Resilience of Russia's agri-food market under customs imbalances of the Eurasian integration

Abstract. The research into the issues of agri-food systems resilience holds a special place in the world agricultural economics due to a multiplicity of new challenges faced by agricultural markets, their increased volatility and enhanced impact of endogenous and exogenous shocks. Along with this, the agri-food systems being systemic elements are exceptionally important for both national economies and a whole range of sectors of the world economy. The paper aims to uncover the reasons and consequences of the customs imbalances emerging in the agri-food market of Russia. These imbalances result from the clash of national economic interests, legal, organisational and management collisions while constructing a common customs tariff policy of the Eurasian Economic Union (EAEU) in the sphere of circulation of agri-food products and adversely affect the market resilience. Methodologically, the research rests on the theoretical propositions of the regional economic integration, trade policy, and customs tariff regulation of the agricultural markets; uses methods of comparative analysis, synthesis, systematisation. The paper puts forward a set of methodological solutions to the creation of external (supranational) and internal (national) framework of the digital system of tracking exempted agri-food goods. The findings may underlie the changes in the system of the state regulation of the agro-industrial complex under the EAEU and the development of new mechanisms to strengthen resilience of the agri-food market of Russia.

Keywords: agri-food market; integration; Eurasian Economic Union; resilience; customs policy.

For citation: Kovalev V. E., Semin A. N. (2021). Resilience of Russia's agri-food market under customs imbalances of the Eurasian integration. Journal of New Economy, vol. 22, no. 3, pp. 28–43. DOI: 10.29141/2658-5081-2021-22-3-2

Received June 18, 2021.
Introduction

Stable functioning and efficient development of a national agri-food market is among the primary policy objectives of any strong state. Accomplishment of this objective in the Russian Federation results in an ongoing search for new forms, algorithms, mechanisms that foster agri-food market systems at various levels (supranational, federal, regional) and demands solid support on the side of research and expert analytics in terms of improvement of the corresponding theoretical-methodological basis.

At present, tools used by the government to regulate the agri-food market in Russia are very much interlaced with the complex integration mechanisms which have become even more significant over the past few years due to Russia's accession to the WTO, implementation of the Eurasian integration initiatives in the sphere of the agro-industrial complex (AIC), appearance the Eurasian Economic Union (EAEU), and attempts to build a common customs tariff policy with a number of post-Soviet states in the sphere of circulation of agri-food products.

The focus of the paper is twofold. First, it studies the customs tools as one of the most complicated and contradictory elements of the trade policy, which is vastly applied by the EAEU countries to build the resilience of their agri-food markets. Second, it attempts to identify positive and negative outcomes of the integration of these market systems against the background of the new economic, legal, and political challenges and extremely dynamic factors of external environment.

The study fills the gap in the domestic research in the considered area of agricultural economics and also has practical value for improving the regulation and efficient development of the entire commodity distribution chain within national agro-industrial complexes while a fundamentally new Eurasian agri-food system is being built – from producing food to ensuring a necessary level of food security in the EAEU, effectively meeting the needs of the population in food resources.

The concept of resilience and its significance for agri-food markets

The term ‘resilience’ is a relatively fresh one for the Russian agricultural economists and scientists investigating the issues of agricultural development. However, in the recent couple of years, especially under the difficult conditions created by the spreading COVID-19, this term has become increasingly used in the analysis of socioeconomic systems, markets, and market environment.

In the 20th century, the concept ‘resilience’ was mainly employed by researchers in the field of ecology and ecosophy [Holling, 1973; Timmerman, 1981]; psychology, neurobiology and pedagogy [Rutter, 1985; Flach, 1988]; socioeconomic geography [Tobin, 1999; Adger, 2000]. However, “being interdisciplinary, various conceptualisations of this phenomenon have already started to penetrate into other branches of knowledge, such as sociology, economics, ecosystem management, social management, and public administration. Accordingly, the conceptualisation of resilience at the level of an individual
is transferred to society, social systems, either controlled or self-organising” [Korezin, Murashov, 2021, p. 19]. But why does this happen?

Here, the viewpoint of a famous Austrian agricultural economist seems to be pertinent. Emphasising that resilience is a term that today is almost ubiquitous in scientific and political debate, Darnhofer notes that the popularity of this concept comes at a time when biophysical, social, and economic conditions are believed to be progressively volatile, unpredictable and uncontrollable [Darnhofer, 2014, p. 461]. Indeed, the constantly growing volatility of commodity and financial markets, a substantial increase in the number of global regional, national and corporate challenges in the field of economic development (related to the environment, demography, society, geopolitics, and management), the complexity of forecasting these challenges and their considerable uncontrollability are forcing researchers of socioeconomic systems and processes more and more often refer to the topic of resilience.

