

Recommendations on the Application of the World's Best State Support Practices in Russian Organic Agriculture

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Abstract: - Climate change and the growing human impact on the environment, leading to environmental problems, are a threat to all countries of the world. In this regard, it is necessary to develop effective solutions in the field of organizing production processes, introducing resource-saving technologies, and expanding production volumes using advanced scientific achievements in the fields of ecology, chemistry, breeding, digitalization, etc. Organic agriculture is recognized on the world stage as the most important factor in solving environmental problems. The authors of this article substantiate the need for state support to increase the efficiency of organic production in the development of a green economy. Based on the analysis of the successful experience of regulating the organic products market in leading countries, which are characterized by high growth rates, it is concluded that the formation of a state support mechanism will contribute to the development of organic agribusiness, will allow producing higher quality products with less negative impact on the environment and increase the efficiency of organic production. This article has practical value, and provides an idea of the current level and prospects of state regulation of organic agriculture.

Key-Words: - organic agriculture, organic products market, international standards, state regulation, state support, financial and credit mechanism.

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1 Introduction

Many authors associate the general direction of development of the agricultural sector of the world with the need for resource conservation, biodiversity conservation, and food security while simultaneously solving the problem of healthy nutrition of the population and assign a leading role in achieving these goals to the production of organic products, [1], [2], [3], [4], [5].

Organic agriculture is one of the most obvious solutions for the implementation of the tasks set out in the United Nations appeal uniting all countries of the world, announced in the document "Decade UN on Ecosystem Restoration (2021-2030)", [6], to preserve existing biosystems and restore ecosystems around the world to achieve global sustainable development goals.

At the same time, the development of organic farming and animal husbandry is not possible without developed tools of state support, the application of which will be discussed in this study.

Currently, there is an increase in the popularity of environmentally friendly and healthy food products in the world, stimulating the development of the organic products market. In Russia, the growth rate of organic consumption is also increasing and in 2020-2021 amounted to 16%, and

in 2021 – 12%, but sales mainly grew due to imported products; domestic production is underdeveloped and does not meet the growing demand for organic products (Figure 1), [7], [8].

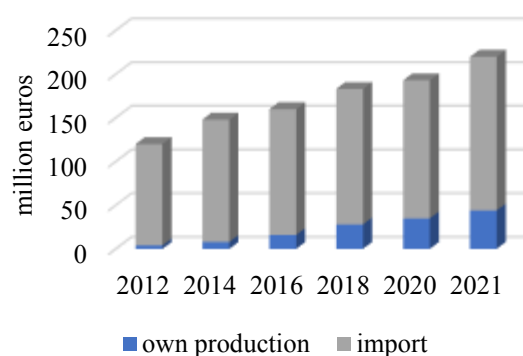


Fig. 1: The market of organic products in Russia in 2012-2021, million euros

Source: Compiled by the authors according to the data, [7], [8].

Organic products are becoming increasingly important in developed countries, as consumers realize the benefits of organic products, and the population of these countries has a higher income level and tends to buy environmentally friendly, albeit more expensive organic food. However the

development of efficient organic production is impossible without the formation of an effective system of state support.

In Russia, the main measures of state support for agricultural producers, which are also applied to producers of organic products, include:

- Concessional lending with a reduced interest rate.
- Preferential leasing, which provides opportunities for the purchase and renovation of agricultural machinery and equipment.
- Compensatory and incentive subsidies are provided to support crop and livestock production, as well as agricultural insurance. They are provided to stimulate the development of priority sub-sectors of the agro-industrial complex and the development of small business forms.
- Compensation of part of the direct costs incurred aimed at the creation and (or) modernization of agricultural facilities.
- Compensation of part of the costs of certification of agricultural products for export within the framework of the federal project "Export of agricultural products".
- Free certification of organic products for small and medium-sized businesses.

The listed measures of state support for organic producers are insufficient for the development of this sector in the green economy of Russia. It is necessary to adopt a separate federal program to support the production of organic products, which includes various elements of a financial and credit mechanism for organic producers.

To stimulate the growth of organic agriculture, it is necessary to study the best international practices in implementing programs to support this sector. The international practice of forming the organic products market consists of the following links:

Product certification system: The certification process ensures compliance with strict standards for organic products.

