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IMPACT OF THE COVID-19 PANDEMIC ON FOOD SECURITY IN KAZAKHSTAN

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In Kazakhstan, food supply issues have always been of special concern to the state, being one of the key factors of domestic political stability, an important condition for sustainable development and economic growth of the country. In recent years, certain progress has been achieved in this area [1]. The country's food security by main types of food products is ensured by local production by more than 80%. In the Global Food Security Index 2019 (GFSI), which is published by The Economist Intelligence Unit, an analytical unit of the British magazine The Economist, with the support of the American multinational company Dupon, Kazakhstan improved its position by 9 lines, ranking 48th among 113 countries (57th in 2018) [2].

Despite the achieved level of food security, under the conditions of the emergency situation caused by the COVID-19 pandemic, the issues of maintaining and further developing the country's own food production, uninterrupted operation of trade and logistics infrastructure, and creation of reserve stocks for stabilizing food supply are of great importance for the country. These issues were the focus of attention of the Head of State K.K. Tokayev at the meeting of the State Commission on Emergency Situations on 10 April this year.

In order to prevent a food crisis - to ensure physical and economic access to food for the people of Kazakhstan, the Government and akimats have been instructed to

continue work on regulating food prices. In particular, the need to optimise the mechanism for regulating prices for socially important products along the entire price chain has been identified [3]. The Government has already set price caps on 9 out of 19 items of socially important food products. Further work on regulating food prices at the local level will make it possible to ensure their accessibility, above all, for socially vulnerable categories of citizens.

In addition, a ban on the export of agricultural products has been introduced. This measure will make it possible to prevent the outflow of domestically produced food and agricultural products outside the country, while maintaining the domestic food supply at the required level [4]. Along with the introduction of a forward purchasing tool, a temporary ban on the export of agricultural products will make it possible to maintain a balance between the need to ensure food security and support domestic agricultural producers.

Special attention is paid to logistics issues. A great deal of responsibility in this area rests with the regions. In the conditions of limited transport movement and in order to ensure uninterrupted food transportation from region to region, coordinated work between regions is more important than ever [5].

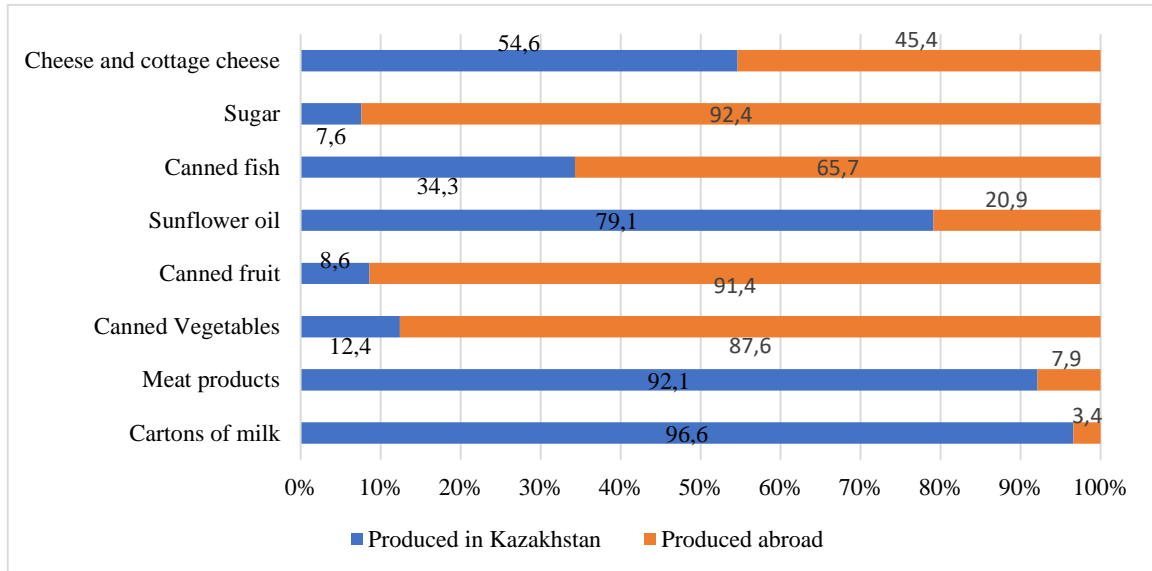
Every citizen of Kazakhstan can also make his own contribution to the country's food security. It is known that the level of household food waste is increasing rapidly as a result of welfare growth, urbanization and the development of the catering sector. Unreasonable purchase of products or purchase of stocks that are not directly needed, improper storage and use of stocks at home - all this leads to significant food losses.

The crisis provides a good reason to assess the food safety of Kazakhstan. Kazakhstan is an important producer and exporter of grain in Central Asia. Ensuring food security and diversifying grain exports is a priority for the government's agricultural strategy in Kazakhstan. In general, the republic is a net exporter of grain, both in terms of volume and calories per capita. In 2017, imports amounted to about \$3.5 billion, while exports reached \$2.5 billion. Kazakhstan is moving to a new stage of ensuring food security and price control through the creation of a national distribution network - a complex of wholesale and distribution centres (ODC). Similar systems are successfully functioning in developed countries. The experience of France, Spain and other countries has been studied in detail. This project is being implemented in three stages. More than 24 ORCs will be built by 2022, which will enable storage, processing and distribution of about 4.8 million tonnes of agricultural products. The infrastructure being created will make it possible to ensure the full safety of the harvested harvest and minimise losses, thereby increasing the interest of agricultural producers in increasing production.