Many scientists studying the economics of agri-food systems, problems of agricultural development and agricultural markets make attempts to systematise the interpretation of the concepts ‘economic resilience’, ‘food system resilience’ and present their own vision. For example, researchers from the Lithuanian Institute of Agrarian Economics and the University of Foggia in Italy believe that “the economic resilience of a state, region, economic sector or other type of economic system can be defined as the ability to maintain a pre-existing state (usually assumed to be an equilibrium state) or return to it very quickly, typically, acquiring new abilities, after being affected by some type of exogenous shock” [Morkūnas, Volkov, Pazienza, 2018, p. 322]. A similar opinion is shared by a number of European scholars [Tendall et al., 2015; Sensier, Bristow, Healy, 2016; Meuwissen et al., 2019]. Researchers from Michigan State University, absolutely rightly, in our opinion, argue that “resilience is the capacity of a system to continue providing a desired set of services in the face of disturbances, including the capacity to recover from unexpected shocks and adaption to ongoing change” [Vroegindewey, Hodbod, 2018, p. 1].

The understanding of resilience is highlighted to be critical in the study of food systems, as they provide food, nutritional outcomes, livelihoods and many other vital ingredients. The rapid pace of agroindustrialisation, international trade, market segmentation and food system consolidation make these systems increasingly elaborate [Vroegindewey, Hodbod, 2018; Reardon, Barrett, 2000]. Under the influence of globalisation [Friedland, 2004; Qaim, 2017; Robinson, 2018], regionalisation [Donkers, 2013; Ruhf, 2015; Paci-Green, Berardi, 2015], peculiarities of trade policies and state policies on food security [Farsund, Daugbjerg, Langhelle, 2015; Murphy, 2015; Glauber, 2019], their behaviour has become much more complex than it was several decades ago. Russia is no exception, although it has its own history associated with the specifics of the development of the national agri-food system affected by a number of exogenous and endogenous factors.
The problem of the resilience of the Russian agri-food market as a part of an elaborate food system bears particular relevance in the context of economic integration, which has gained momentum in the post-Soviet space since 2010. This problem is associated with the emergence of a single customs territory of the Eurasian Economic Union; significant transformation of the legal field affecting trade policy, customs regulation and interaction of the EAEU member states with the WTO; the specifics of the implementation of the agri-food embargo imposed by Russia against a number of countries in order to accelerate import substitution.

**Customs imbalances of the Eurasian integration and their peculiarities in the agri-food market of Russia**

Thus far, the international academic community has been intensely interested in the issues of the Eurasian economic integration. A number of studies define the essence of this phenomenon [Hartwell, 2013; Tarr, 2016; Moldashev, Hassan, 2017; Calder, 2019]; hold an institutional analysis of the Eurasian integration in successive and evolving formats (customs union, common economic space, economic union) [Knobel, 2015; Vinokurov, 2017; Glazyev, 2020]; undertake a comparative assessment of the integration mechanisms in the EAEU and the European Union (the EU) as one of the most powerful and deepest integration agreements in the world [Treshchenkov, 2014; Kansikas, 2015; Kondratyev, 2020]. Taking into account the seminal works on economic integration [Viner, 1951; Balassa, 1961; Tinbergen, 1965; Pinder, 1969; Machlup, 1977] and the findings of the above as well as a number of other studies on the integration models of the EU and the EAEU [Scharpf, 1998; Butorina, Zakharov, 2015; Ushkalova, 2017; Libman, 2019], we can argue that the Eurasian project is being implemented under the most difficult integration scenario ever existing in the world experience, which suggests that a linear integration model should be combined with the attempts to ensure its positive nature.

The linear integration model refers to the format of traditional (closed) regionalism and presupposes a clear sequence of stages (free trade zone – customs union – common market – economic union) on the path of forming stable relationships between previously isolated markets of national agri-food systems to gradually create a single agri-food market of the future integration association. Today, this model of integration is not popular, since “a nonlinear model or a model of a new (open) regionalism grants much more freedom of action to integrating agri-food markets and may have a changeable geometry, which consists in the possibility of using different sequences of stages while implementing integration mechanisms, with the options of combining different stages of the linear model (most often combining the free trade zone and the common market, but without affecting or excluding the stage of the customs union), in other words, a kind of discreteness of integration processes. This situation has become possible largely due to a couple of circumstances. The first one is the weakening role
of the World Trade Organization (WTO) in the processes of customs tariff liberalisation through the mechanisms of multilateral trade negotiations. The second is linked with the emergence, in the absence of progress in these negotiations between the WTO members, of a serious number of bilateral and multilateral agreements (usually up to 10–15 participants), called the Free Trade Zone (FTZ)+ and the WTO+” [Kovalev, Semin, 2021, p. 25].

However, despite the intricacies of its implementation, it was the linear model that became the basis of the Eurasian economic integration. Moreover, at least from a legal point of view, “from 2010 to 2015, the Eurasian integration project rapidly passed three stages of the classical linear model of regional economic integration (customs union, single economic space, economic union)” [Semin, Kovalev, 2019, p. 5]. We can judge about this situation from the standpoint of de jure and de facto, since the EAEU, having formally moved through such a classical stage of the linear integration model as the customs union (from 2010 to 2011), i. e. de jure ensuring the creation of the common customs tariff and the unity of customs territory, has not yet been able to fully implement it de facto. The reasons for this were two key factors that have seriously manifested themselves from 2015 to the present.