- Organic products must be labeled and have a specific logo so that consumers can easily distinguish them from ordinary products.
- Government support: Countries with a developed organic market have a wide range of financial and credit support for farmers and producers in the transition to organic agriculture. This financial and credit mechanism includes the provision of subsidies, tax incentives, reimbursement of certification costs, and other development programs.
- The developed international experience in organic farming is distinguished by the availability of training programs and

consultations (training, conferences) for farmers and producers of organic products, which help producers improve their skills and knowledge in the field of organic agriculture.

- Stimulating demand for organic products, searching for sales markets. In many countries, fairs, exhibitions, and other events are held for organic producers to find new customers and expand market share.
- Many countries cooperate and exchange experience, and share advanced knowledge and technologies in the field of organic agriculture. As a result, uniform international standards and norms for the organic products market are being formed.

2 Problem Formulation

The study confirms the absence of a unified management model for state support of organic agriculture, as well as specific financial and credit instruments to support organic producers in Russian practice.

In many countries, including the Russian Federation, the institutional environment of the green economy is not developed, which limits the development of the organic products market with increasing demand. This is especially true for developing countries, which for the most part have sufficient resource potential for organic crop and livestock production, but have a deterrent factor – an insufficiently developed mechanism of state regulation.

The purpose of the study is to identify the key instruments of state support for organic producers in the world's leading countries for possible further application in the Russian Federation.

Achieving the aim of scientific research involves solving the following tasks:

- Analysis of the practice of state regulation of the leading countries in the production of organic products;
- Identification of the potential of using the described tools of state support in Russian practice.

3 Materials and Methods

This paper analyzes the world's leading practices of state regulation of the organic products market. The authors studied the fundamentals of state policy and the legislative framework that regulates the production of organic products in different countries of the world, Russian and foreign literature, and Internet sources. As a result, based on the generalization of the information received,

the authors identified areas for improving the mechanism of state support for organic production in Russia in the context of the development of the green economy.

4 Problem Solution

In 2021, the global organic market approached 125 billion euros (170 billion dollars), an increase of 4 billion euros (3%) compared to the value for 2020. 76.4 million hectares are occupied by organic agriculture in the world, which is almost 7 times more than in 1999. The largest global organic markets are the USA (48.6 billion euros), Germany (15.9 billion euros), and France (12.7 billion euros), followed by China (11.3 billion euros); and Canada closes the top five (5.3 billion euros). The number of certified manufacturers in the world in 2021 approached 4 million, an increase of 4.9%, [9].

Many countries are pursuing policies to support organic agriculture and stimulate its development, including through developed state support mechanisms.

The USA is the world leader in terms of the volume of the organic products market. At the same time, experts predict a low growth rate for the American organic market: it ranks 31st in the world in terms of growth rates. But thanks to steady demand from health-conscious consumers and the emergence of a wide range of premium offerings, the U.S. organic market is expected to remain strong, with an average annual growth rate of 3.9% in the forecast period 2021-2026, [10].

The USA offers a wide range of organic products, including vegetables, fruits, meat, dairy products, cereals, beverages, and more. Organic products are available not only in specialty organic stores but also in large supermarkets and grocery chains. In the United States, the government actively supports organic agriculture and promotes the use of organic methods in food production. The current USDA Organic Certification Program ensures quality standards and helps consumers and manufacturers identify truly organic products.

The National Organic Program (NOP), developed and implemented by the United States Department of Agriculture (USDA), provides a program to subsidize the cost of organic certification National Organic Certification Cost Share Program – NOCCSP. In 2023, organic producers will reimburse up to 75% of their certification costs during the year, but no more than \$750 per product type. The same amount of compensation was available until 2020. In 2020, the amount of compensation was reduced to 50% of the costs incurred, or up to \$500. This was due to the growing number of farmers in need of support.

According to the National Institute of Nutrition and Agriculture, the number of organic farms in the United States is increasing year by year. In 2019, the number of organic farms exceeded 18,000.

