Formation of a common agrarian market of the EAEU: problems and prospects

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Abstract. The formation of a common agrarian market and the development of effective mechanisms for its regulation are the main goals of the Eurasian Economic Union (EAEU). The article describes the main directions and mechanisms for regulating the general agrarian market, implemented by the EAEU on the basis of a coordinated agro-industrial policy: government support, development of uniform requirements in the production and circulation of products, formation of a pricing system, a single forecasting system, an integrated information system of the agro-industrial complex. The effectiveness of implemented measures to regulate the agrarian market is assessed, the main obstacles hindering the integration processes in the EAEU and the formation of a single agrarian market: non-compliance with the national interests of the EAEU countries, determined by the specific nature of the agro-industrial complex development of the participating countries, lack of over-national programs on the implementation of measures to form a single agrarian market, financed from the general budget of the EAEU, and administrative barriers.

1. Introduction

The ongoing integration processes within the EAEU expand the possibilities of creating favorable macroeconomic conditions for the sustainable development of the agro-industrial complex of the member states, are designed to create mutually beneficial conditions for cooperation in various sectors of the agro-industrial complex, based on healthy competition and aimed at creating a common agrarian market.

The formation of a common agrarian market is a rather complicated process and requires deep both theoretical study and the implementation of regulatory legal and organizational work related to the fact that the agro-industrial complexes of the EAEU member states have their own characteristics. At the same time, the EAEU member states have a powerful resource potential, which allows producing a wide range of agricultural products and foodstuffs to saturate the domestic market and for export. Therefore, the main objectives of the formation of a common agricultural market should be: achieving sustainability and further development of the agro-industrial complex; creating conditions for stable food supply of countries; increasing the competitiveness of products in domestic and world markets; export capacity building; and rational division of labor and others.

The EAEU is actively forming the institutional and legal framework for integration in the agricultural sector in order to create a full-format single market for food and agricultural products based on the development of harmonized mechanisms related to the regulation of the single
agricultural market, first of all, state support, tariff and non-tariff regulation of trade, development of uniform requirements in the field of production and circulation of products, rules of veterinary and phytosanitary control, as well as foreign economic activity, fiscal and monetary policies.

However, it should be noted that, despite the great work done, the formation of a single economic space in the agro-industrial complex of the Union is progressing very slowly, which is mainly due to the different levels of economic development of the Union states and the lack of effective mechanisms, primarily financial, to accelerate this process.

Regulation of the single agrarian market should ensure an increase in the competitiveness of the agricultural sector, the creation of equal conditions in mutual trade, a fair pricing mechanism and the investment attractiveness of the industry through convergence of the legislative framework of states and the establishment of universal rules: price, health, veterinary and other for unimpeded and closed circulation.

2. Technique
In conducting the study, a generalization of the main approaches of researchers whose scientific interests lie in the analysis of international integration processes was carried out. To formalize and summarize the results of the research, general scientific methods of cognition were used.

3. Results
The key indicator in enhancing integration processes is undoubtedly the growth in mutual trade in the EAEU in 2017 (table 1).

|                | Armenia | Belarus | Kazakhstan | Kyrgyzstan | Russia | EAEU   |
|----------------|---------|---------|------------|------------|--------|--------|
| 2012 г.        | 228,9   | 4172,3  | 490,7      | 138,5      | 3027,9 | 8058,3 |
| 2013 г.        | 287,3   | 4849,6  | 783,6      | 111,9      | 3277,6 | 9310,0 |
| 2014 г.        | 245,9   | 4904,1  | 566,4      | 107,6      | 3079,6 | 8903,6 |
| 2015 г.        | 187,3   | 3866,0  | 474,3      | 105,2      | 2422,1 | 7054,9 |
| 2016 г.        | 258,5   | 3819,5  | 444,6      | 109,2      | 2486,1 | 7116,9 |
| 2017 г.        | 319,7   | 4362,2  | 452,1      | 146,2      | 2893,6 | 8173,8 |
| 2017 in % of 2016 | 139,7   | 104,6   | 92,1       | 105,6      | 95,5   | 101,4  |

Source: ECE [electronic resource].

The formation of a single agrarian market of the EAEU largely depends on the development of coordinated mechanisms for its regulation.

Currently, the following mechanisms are used to regulate the domestic market for goods:

- Free movement of goods, persons, services and capital;
- Free movement of goods between the territories of member states is carried out without the use of customs declaration and state control (transport, sanitary, veterinary and sanitary, quarantine phytosanitary);
- Within the framework of the internal market in mutual trade in goods, Member States do not apply import and export customs duties (other duties, taxes and charges having equivalent effect), non-tariff regulation measures, special protective, anti-dumping and countervailing measures.
The customs tariff of the Eurasian Economic Union and other uniform measures for regulating foreign trade in goods with third parties are used.

The EAEU is in the process of improving various mechanisms for regulating food markets. In particular, in order to ensure equal competitive conditions for agricultural producers, the EAEU is working to unify state support measures. For the formation of a competitive market for agricultural products and the successful implementation of the policy of import substitution, it is necessary to develop an effective model of state support for agricultural producers.

The forms of support for the agro-industrial complex in the EAEU countries are in many ways similar, but the conditions and mechanisms for the provision of such measures are different. For example, in Belarus and Russia, the bulk of budget funds allocated for agriculture is spent on financing preferential bank loans, in Armenia and Kyrgyzstan - on the creation of infrastructure. In Kazakhstan, the main item of expenditure is the reimbursement of farmers' costs for energy and livestock breeding. At the same time, in all countries of the EAEU, a change in the directions of support.

At the same time, the formation of an effective system for regulating the common market of the EAEU is facing obstacles, among which should be highlighted:

1. The discrepancy between national interests in terms of existing barriers, exemptions, and restrictions in trade. Defending national interests through the creation of a system of exemptions led to the use of the mechanism of exemptions not as a protective measure, but as an administrative factor in the competitive struggle in the market of agricultural products.
2. The EAEU is a union of countries with significant differences in the scale and resource potential of the agro-industrial complex. The countries of the Union view Russia as their base as a market for agricultural products produced by their national producers. At the same time, they are not ready for equal competition with Russian agricultural products on their national markets, perceiving them negatively and building administrative barriers.
3. The anti-sanction policy of Russia in relation to the EU countries, the USA, Canada, and others contradicts the economic interests of the EAEU partner countries and becomes an obstacle for deepening integration cooperation, including in the sphere of the agro-industrial complex.
4. The lack of supranational programs for the commissioning of measures to form a single agrarian market, financed from the general budget of the EAEU, makes their implementation difficult.

4. Conclusions

Thus, at the present stage, the EAEU has formed basic conditions for further synchronization in the field of agro-industrial policy in the context of creating legal frameworks, an institutional environment and a common understanding of directions for the synchronization of agribusiness policies and the formation of a common agricultural market.

However, the goal is to form an effective single market, which requires a deeper study and active advancement in the search for methods of accelerated harmonization and unification of legal norms regulating this sphere.

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