The first factor relates to Kazakhstan’s accession to the WTO as a member of the EAEU and the expansion of the EAEU itself at the expense of Armenia and Kyrgyzstan, already members of the WTO. As a result, “the formation and functioning of the Eurasian Economic Union, which is based on the unity of the customs territory and mechanisms of the customs union, poses today serious risks to the Russian agri-food sector associated with the different positioning of the member countries of this regional trade agreement (RTA) in the WTO, their different tariff commitments to this institution. This type of RTA provokes conflicts between its internal (“regionalism”) and external (“multilateralism”) contours for the participating countries, which can become a powerful destabilising factor for agri-food markets. Given the unity of the customs territory, there are serious exemptions from the common customs tariff leading to distortions in trade in the common market of agricultural raw materials and foodstuffs of the Eurasian Economic Union, allowing agricultural enterprises of some member countries of RTA to gain additional competitive advantages over the others” [Kovalev, Semin, 2019, p. 9].

Several thousand codes within the Harmonized Commodity Description and Coding Systems (HS) are now included in the list of exemptions for Kazakhstan1. At the same time, as a condition of accession to the World Trade Organization, it applies import customs duty rates that are lower than the rates of the Common Customs Tariff of the Eurasian Economic Union, and the size of such duty rates (approved by the decision of the Council of the Eurasian Economic Commission of October 14, 2015 no. 59 (as amended on May 18, 2021 no. 52)).

---

1 The list of goods in respect of which the Republic of Kazakhstan, in accordance with the obligations accepted as a condition of accession to the World Trade Organization, applies import customs duty rates that are lower than the rates of the Common Customs Tariff of the Eurasian Economic Union, and the size of such duty rates (approved by the decision of the Council of the Eurasian Economic Commission of October 14, 2015 no. 59 (as amended on May 18, 2021 no. 52)). http://www.eurasiancommission.org/ru/act/trade/catr/ittr/Documents/%D0%9F%D0%95%D0%A0%D0%95%D0%A7%D0%95%D0%9D%D0%AC%20%D0%A0%D0%A2%D0%BD%D0%B0%2017.06.2021.pdf. (in Russ.)
In the time, more than a thousand codes with exemptions affect commodity groups from 01 to 24, where the bulk of agri-food products is concentrated. For a number of codes, the only difference is the type of customs duties. This is not that critical. For example, the common customs tariff (enacted in Russia as a member of the EAEU) establishes a combined customs duty, while for Kazakhstan (due to its national obligations to the WTO) an ad valorem duty is set for a similar food product. However, between Russia and Kazakhstan there is a significant number of agri-food commodity items with not only a difference in the types of customs duties, but also a serious discrepancy in the levels of rates, which reaches 5% or more. This situation is often exacerbated by the difference in VAT, the base rate of which is 20% in Russia and 12% in Kazakhstan.

With regard to Armenia and Kyrgyzstan as members of the EAEU, a similar situation exists. However, the number of exemptions for these countries (due to their national tariff commitments to the WTO) is much less compared to Kazakhstan. Moreover, Armenia and Kyrgyzstan enjoy the transition periods established to gradually move to the full use of the Common Customs Tariff of the EAEU. Kazakhstan’s situation is fundamentally different. Upon the ending of the implementation period after Kazakhstan’s accession to the WTO and reaching the level of binding of customs duties on agri-food products declared by the country, there will be more and more codes of the harmonized system that fall under exemptions. Some rates of customs duties on agricultural raw materials and food, which differ from the Common Customs Tariff of the EAEU, will become effective in Kazakhstan only in 2022–2026. However, already now, as noted above, there are more than a thousand of these positions. Thus, this customs imbalance will increasingly affect the resilience of the Russian agri-food market, and this circumstance will undoubtedly restrain the integration processes within the EAEU, including the formation of a single agri-food market and the implementation of a coordinated agricultural policy.

The second destabilising factor in today’s agri-food market in Russia is the embargo, which affects a number of goods categorised as agricultural raw materials and foods originating from particular countries (the United States of America, the countries of the European Union, Canada, Australia, etc.)1. By the RF President’s decree of November 21, 20202, the food embargo was extended until December 31, 2021. The key problem is that the embargo was introduced nationwide (in effect only in the territory of the Russian Federation); however, the other EAEU members united with Russia in the same customs area did not support this decision and did not join it.

---

1 On measures for implementing the decrees of the President of the Russian Federation of August 6, 2014 no. 560; June 24, 2015 no. 320; June 29, 2016 no. 305; June 30, 2017 no. 293; July 12, 2018 no. 420; June 24, 2019 no. 293; and November 21, 2020 no. 730: Resolution of the Government of the Russian Federation of August 7, 2014 no. 778. (in Russ.)