In addition, the US has an Agricultural Marketing Service (AMS) program, which provides financial support for organic producers, suppliers, distributors, and retailers to develop the supply chain. Under the Farm Services Agency (FSA) program, organic farms can receive funds to purchase land, equipment, and other necessary resources. The Risk Management Agency (RMA) has also developed specialized crop insurance programs for organic crops against adverse weather conditions, diseases, and pests. Through a network of partner private insurance companies, RMA oversees the creation of new products, strives to improve existing products, ensures the integrity of crop insurance programs, and provides training and information on risk management. Examples of specialized insurance programs for organic producers: are yield insurance, income insurance, and profit insurance in animal husbandry, [11]. Funding is provided for organic agriculture research, including scientific work on improving sustainability, developing new technologies, and ensuring food safety, within the framework of the National Institute of Food and Agriculture (NIFA) program.

In the USA, great attention is paid to the environmental aspect of production, since organic agriculture contributes to the preservation of soil fertility, reducing emissions of harmful substances into the air and reservoirs.

In addition, the following support programs for organic producers operate in the United States:

- The Environmental Loan Program provides loans to cover the costs of qualified environmental projects. Loans can be used to switch to an organic production system.
- Low-interest microloans are direct loans for farm operations with a shortened application process and fewer documents, designed to meet the needs of small, non-traditional, and niche production processes.

The Natural Resources Conservation Service (NRCS) offers organic producers an Organic Initiative support program. This Environmental Quality Promotion Program (EQIP OI) helps relevant participants establish or implement soil conservation practices on relevant agricultural lands and can support the environmental practices of the U.S. Department of Agriculture. The program participants receive financial and technical assistance for the implementation of environmental protection measures. Payments to participants are made after environmental protection measures are

implemented. The relevant producers include those who are certified as producers of organic products.

The U.S. Department of Agriculture provides information support to organic producers through a digital platform that hosts up-to-date market information on a wide range of organic products, their prices, and quality.

The existing experience of measures to support farmers in the production of organic products in the EU is based on the consideration of the Common Agricultural Policy (CAP). The main types of support for organic producers are based on the calculation of lost income, additional costs, and transaction costs, including certification costs. During the transition from the traditional method of production to organic during the conversion period, support increases in almost all EU countries, and then decreases after obtaining an organic certificate. Support amounts: 600 euros per hectare for annual crops (per year); 900 euros per hectare for perennial special crops (per year); 450 euros per hectare for other land use (per year); 200 euros per unit of cattle (per year), [12], [13]. Farmers in the EU can offset up to 20% of certification costs, and farmers' cooperatives up to 30%. The EU has set a goal to increase the area of organic land to 25% by 2030.

The most developed market for organic products in Europe is considered to be the Danish market, where organic products account for a significant share of the food market, and there is an increase in consumption. In Denmark, many farmers are striving to switch to organic production, and the organic farming sector itself is actively developing. Another example is Germany. The German market is also characterized by high demand for organic products, and the organic sector is showing steady growth. Germany, with a turnover of 15.87 billion euros, will remain the largest organic food market in Europe in 2021, [14]. There is a wide network of shops specializing in organic products in the country, and fairs and festivals dedicated to organic products are regularly held. In Germany, organic farmers receive direct financial support through grants and subsidies to cover business development costs.

In their coalition agreement, Germany's ruling parties agreed on the goal of increasing the share of organically cultivated land to 30% by 2030.

The goal is to increase productivity, reduce logistics and distribution costs, and meet consumer expectations regarding the special quality, origin, and price of organic products, [14].

The most important funding tool for achieving these goals is the Federal Organic Farming Program (BÖL).

As part of the annual Federal Organic Farming Competition, BMEL awards organic farms that have achieved special success using unusual, innovative, or groundbreaking ideas.

In many European countries, it is possible to receive financial assistance for training and consultations on organic agriculture. For example, in the Netherlands, there is a program to provide similar grants to organic farmers. In France, there are preferential specialized insurance products for crop insurance under the "Organic Crop Insurance Scheme" program, which provides insurance coverage to organic farmers in case of crop loss or damage from weather conditions. Italy has developed a program that provides support and financing to organic farmers at the certification and labeling stage.

In Sweden, there is a practice of supplying organic products to public institutions (schools, preschools and medical institutions). With such a direct supply mechanism, the costs of marketing, labeling, resellers, and logistics are reduced, and as a result, organic products become more competitive in price. Similar mechanisms are also present in Armenia and Moldova.

At the end of 2021, the EU Parliament approved the reform of the Common Agricultural Policy, which includes the possibility for farmers to receive additional financial support from 2023 through the introduction of "ECO-schemes", examples of which are precision farming, agroforestry, and organic farming.

