an important role in increasing the availability of high-quality fresh food. Farmers can sell their products to beneficiaries both directly and through farmers' markets. The advantage of farmers' markets is that they tend to offer a higher percentage of fresh fruits and vegetables compared to retail stores. In addition, the EU experience shows that the market model of farming is more flexible than other types of retail, and farmers' markets require less capital to put into operation. Farmers' markets also have the potential to strengthen the local economy in a variety of ways. For example, because the farmers' market is a direct distribution channel from farmer to consumer, this type of sale is a desirable outlet for farmers and thus can strengthen the rural communities that surround the market.

In order for Ukraine's farmers' markets to be a common model of access to healthy food, these markets need to be able to accept electronic targeted food aid cards. The farmers' market can indeed improve the level of nutrition in low-income rural communities and difficult access to the existing extensive retail network in district and regional centers.

Farmers may consider working with CSO partners to ensure the delivery of targeted food aid to the elderly or people with disabilities. policy evaluation. To evaluate the alternative by the criterion of efficiency, it is necessary to conduct a cost-benefit analysis, which required the collection of a wide range of statistics. The analysis and evaluation of the proposed policy alternatives are presented in Table 1.

To this end, social welfare authorities may provide such categories of recipients of targeted assistance with the opportunity to purchase food using paper vouchers. Farmer's markets should be conveniently located in a space that is well used by the community, or located in the central part of the city or town. Parks, recreation and youth centers are excellent examples of public spaces. For example, a market near a youth center or kindergarten can be a convenient place for parents to buy food.

**Table 1. Summary assessment of policy alternatives**

Criterion	Alternative 1	Alternative 2	Alternative 3
Justice	1	3	3
Political feasibility	3	1	2
Administrative feasibility	3	1	1
Effectiveness	1	3	2
Efficiency	1	3	3
Transparency	1	3	3
<b>Total</b>	10	14	14

*Source: author's development based on [13]*

Potential benefits. Increasing the consumption of fresh and healthy food of local production; reducing the risk of eating counterfeit food; additional mechanism for protection of agricultural producers; direct influence on the settlement of the problem of production and sale of local products; involvement of civil society organizations, namely: regional and national associations of farmers, charities and other organizations involved in the social sphere. Potential shortcomings. The initial stage of implementation requires significant financial costs; lack of a state body with experience in implementing electronic food aid cards through retail chains at both national and regional levels.

**Discussion.** The main burden in providing the poorest people with targeted food aid should be borne by the competent public and local authorities, which are directly responsible to the population of the whole country and its regions for sufficient provision of safe food of adequate quality, subject to transparency and transparency. control over the effective use of budget funds.

In order to ensure the effective and efficient implementation of targeted food assistance measures financed from the state and local budgets, the state should promote cooperation between regional and local authorities and organizations representing civil society. Food needs should be monitored and met on a case-by-case basis, with a focus on identified vulnerable populations and regional differentiation.

The problem of targeted assistance to the poor should be addressed through the tools of implementing a single system of electronic food aid cards through trade networks and farmers' associations in different proportions depending on regional characteristics. To do this, it is necessary to develop a number of programs and pilot projects, taking into account social and regional characteristics.

**Conclusion.** In order to ensure the effective and efficient implementation of targeted food assistance measures financed from the state and local budgets, the state should promote cooperation between regional and local authorities and organizations representing civil society. Food needs should be monitored and met on a case-by-case basis, with a focus on identified vulnerable populations and regional differentiation.

The use of alternatives 2 and 3 proposed by the author involves the introduction of a single system of electronic cards for targeted food aid through trade networks or farmers' associations in different proportions depending on regional characteristics. In the initial stages of implementation, several pilot regions should be selected to develop mechanisms and tools for identifying households in need of state support. This targeted assistance program should be financed from both state and local



budgets. At the same time, funds for the purchase of food should come from the State budget, and funding for the process of identifying households in need of targeted food assistance and administration of the process of its provision should be carried out using local budgets.

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