2 On extending a number of special economic measures in order to ensure the security of the Russian Federation: Decree of the President of the Russian Federation of November 21, 2020 no. 730. (in Russ.)
Thus, exempted agri-food products are prohibited from circulating freely in the territory of Russia, but retain the right of free circulation throughout the rest of the EAEU nations (Belarus, Kazakhstan, Armenia, and Kyrgyzstan). This, in turn, stimulates the emergence of various illegal schemes to deliver the boycotted agricultural products through partners in the EAEU. In fact, Russia was forced to reassert customs control at its national borders within the EAEU using the so-called “mobile customs teams” in order to prevent violations of the embargo rules. Nevertheless, this decision undermines the very idea of Eurasian integration and the principle of the unity of the customs territory, which states that customs control is implemented at the external borders of the EAEU and should not be carried out within the Union. The fact that the EAEU members lack a consensus position on the food embargo indicates some kind of institutional immaturity of this integration association, highlights the contradiction of national interests, and reveals the weakness of mutual trust of partners within the Eurasian integration project.

Customs imbalances of the European integration and their peculiarities in the Russian agri-food market are systematised in Table.

**Customs imbalances of the Eurasian integration, their peculiarities and consequences for the Russian agri-food market**

| Customs imbalance in the Russian agri-food market | Customs imbalance mechanism in the Russian agri-food market | Effect of customs imbalance on the resilience of the Russian agri-food market |
|--------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------|
| 1. Agri-food embargo put by the Russian Federation nationwide in the context of implementing the principle of the unity of the customs territory | 1. The emergence and use of illegal schemes for re-exporting restricted agricultural products and foodstuffs from the EAEU territory to the Russian Federation through intermediary firms. 2. Active legal exports of products originated from the EAEU nations and manufactured from agricultural raw materials embargoed in the Russian Federation, or import foodstuffs processed in the EAEU member states to a degree sufficient to regard the products as freely circulated and traded throughout the EAEU customs territory, including Russia | Negative consequences following from the disruption of the balanced development of agriculture in Russia due to the distortion effects of the creation and deflection of trade flows of exempted agri-food products that can enter the Russian domestic market through illegal logistic activities mediated by the EAEU partners. Formation of a more complex mechanism for monitoring national food security and a significant decline in the effectiveness of national import substitution projects in the field of agriculture and foodstuffs under the protection of customs tools and the imposed embargo |
### Customs imbalance in the Russian agri-food market

#### Custom imbalance mechanism in the Russian agri-food market

1. **The emergence and use of illegal schemes for re-exporting agricultural raw materials and foodstuffs to the Russian Federation itemized in the list of goods that, based on the terms agreed by the Republic of Kazakhstan when acceding to the WTO, are allowed at reduced rates of import customs duties in comparison with the rates of the EAEU common customs tariff.**

2. **Active legal exports to the Russian market of foodstuffs produced in the territory of the Republic of Kazakhstan (the Union’s goods) using the agricultural raw materials released for free circulation exclusively in the territory of Kazakhstan and qualified for preferential customs duty rates (reduced rates in comparison with those of the EAEU common customs tariff).**

3. **Expansion of the EAEU through accepting new countries involved in the WTO (the Republic of Armenia, the Republic of Kyrgyzstan).**

| Effect of customs imbalance on the resilience of the Russian agri-food market |
|---|
| Negative effects due to violation of fair competition between economic entities of the EAEU member countries, including violation of equal conditions of access to the emerging common agricultural market. |
| Free export to Russia of food products manufactured in Kazakhstan from foreign agricultural raw materials released for free circulation in the territory of this EAEU member state under preferential customs duty rates (reduced rates if compared with the EAEU common customs tariff) leads to a decrease in the competitiveness of Russian producers and the processing sector of the national agro-industrial complex and deprives them of the opportunity to utilize cheaper foreign raw materials released for free circulation in the territory of Russia on conditions similar to those of the Republic of Kazakhstan. |
| Negative effects due to violation of fair competition between economic entities of the EAEU member countries, including violation of equal conditions of access to the emerging common agricultural market. |
| De jure, the free movement to Russia of goods manufactured from foreign agricultural raw materials released for free circulation in the territory of the Republic of Kazakhstan resulted in the necessity for the countries to adapt |

### Table (continued)
Customs imbalance in the Russian agri-food market | Customs imbalance mechanism in the Russian agri-food market | Effect of customs imbalance on the resilience of the Russian agri-food market
--- | --- | ---
their economies to the enhancement of tariff shelter through coordination of the transition periods with Russia and the other EAEU members (until 2025 for some agricultural goods) on the use of preferential rates of customs duties on agricultural goods and foodstuffs (reduced rates in comparison with those of the EAEU common customs tariff).
The customs imbalance is similar to the case of Kazakhstan; however, if for Armenia and Kyrgyzstan the discrepancies in the level of tariff protection for agricultural raw materials and foodstuffs are of temporary (transitional) nature, for Kazakhstan exemptions from the Common Customs Tariff of the EAEU are enshrined permanently. Calculation in the territories of Armenia and Kyrgyzstan under preferential customs duties (reduced rates in comparison with those of the EAEU common customs tariff) may result in distorted effects of the creation and deflection of trade flows of agri-food goods due to violation of fair competition.