Many factors contribute to the popularity of organic food in European countries, including cultural, economic, and governmental measures. In all cases, the governments of the countries actively support organic farming and establish strict rules and standards for this industry. In addition, European states have a high level of awareness and awareness of the population regarding environmentally friendly and healthy food products, which contributes to a stable demand for them. It should also be noted the relatively high standard of living and income of the population of these countries, ensures effective demand for more expensive products of the organic market. This allows the organic sector of Europe to develop and flourish.

The development of the organic market is facilitated by the activities of the largest foreign professional associations, it should be noted that the volume of activity of the Russian organic union is still significantly lagging behind its international counterparts.

In recent years, there has been significant growth in the organic market in Asian countries, which is facilitated by the growing interest in a

healthy lifestyle and natural products from consumers. More and more Asian countries are starting to develop their own standards and certification systems. For example, Japan, Korea, and Thailand have strict standards for the evaluation and certification of organics, which helps to confirm the quality of products and ensures consumer confidence.

The increased interest in sustainable development and environmental responsibility also contributes to the development of the organic market in Asia. Consumers take care of their health and the environment and consciously choose favor of environmentally friendly food products that do not contain pesticides and genetically modified elements. Government agencies and businesses in Asia are also actively supporting the development of the organic sector.

Training programs for farmers on organic farming methods are being implemented, and subsidies and other forms of financial support are provided. However, it should still be noted that the market for organic products in Asian countries is still relatively small compared to Western countries. More time and effort are needed to establish a culture of organic consumption in Asia.

The organic market in China is an example of a fast-growing market. At the same time, there is significant government support in the country for the development of the agricultural sector (Figure 2).

According to the Total Support Estimate (TSE), the final indicator for monitoring and evaluating agricultural support policies, reflecting the volume of total support for producers, consumers, and general services, China is significantly ahead of the United States during the entire analyzed period from 2013 to 2022. As in the PSE indicator, defined as producer support minus direct subsidies. The TSE amount includes transfers received from taxpayers and consumers as a result of the ongoing policy of supporting agriculture. TSE in absolute terms in the USA and China trended upward from

2018 to 2021, driven by rising spending to support general agricultural services and consumer support. In Russia, there is a low level and high variability over the years of total support for agriculture, which is explained by the shortcomings of the current policy to support the agricultural sector; in addition, changes in the exchange rate of the national currency and the dynamics of price conditions on the world market of agricultural products also influence. The dynamics of PSE coincide with the indicator of general support for agriculture, i.e. In the USA and China, positive trends have been observed since 2018, and direct forms of regulation have increased. In Russia, there is a tendency towards a decrease in the level of PSE, which indicates a reorientation towards indirect market regulation.

The active support of the government and the use of various financial and credit support tools contribute to the rapid growth of the organic market in China. During the COVID-19 pandemic, agribusiness in China changed its focus, focusing more on biosafety and improving the health of the nation. Aware of the importance of these aspects, the country has taken several measures to develop the organic market. In 2019, the Chinese Ministry of Agriculture allocated over 434 million yuan (approximately 61 million US dollars) to support and develop organic agriculture.

By 2021, the size of the Chinese organic market was relatively small compared to the United States and major European countries. The total turnover amounted to 4.8 billion US dollars. However, China has demonstrated high growth rates, exceeding the global average of 13.3%. It is predicted that in the coming years, the annual growth rate of organic sales in China will be at least 5.3%. By 2025, it is expected that the turnover of the organic trade market in China will reach at least 6.3 billion US dollars. China is the leader in the Asian organic retail market. In 2021, China accounts for 82% of the Asian retail market (Figure 3).