As far as imports are concerned, the majority of imports are for finished food products (\$1.7 billion). Plants and livestock products accounted for approximately \$1.6 billion. Exports mainly consist of wheat (\$1.8 billion) and, to a lesser extent, finished food (\$390 million).

In terms of the energy value of food, the country meets domestic demand and exports between 20 and 50% of its surplus. However, these data are calculated on the basis of wheat (basic product in international statistics), which does not give a complete understanding of the situation in terms of food diversity. When it comes to finished

food, the country's supply is at a lower level. For example, the Republic is 97% supplied with reconstituted milk, but all the milk powder required for its preparation is imported from abroad (Belarus and Russia). While the availability of flour and cereals is almost absolute, the volume of domestically produced fish, vegetable and fruit preserves is clearly insufficient.



Pic. 1. Kazakhstan's self-sufficiency in certain types of food in 2020

Given the above data, we can say that Kazakhstan is a self-sufficient country in terms of a number of vital food products. However, when viewed from the perspective of food diversity, the country is dependent on imports. This means that disruption to the trade logistics chains of imported products can make it difficult to access a range of products and/or significantly increase prices.

Due to the difficult situation in the world, the Ministry of Agriculture of the Republic of Kazakhstan supports the Islamic Organization for Food Security (IOFS) Memorandum: regarding the food security crisis in the context of the COVID-19 pandemic, and considers it an important component in addressing the negative impacts as a global food crisis at the international and national level.

The Islamic Organization for Food Security (IOFS) is following with great concern the extremely negative impact of the COVID-19 pandemic on the socio-economic well-being of OIC member countries, according to the IOFS website.

As a specialized agency of the Organization of Islamic Cooperation (OIC), its most urgent task is to respond to the extraordinary challenges to food security caused by the global pandemic in the OIC region.

Undoubtedly, protective measures against the coronavirus, such as almost total restrictions on the free movement of people and the consequent cessation of all economic activities, will have serious consequences for the availability of food due to the potential interruption of supply chains. Given the vulnerability of the participating States to any food supply shocks, mutually agreed efforts are needed on a regional scale

to reduce the impact of food shortages and prevent growing hunger and food crises in OIC countries.

Based on available statistics, more than 64.5 million people in 56 OIC member countries were acutely malnourished in 2017 and the annual food deficit in the OIC was \$67 billion in 2018, raising serious concerns in the region about any new food crisis. As a result, the IOFS continues to accelerate its various initiatives to promote free trade, trade finance and investment in agriculture and food, strategic food supply chain development, cross-border logistics and, in particular, emergency food aid and other mitigating measures in the wake of the current humanitarian emergency.

In view of the above, and based on the overall mandate of the Organisation as set out in its Constitution, the Memorandum is sent to all 34 Member States for our next immediate and medium-term actions.

At the national level: the IOFS supports the ongoing actions of the Member States themselves to reduce the impact of social restrictions in relation to COVID-19, through the provision of social funding, food aid, conditional cash transfers, job protection and support for volunteerism to assist vulnerable populations. They endorse and encourage actions by OIC countries to use national strategic food reserves and to deliver food aid to friendly member states in dire need of it.

Interaction between OIC structures: IOFS commits to continue implementing various OIC free trade and investment promotion agreements and appreciates the USD 850 million commitment made by the International Islamic Trade Finance Corporation (ITFC) to finance trade during the pandemic. Equally, we welcome the announced financial commitments made by other OIC financial institutions such as the Islamic Solidarity Fund (ISF) and the Islamic Development Bank (IsDB) and commit to work with them on the use of these funds, including the USD 730 million allocated by the IDB for COVID-19 recovery programmes.

In order to develop a sustainable strategy to address persistent food shortages due to crop failures and related problems, IOFS is actively working on the establishment of a Regional Reserve for Food Security, including a Cereal Fund, while encouraging the expansion of various national strategic food stocks through PPP mechanisms.

In the area of research and development, IOFS is developing its Food Balance Database, along with the main areas of science, technology and innovation through the active development of a regional mechanism for the conservation and exchange of plant and animal genetic resources for quality food and sustainable agriculture, in close partnership with FAO and OIC COMSTECH.

In the medium term, it is expected that the implementation by the IOFS Secretariat of the OIC Programme of Action for the Development of Strategic Agricultural Commodities (in particular rice, wheat, cassava and palm oil) should assess the respective capacities of the participating States to ensure relative food self-sufficiency, increase profitability and achieve a balance of payments.

In addition, IOFS welcomes the good support of the participating States for the organisation and hosting of the Regional Meeting of the Centres of Excellence for Strategic Food Products (Kazakhstan), the Workshop on National Genetic Resource Banks (UAE) and the Round Table on Agricultural Water Management and Modern Irrigation Techniques (AWR) in 2020.

Highly appreciating the timely and active participation of the G-20, the UN and the World Bank in addressing the issues of free cross-border trade (including their respective financial obligations), IOFS commits to continue working with internationally recognized structures on the implementation of programmes and projects aimed at addressing the damage caused by the global pandemic to the world food sector.

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