Source: [Kovalev, 2019; Kovalev, Semin, 2021].

The super-fast (by global standards) pace set by the linear Eurasian integration model has a direct effect on ensuring its effectiveness. Unfortunately, the implementation of Section XXV “Agro-industrial Complex” of the Treaty on the Eurasian Economic Union signed in Astana on May 29, 2014 and entered into force on January 1, 2015 is progressing very slowly. One of the reasons behind that is the lack of unity of the EAEU members’ interests in the realisation of trade policy in agricultural markets, which rests on customs tools. Customs imbalances scrutinised in the present research are a prime example of trade barriers to enhancing integration cooperation in the EAEU.
Digital traceability system as a tool for increasing the resilience of the agri-food market in Russia

The EAEU’s integration model is similar to that applied in the EU. “In general, the formation of a single EU agricultural market passed through a number of stages in the course of European integration: from practical approval of grain market regulation (with respect to production and trade) and creation of the common EU budget to organization of joint markets for agricultural products and formation of a comprehensive universal agricultural policy. At the early stages, the EU countries used intermediate tools for adapting to the single market (price, tax, quotas), since the regulations and the economic environment differed significantly in each state. However, the supranational priority of the EU agricultural market development came first, which ended up being an obvious benefit for agricultural producers and consumers. The EU found itself in the top positions of food security and formulated a successful export agricultural policy amid the healthy development of rural areas and social well-being for Europeans” [Shkurenko, 2015, p. 88].

Currently, it can be stated that the EAEU intends to spend only a few years on the processes that took decades to ensure positive integration in the EU. This is hardly feasible. One cannot but agree with academician of the RAS Ivan Ushachev, who emphasizes that “research and experience have shown how important it is to follow the step-by-step integration formats and achieve their functional and institutional maturation to be complete. The existing high pace of transition from one format to another does not allow creating institutional structures in a timely fashion, training personnel, and adapting the population and business to the rapidly changing economic environment” [Ushachev, 2014, p. 4].

Indeed, the EAEU is de jure an economic union, but de facto it is rather a customs union on its way to the stage of single market that is about to commence the gradual implementation of the concept of positive integration (similar to the model created in the EU) through the development and introduction of common agricultural policy within the integration association.

As already mentioned, customs imbalances emerging at the stage of customs union and the transition to the single EAEU agri-food market severely undermine the trust between the partnering countries and do not allow implementing more ambitious integration initiatives fully as it was with the EU model. In furtherance of this idea, the authors conclude that new methodological solutions are needed to promote the transparency of goods movement within the EAEU, including the control over the movement of foodstuffs that are under customs restrictions in the territory of the Russian Federation (the so-called “exempted goods”1).

1 Foreign-produced agri-food goods prohibited from being imported into the territory of Russia or restricted in free movement across its territory due to the current customs encumbrances.
Among these solutions aimed at increasing the transparency of exempted agri-food goods movement and improving the resilience of the Russian agri-food market in the context of ensuring the principle of the unity of the EAEU customs territory is a comprehensive digital system for tracing such goods.

It is proposed to form an effective economic and organisational-managerial mechanism to ensure the simultaneous operation of two contours of the system:
- external (supranational) traceability contour that allows carrying out a full and transparent exchange of data on exempted agri-food goods crossing the internal borders of the EAEU member countries;
- internal (national) traceability contour that ensures control over the movement of exempted agri-food goods in the internal market of the EAEU member states.

The digital traceability system should cover small businesses, including sole entrepreneurs, as well as medium-sized and large companies that conduct foreign trade transactions with food products that are banned from circulating or fall under customs restrictions.

The structure of the internal (national) traceability contour is given in Figure.

**Stage 1.** Forming an external audit-open ongoing national system for accounting exempted agri-food products during their movement as part of mutual trade between Russia and the rest of the EAEU members

**Stage 2.** External audit-open mechanism for accounting goods declarations when importing exempted agri-food products

**Stage 2.** External audit-open mechanism for forming and accounting electronic invoices when selling exempted agri-food products

**Stage 3.** External audit-open mechanism for confirming goods declarations and electronic invoices when selling exempted agri-food products in the market of the Russian Federation

**Stage 4.** Data exchange and accumulation of accounting-analytical information from national accounting systems in a common external audit-open Eurasian traceability system that ensures control over the turnover of exempted goods of the agro-industrial complex in the Russian agri-food market

Stages of creating the internal (national) contour of the digital traceability system for exempted agri-food products in Russia
The stages indicated in Figure should be ensured not by physical (labelling of goods), but documentary traceability, i.e. by transferring data on the movement of goods in supporting documents (customs declarations, consignment notes, commercial invoices).