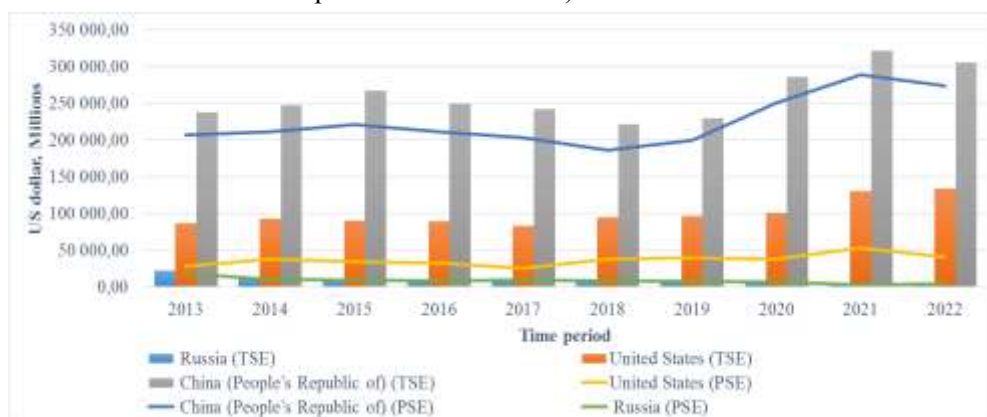


Fig. 2: Total Support Estimate (TSE) and Producer Support Estimate (PSE), US dollar, Millions
Source: Compiled by the authors according to OECD data, [15]

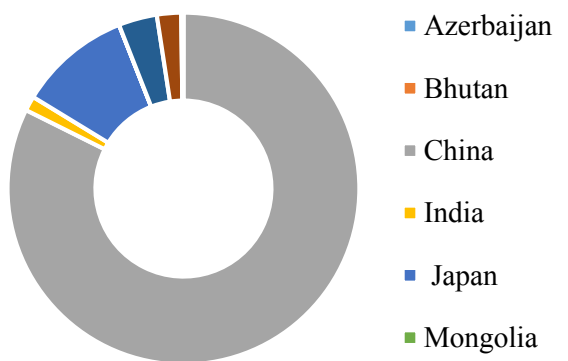


Fig. 3: Assia: Organic retail sales in 2021, million €
Source: Compiled by the authors according to FiBL data, [9]

However, the cost of purchasing organic food products per capita is only \$3.40, i.e. there are significant opportunities for growth, [16], [17]. In general, retail sales of organic products per capita for the Asian market are quite high, according to this indicator, China is ahead only of Japan, the Republic of Korea, and Saudi Arabia (Figure 4).

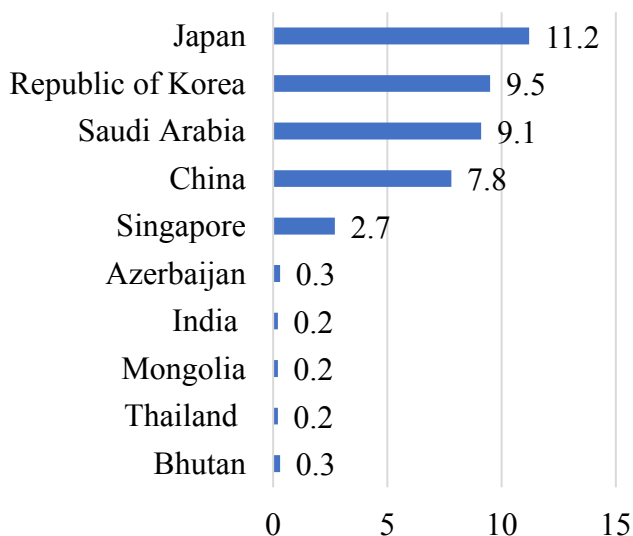


Fig. 4: Assia: Organic retail sales in 2021 Per capita, €/person
Source: Compiled by the authors according to FiBL data, [9]

The area of land occupied in China for organic agriculture has reached 319 thousand hectares, which is the highest in the world, taking into account an increase of 13%, [9]. The PRC is actively implementing measures to stimulate the export of organic products to the international market. The Government actively concludes agreements with other countries on mutual trade in organic products and promotes the participation of

Chinese companies in international specialized exhibitions and fairs of organic producers.

One of the main initiatives taken by the state is the certification of organic products. There are several certification systems in China, such as "China Organic Product" (COP), "China Green Food" (CGF), and "Organic Food Development Center" (OFDC), which set standards for organic products and monitor their compliance, [18]. Certification systems operate based on the following regulations:

- The "Regulations of the People's Republic of China on Certification and Accreditation" (Resolution No. 390 of the State Council of the People's Republic of China) was developed to regulate certification and accreditation activities, improve the quality of products and services and the level of management, as well as promote the development of the economy and society;

- "Measures for the management of certification of organic products" (AQSIQ Resolution No. 155) is a regulatory act regulating the certification of organic products, as well as activities for the production, processing, and sale of organic products in the People's Republic of China;

- The "Rules for certification of organic products" establish the procedure for conducting certification procedures and the basic requirements for certification bodies of organic products;

- The "National Standard for Organic Products" (GB/T 19630 - 2011) represents the technical requirements that must be met in the production, processing, labeling, sale, and management of organic products.