The introduction of the digital traceability system transparent for all the EAEU nations and adaptable for all parties of agricultural relations (the state, business and customers) would significantly strengthen the resilience of the Russian agri-food market, as well as the entire Eurasian agri-food system by providing an effective mechanism for regulating the common agricultural market. Without this control tool, it is extremely difficult to institute unified or coordinated agrarian policy in the EAEU (similar to the EU integration model), since the customs imbalances analysed in the paper will constantly restrain more significant integration initiatives from progressing.

**Conclusion**

The resilience of the Russian agri-food market largely depends on the economic, legal, organisational and managerial processes taking place in the integration model of the Eurasian Economic Union. The analysis of the specifics of its implementation indicates that there are serious customs imbalances. While their origin is different, their consequences for the Russian agri-food market are relatively similar. Significantly destroying the basic principles of regional economic integration, these imbalances prevent the proper functioning of the agri-food market in the format of a customs union and a single customs territory of the EAEU. Violation of the foundations of fair competition between economic entities, including equal conditions of access to the emerging common agricultural market of the EAEU, brings about distortion effects in the creation and deflection of trade flows of agri-food products.

Current situation requires new methodological solutions to improve the transparency of goods movement within the EAEU, including control over the flows of food products that are under customs prohibitions and restrictions in the territory of Russia. One of such solutions, which could increase the transparency of the circulation of exempted agri-food goods and build the resilience of the Russian agri-food market in the context of ensuring the principle of the unity of the customs territory of the EAEU, should be a comprehensive digital traceability system with two contours: supranational and national.

**References**

Butorina O. V., Zakharov A. V. (2015). O nauchnoy osnove Evraziyskogo ekonomicheskogo soyuza [Scientific basis of the Eurasian Economic Union]. Evraziyskaya ekonomicheskaya integratsiya = Journal of Eurasian Economic Integration, no. 2 (27), pp. 52–68. (in Russ.)

Glazyev S. Yu. (2020). O strategicheskikh napravleniyakh razvitiya EAES [On the strategic directions of the EEU development]. Evraziyskaya integratsiya: ekonomika, pravo, politika = Eurasian Integration: Economics, Law, Politics, no. 1, pp. 11–30. https://doi.org/10.22394/2073-2929-2020-1-11-30. (in Russ.)
Knobel A. Yu. (2015). Evraziyskiy ekonomicheskii soyuz: perspektivy razvitiya i vozmozhnye prepyatstviya [Eurasian Economic Union: Prospects and challenges for development]. Voprosy ekonomiki = The Issues of Economics, no. 3, pp. 87–108. DOI: 10.32609/0042-8736-2015-3-87-108. (in Russ.)

Kovalev V. E. (2019). Agroprodovolstvennyy sektor ekonomiki Rossii v usloviyakh funktsionirovaniiya Evraziyskogo soyuza [Agri-food sector of the Russian economy in the conditions of the functioning of the Eurasian Union]. APK: ekonomika i upravlenie = Agro-Industrial Complex: Economics and Management, no. 5, pp. 80–91. DOI: 10.33305/195-80. (in Russ.)

Kovalev V. E., Semin A. N. (2019). Agroprodovolstvennyy rynok Rossii: poisk balansa mezhdyu Evraziyskim ekonomicheskim soyuzom i Vsemirnoy torgovoy organizatsiy [Agro-food market of Russia: Finding a balance between the Eurasian Economic Union and the World Trade Organization]. Ekonomika sel’skogo khozyaystva Rossii = Economics of Russia’s Agriculture, no. 11, pp. 2–11. DOI: 10.32651/1911-2. (in Russ.)

Kovalev V. E., Semin A. N. (2021). Rossiya v sisteme integratsii agroprodovolstvennykh rynkov Evraziyskogo ekonomicheskogo soyuza [Russia in the system of integration of agri-food markets of the Eurasian Economic Union]. Ekaterinburg: Ural State University of Economics. 309 p. (in Russ.)

Kondratyeva N. B. (2020). Evropeyskaya model’ integratsii rynkov. Stanovlenie i perspektivy [European model of market integration. Evolution and prospects]. Moscow: Russian Academy of Sciences. 384 p. (in Russ.)

Korezin A. S., Murashov S. B. (2021). Rezil’entnost’ sotsial’nykh sistem: sushchnost’ kontsepta i ego primenimost’ na raznykh urovnyakh sotsiuma [Resilience of social systems: The essence of the concept and its applicability at different levels of society]. Teleskop: zhurnal sotsiologicheskikh i marketingovykh issledovaniy = Telescope: Journal of Sociological and Marketing Research, no. 1, pp. 17–22. DOI: 10.51692/1994-3776_2021_1_17. (in Russ.)

Semin A. N., Kovalev V. E. (2019). Teoretiko-metodologicheskie osnovy integratsionnogo vozdeystviya vneshey sredy na agroprodovolstvennyy sektor ekonomiki Rossii [Theoretical and methodological foundations of the integration impact of the external environment on the agri-food sector of the Russian economy]. Ekonomika selskokhozyaystvennykh i pererabatyvayushchikh predpriyatii = Economy of Agricultural and Processing Enterprises, no. 9, pp. 2–6. DOI: 10.31442/0235-2494-2019-0-9-2-6. (in Russ.)

Treshchenkov E. Yu. (2014). Evropeyskaya i evraziyskaya modeli integratsii: predely soizmerimosti [European and Eurasian integration models: The limits to their comparability]. Mirovaya ekonomika i mezhdunarodnye otnosheniya = World Economy and International Relations, no. 5, pp. 31–41. DOI: 10.20542/0131-2227-2014-5-31-41. (in Russ.)

Ushachev I. G. (2014). Perspektivny razvitiya APK Rossii v usloviyakh global’noy i regional’noy integratsii [Prospects for the development of the Russian agro-industrial complex in the context of global and regional integration]. APK: ekonomika i upravlenie = Agro-Industrial Complex: Economics and Management, no. 1, pp. 3–15. (in Russ.)

Ushkalova D. I. (2017). Integratsionnye modeli Evraziyskogo ekonomicheskogo soyuza i zony svobodnoy torgovli SNG v kontekste mirovogo opyta [Integration models of the Eurasian Economic Union and the free trade zone of the cis in the context of international experience]. Vestnik Instituta ekonomiki Rossiyanskoy akademii nauk = Bulletin of the Institute of Economics of RAS, no. 6, pp. 100–111. (in Russ.)
Shkurenko A. V. (2015). Formirovanie obshchego agrarnogo rynka v ES: uroki dlja Evraziyskovogo ekonomicheskogo soyuza [Formation of the common agrarian market in the EU: Lessons for the Eurasian Economic Union]. Evraziyskaya ekonomicheskaya integratsiya = Journal of Eurasian Economic Integration, no. 4 (29), pp. 73–94. (in Russ.)

Adger W. N. (2000). Social and ecological resilience: Are they related? Progress in Human Geography, vol. 24, issue 3, pp. 347–364. DOI:10.1191/030913200701540465.

Balassa B. (1961). The theory of economic integration. Routledge Revivals. 1st ed. London: Routledge. 318 p. DOI: 10.4324/9780203805183.

Calder K. E. (2019). Super continent: The logic of Eurasian integration. Stanford: Stanford University Press. 344 p.

Glauber J. (2019). Negotiating agricultural trade in a new policy environment. (IFPRI Discussion Paper no. 1831). Washington, DC: International Food Policy Research Institute (IFPRI). DOI: 10.13140/RG.2.2.34396.44166.

Darnhofer I. (2014). Resilience and why it matters for farm management. European Review of Agricultural Economics, vol. 41, issue 3, pp. 461–484. DOI: 10.1093/erae/jbu012.

Donkers H. (2013). Governance for local and regional food systems. Journal of Rural and Community Development, vol. 8, no. 1, pp. 178–208.

Flach F. (1988). Resilience – discovering a new strength in times of stress. 1st ed. New York: Fawcett Books. 270 p.

Farsund A., Daugbjerg C., Langhelle O. (2015). Food security and trade: Reconciling discourses in the Food and Agriculture Organization and the World Trade Organization. Food Security, vol. 7, issue 2, pp. 383–391. DOI: 10.1007/s12571-015-0428-y.

Friedland W. H. (2004). Agrifood globalization and commodity systems. International Journal of Sociology of Agriculture and Food, vol. 12, pp. 5–16. DOI: 10.48416/ijsaf.v12i.319.

Hartwell C. (2013). A Eurasian (or a Soviet) Union? Consequences of further economic integration in the Commonwealth of Independent States. Business Horizons, vol. 56 (4), pp. 411–420. DOI: 10.1016/j.bushor.2013.03.003.

Holling C. S. (1973). Resilience and stability of ecological systems. Annual Review of Ecology and Systematics, vol. 4, pp. 1–23.

Kansikas S. (2015). The Eurasian Economic Union, Russia’s integration policy and the EU Challenge. Journal on Baltic Security, vol. 1, issue 1, pp. 108–116. DOI: 10.1515/jobs-2016-0002.

Libman A. (2019). Learning from the European Union? Eurasian regionalism and the “Global Script”. Outlines of Global Transformations: Politics, Economics, Law, vol. 12, issue 2, pp. 247–268. DOI: 10.23932/2542-0240-2019-12-2-247-268.

Machlup F. (1977). A history of thought on economic integration. London: Palgrave Macmillan UK. 323 p. DOI: 10.1007/978-1-349-03171-9.

Meuwissen M. P. M., Feinrdt P. H., Spiegel A., Termeer C. J. A. M., Mathijs E., Mey Y., de, … Reidsma P. (2019). A framework to assess the resilience of farming systems. Agricultural Systems, vol. 176, 102656. DOI:10.1016/j.agsy.2019.102656.

Moldashev K., Hassan M. A. G. (2017) The Eurasian union: Actor in the making? Journal of International Relations and Development, vol. 20, pp. 215–237. DOI: 10.1057/jird.2015.6.