The development of organic agricultural production is one of the priorities of China's national anti-poverty programs, while the Government actively provides political, financial, and technical support for the establishment of organic agriculture bases, primarily in disadvantaged areas.

The system of subsidizing the costs of certification of organic products has its characteristics in different regions of China. For example, the Chinese certification center for organic products "China Green Huaxia", subordinate to the Ministry of Agriculture, in its policy provides for a reduction or complete exemption from certification fees for relevant certified producers located in poor areas. For example, in the Tibet Autonomous Region, they are completely exempt from certification fees; In Qinghai Province, a third of the annual inspection fees are abolished, and the amount of the annual management fee is limited; in Lushan County, which was affected by the earthquake, certification and management fees have been reduced by half,

[19].

The "Rules for Certification of Organic Products" in force in China require certification agencies to provide information to the National Certification and Accreditation Authority through the "Chinese Information System for Certification of Food and Agricultural Products". In turn, the National Certification and Accreditation Authority issues uniform certificate numbers. Thus, information about the issued certificates of all certified manufacturers is disclosed in a single system with free access, i.e. the information is open and publicly available.

In China, organic producers can receive tax benefits. For example, in some provinces, farmers engaged in organic agriculture are granted land tax exemption. In addition, enterprises producing and selling agricultural products of their production are exempt from VAT. In 2020, the Chinese Government continued to reduce the VAT rate: the tax rate on agricultural products was reduced from 13% to 9%, and the tax rate on agricultural products of deep processing decreased from 17% to 13%. In addition, taxpayers engaged in the production, sale, and trade of organic fertilizers, complex organic-inorganic fertilizers, and bioorganic fertilizers are also exempt from VAT, [20].

There is a policy of VAT refund in a certain amount about the products of complex utilization of straw from crops and logging waste. Organic producers can also take advantage of other universal benefits. For example, they can deduct expenses for high-tech equipment and machinery purchased by an enterprise in the amount of up to 5 million yuan from the tax base when paying a one-time income tax in the current year. Income tax benefits for small and microenterprises have also been expanded. The maximum amount of annual taxable income for small and microenterprises enjoying a preferential income tax reduction policy has been doubled to 1 million yuan.

A restriction was lifted that prohibited the application of additional deductions for research and development (R&D) expenses commissioned by enterprises outside China, [19].

In the credit sector, emphasis was placed on increasing the repayment periods of loans and increasing the availability of financial resources for organic producers. The annual interest rate on loans issued is limited to 5%, and a special preferential interest rate of 3.7% is provided for "green" loans. China supports agricultural producers by subsidizing the interest rate on loans for newly established enterprises in this industry. If the loan amount is less than 10 million yuan, the government subsidizes 50% of the market interest

rate (LPR). For loans in the range of 10 to 50 million yuan, the subsidy is 25% of the market interest rate, and for loans over 50 million yuan – 15%, [21].

In China, manufacturers receive assistance in the form of subsidies and benefits. In 2022, the country launched a program for the development of aquaculture and plant breeding, under which 121 companies, including Zhangzidao Group, Shandong Homey Aquatic Development, and Fujian Tianma Science and Technology Group, received government support for the development of these industries. The Department of Agriculture of Guangxi Province announced the payment of subsidies to cattle producers and sheep farmers in 2022. In total, six support measures were announced in this industry, [22].

When building or expanding organic farms specializing in meat and milk production, producers have the opportunity to receive compensation of up to 30% of costs in the form of a single payment, which is limited to 10 million yuan. Farms that have bred or purchased more than 50 breeding buffaloes for breeding or milk production will receive up to 2,000 yuan per head from the state. Financial support is also available in the form of a one-time payment of up to 1,500 yuan for farms with 5-500 crossbred cows or buffaloes that use artificial insemination and cow-calf technology. For farms that independently grow feed (including corn, sorghum, and green fodder) in the amount of more than 2,000 tons and are not subject to other support programs, a one-time payment of 60 yuan per ton is provided, [21], [23].

The experience of state support for organic agriculture in the EAEU member states is also interesting. The Law "On Organic Agriculture" is in force in the Republic of Armenia. Article 11 of the Law "State support in the field of organic agriculture" provides for Support for innovation and the introduction of modern technologies. Promoting the export of organic agricultural products by organizing business forums, exhibitions, and fairs and expanding interstate economic cooperation. Improving the infrastructure of agricultural production. Training and retraining of personnel. Financing of targeted programs and other measures.

In 2019, a joint project of the European Union and the Austrian Development Agency "EU Green Agriculture Initiative" was launched in Armenia. The project provides technical assistance to ensure the green, inclusive development of agriculture. In particular, grants are provided to small farmers, educational programs are being implemented, as well as modern infrastructure is being created on organized demonstration farms and green

technologies are being presented. Certification of organic products in the Republic of Armenia at all stages of its production is carried out by a private certification body for organic products of Ecoglobe LLC, equivalent to those in force in the European Union, which ensures recognition of certificates issued by Ecoglobe LLC in the United States of America, Canada, as well as the countries of the European Union, as well as the German certification system (DAkkS).

To provide state support to producers of organic agricultural products, amendments have been made to the Decree of the President of the Republic of Belarus "On State Agrarian Policy". The list of national measures, the financing of which can be carried out at the expense of local budgets, is supplemented by the event "Reimbursement to entities engaged in activities in the field of agro-industrial production of expenses (part of expenses) for assessing compliance of organic products produced in the Republic of Belarus and its production processes with technical requirements", [24].

Along with the formation of a regulatory framework, the organizations of the National Academy of Sciences of Belarus conduct scientific research in the field of organic agriculture to ensure the development of the sector in the natural climatic conditions of the country.

The production of organic fertilizers is actively developing: organic chelated micronutrients of a new generation for leaf fertilization of plants and pre-sowing seed treatment, natural microbiological liquid humic fertilizers, and fertilizers obtained only from vermicompost.

There is a pilot program in the Republic of Kazakhstan to support environmentally friendly export-oriented agriculture. The project is being implemented with the support of the University of Florida (USA) and the Kazakh National Agrarian University. By joining a cooperative, farmers supply products to the largest retail chains in Kazakhstan, [24].

Thus, in many ways, the international experience of state regulation of the organic market is similar and with the application of the best support practices in Russia, the organic market will be able to make a significant step forward.

5 Conclusions

The study confirms the global trend of growing consumer interest in environmentally friendly products and resource-saving production, while there is a correlation between the size of organic production and the level of government support for both organic producers and agriculture in general.

Countries with a developed organic market have a high level of government support and a large list of activities. The study examined the best practices of state support in those countries where organic agriculture is the most important area of development, and the modern system of state support includes a variety of measures.

Financial support from the state is needed to help organic producers compete with traditional agricultural producers and reduce production costs. The main idea of state regulation of organic production should be comprehensive assistance to producers of organic products to encourage them to produce high-quality and competitive organic products. It is important to note that this system should be based on a scientific understanding of technologies and features of organic production, as well as take into account territorial differences, [25].

State support at the federal level for organic producers is insufficient for the development of this sector in Russia. Therefore, it is necessary to develop a separate specialized federal program to support the production of organic products. To ensure competitive conditions and increase the economic accessibility of organic products, it is proposed to introduce state subsidies for the transition period from traditional to organic production, lasting 3 years. It is also proposed to subsidize interest rates on loans for organic producers, as well as compensation for the cost of transporting organic products.

It is recommended to exempt peasant (farm) farms that switch to the production of organic products from land tax and the unified agricultural tax for 3 years. This will reduce the tax burden and facilitate the transition to organic production.

It is necessary to expand credit products for organic producers, taking into account the potential profitability of producers. This includes a flexible repayment schedule, as well as consideration of pricing features and the cost of organic products. Long-term concessional loans should also be provided.

In addition, work should be carried out to popularize organic products in Russia and raise awareness among citizens about their benefits through the media. Creating a culture of consumption of organic products will help stimulate demand and promote the development of this sector.

All the proposed measures, based on current best practices in supporting organic producers, will contribute to the active transition of the agro-industrial complex to the production of organic products and contribute to the development of a green economy.

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Conflict of Interest

The authors have no conflict of interest to declare.

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