Morkūnas M., Volkov A., Pazienza P. (2018). How resistant is the agricultural sector? Economic resilience exploited. Economics and Sociology, vol. 11, issue 3, pp. 321–332. DOI:10.14254/2071-789X.2018/11-3/19.
Murphy S. (2015). Food security and international trade: Risk, trust and rules. *Canadian Food Studies / La Revue canadienne des études sur l’alimentation*, vol. 2 no. 2, pp. 88–96. DOI: 10.15353/cfs-rcea.v2i2.133.

Paci-Green R., Berardi G. (2015). Do global food systems have an Achilles heel? The potential for regional food systems to support resilience in regional disasters. *Journal of Environmental Studies and Sciences*, vol. 5, issue 4, pp. 685–698. DOI: 10.1007/s13412-015-0342-9.

Pinder J. (1969). Problems of European integration. In: G. Denton (ed.) *Economic Integration in Europe*. London: Weidenfeld and Nicolson, pp.143–170.

Qaim M. (2017). Globalisation of agrifood systems and sustainable nutrition. *Proceedings of the Nutrition Society*, vol. 76, issue 1, pp. 12–21. DOI: 10.1017/S0029665116000598.

Reardon T., Barrett C.B. (2000). Agroindustrialization, globalization, and international development: An overview of issues, patterns, and determinants. *Agricultural Economics*, vol. 23. pp. 195–205. DOI: 10.1111/j.1574-0862.2000.tb00272.x.

Robinson G. M. (2018). Globalization of agriculture. *Annual Review of Resource Economics*, vol. 10, issue 1, pp. 133–160. DOI: 10.1146/annurev-resource-100517-023303.

Ruhf K. (2015). Regionalism: A New England recipe for a resilient food system. *Journal of Environmental Studies and Sciences*, vol. 5, issue 4, pp. 650–660. DOI: 10.1007/s13412-015-0324-y.

Rutter M. (1985). Resilience in the face of adversity: Protective factors and resistance to psychiatric disorder. *British Journal of Psychiatry*, vol. 147, issue 6, pp. 598–611. DOI: 10.1192/bjp.147.6.598.

Scharpf F. (1998). Negative and positive integration in the political economy of European welfare states. In: Rhodes M., Mény Y. (eds.) *The future of European welfare*. London: Palgrave Macmillan. DOI: 10.1007/978-1-349-26543-5_8.

Sensier M., Bristow G., Healy A. (2016). Measuring regional economic resilience across Europe: Operationalizing a complex concept. *Spatial Economic Analysis*, vol. 11, issue 2, pp. 128–151. DOI: 10.1080/17421772.2016.1129435.

Tarr D. (2016). The Eurasian Economic Union of Russia, Belarus, Kazakhstan, Armenia, and the Kyrgyz Republic: Can it succeed where its predecessor failed? *Eastern European Economics*, vol. 54, issue 1, pp. 1–22. DOI: 10.1080/00128775.2015.1105672.

Tendall D. M., Joerin J., Kopainsky B., Edwards P. J., Shreck A., Le Q. B., ... Six J. (2015). Food system resilience: Defining the concept. *Global Food Security*, vol. 6, pp. 17–23. DOI: 10.1016/j.gfs.2015.08.001.

Tinbergen J. (1965). *International economic integration*. 2nd ed. Amsterdam: Elsevier. 142 p.

Tobin G. A. (1999). Sustainability and community resilience: The holy grail of hazards planning? *Global Environmental Change Part B: Environmental Hazards*, vol. 1, no. 1, pp. 13–25. DOI: 10.3763/ehaz.1999.0103.

Timmerman P. (1981). *Vulnerability, resilience and the collapse of society: A review of models and possible climatic applications (Environmental Monograph no. 1)*. Toronto: Institute for Environmental Studies, University of Toronto. 46 p.

Viner J. (1950). *The customs union issue*. New York: Carnegie Endowment for International Peace. 221 p.

Vinokurov E. (2017). Eurasian Economic Union: Current state and preliminary results. *Russian Journal of Economics*, vol. 3, issue 1, pp. 54–70. DOI: 10.1016/j.ruej.2017.02.004.

Vroegindewey R., Hodbod J. (2018). Resilience of agricultural value chains in developing country contexts: A framework and assessment approach. *Sustainability*, vol. 10, no. 4, 916. https://doi.org/10.3390/su10040916.
Information about the authors

Victor Ye. Kovalev, Dr. Sc. (Econ.), Associate Prof., Prof. of Global Economy and Foreign Economic Activities Dept., Vice-Rector for Research, Ural State University of Economics, 62/45 8 Marta/Narodnoy Voli St., Ekaterinburg, 620144, Russia
Phone: +7 (343) 283-10-48, e-mail: kovalev@usue.ru

Aleksandr N. Semin, academician of RAS, Dr. Sc. (Econ.), Prof., Prof. of Global Economy and Foreign Economic Activities Dept., Ural State University of Economics, 62/45 8 Marta/ Narodnoy Voli St., Ekaterinburg, 620144, Russia
Phone: +7 (343) 283-11-36, e-mail: aleks_ural_55@mail.ru

© Kovalev V. E., Semin A. N., 2021