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Countering Crime in the Sphere of Food Security in the Context of Reforming Domestic Special Services

The article analyzes the current state of the agro-industrial complex of Ukraine and identifies the existing threatening trends in the field of food security of state. Main priorities of the national agrarian sector development are increasing the participation of Ukraine in ensuring global agricultural markets, ensuring food security of state, preventing the irrational structure of exports, as well as preventing the excessive export of raw materials. Also one of the vital priorities is preventing the state's grain market from destabilization by powerful grain traders through anti-competitive concerted actions and discriminatory policies with respect to small and medium businesses. However, in modern conditions, there is a threatening trend of monopolization of the domestic grain market by foreign companies whose goal is to prevent Ukraine from entering external agricultural markets and gradually turning it into an exporting country of raw materials, not finished products. The author provides us with examples of contracts and agreements with foreign companies that undermine the agrarian economy of the state, in particular by providing a credit at an overvalued interest rate. As a matter of fact, Ukraine has become a «hostage» of the situation when some states seek to implement in the country a scenario of undermining the agrarian potential of our state by presenting the "best" credit offers on preferential terms. Such unfavorable long-term projects in the agricultural sector will harm the domestic economy and leads to financial dependence of the country from foreign investors, which contradicts the interests of domestic producers. Currently, there are a number of trends and factors that negatively affect the development of the state food sector and its important components in the domestic agro-industrial complex. That is why the author of the article considers main reasons of undermining the agricultural potential of our country and provides possible ways to address them.

Keywords: crime counteraction; food security; agro-industrial complex; special service of Ukraine; reforming.

Problem statement. The National Security Strategy of Ukraine, approved by Decree of the President of Ukraine as of May 26, 2015 No. 287/2015, among the topical threats to the national security of Ukraine are identified the economic crisis, the depletion of state financial resources, the decline in living standards. One of the reasons for the emergence of such threats is the high level of "shadowing" and the criminalization of the national economy. Under these conditions, the problem of food security is directly linked to the

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insufficient level of food security provided by the state at the expense of its own resources. As the general world practice shows, the reasons for the growth in the level of consumption of imported food are the following: low growth rates of domestic agricultural commodity production, including by reducing the amount of agricultural land that is being processed; long-term impact of the moratorium on the creation of agricultural land market; inefficient state agrarian policy, the implementation of which leads to the import of cheap food; increased demand for food due to an increase in the number of the population, an increase in its income and a corresponding increase in the volume of food consumed; changes in the structure of nutrition of the population, which may lead to the emergence of demand for food products that are not produced in the country, but imported.

Presenting main material. At the same time, organizational and legal and socio-economic mechanisms for ensuring food security in many countries of the world are established in the relevant regulatory and legal acts, integrated programs, concepts and strategies, the position of which is determined by the conditions for the functioning of the economy of the country and its individual industries, including and food industry.

Recently, Ukraine continues on a permanent basis to reform the national law enforcement system. In this regard, the conduct of scientific research on these issues and taking into account the novelties of the legislation, requires close attention and is considered expedient and necessary both from the standpoint of theory and the practical component.

Thus, in accordance with the provisions of Article 19 of the Law of Ukraine «On National Security» as of June 21, 2018 No. 2469 [1], the Security Service of Ukraine is a special-purpose state body with law enforcement functions that ensures state security, including countering intelligence and subversive activities against Ukraine, fighting terrorism, counter-intelligence protection of state sovereignty, constitutional structure and territorial integrity, defense and scientific and technical potential, cyber security, economic and information security of the state, as well as ensures the protection of state secrets with the strict observance of human and civil rights and freedoms.

That means that the functional task of protecting the economic potential of the country, and in particular ensuring economic security, an important component of which is food security, is assigned to the authorities and units of the Security Service of Ukraine. M. Hrek rightly points out that the officers of the Security Service of Ukraine

are focusing on protecting the most vulnerable spheres of society, one of which is the economy [1, p. 245].

The activities of the Security Service of Ukraine in the field of normal life support for the Ukrainian population, ensuring food security, protecting critical infrastructure in the food sector are carried out in the following areas: prevention of actions aimed at the critical decrease (deterioration) of the level of food self-sufficiency of the population; preventing artificial reduction of the range of material values of the state and the intervention of reserves, levels of accumulation, including the minimum stock; protection of the domestic market from the introduction of products harmful to human health and life, preventing and suppressing their illegal production; preventing state losses of markets for products of animal and vegetable origin due to the spread of epizootics and epiphytoties, particularly from the territories of the Russian Federation and the Republic of Belarus; prevention of foreign expansion and monopolization of individual sectors of the agro-industrial complex, interference in the internal affairs of Ukraine by foreign states and organizations in the implementation of international projects and programs of support in the agro-industrial complex.

In order to fulfill these functional tasks on a systematic basis, the Security Service of Ukraine, in particular, takes measures to counter economic crimes in the agro-industrial sector, primarily at agricultural production facilities, the grain market and its products, to counter offenses in storing grain of the Agrarian Fund and theft budgetary funds in the implementation of programs to support the development of agricultural enterprises. Work also continues in the direction of developing effective mechanisms for the protection of the domestic grain market, the identification of offenses in the alcohol and alcoholic beverage industries, as well as the consumer market of the country.

So, the main factors that determine the preservation of a significant scale of «shadowing» the market for alcohol and alcoholic beverages are the following:

– insufficient level of control over the production and circulation of alcohol;

– imperfection of the legislation regarding the processes of production and circulation of non-excisable alcohol-containing products;

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– usage of falsified excise stamps for labeling alcoholic beverages;

– evasion of taxes and obligatory payments, as well as illegal VAT refunds from the state budget, including during export-import operations with alcohol;

– illegal embezzlement of property (finished products) and illegal manufacture of alcohol at state enterprises of Ukraine;

– artificial bringing the state distilleries to bankruptcy through the creation of fictitious debts to commercial structures for the purpose of disposal of property of the enterprises;

– the use of pseudo export mechanism;

– smuggling of alcohol and alcoholic beverages across the state border of Ukraine, including through the use of interrupted transit schemes.

Under such conditions, in the agro-industrial complex, as well as in other sectors of the state's economy, the budget sphere, the sphere of property relations, material and technical support, the state material reserve, the production and turnover of excisable goods of the food group remain the most vulnerable to unlawful attacks, which is due to:

– a significant decrease in the volume of direct state support to the agrarian sector of the economy, inefficient and inappropriate use of budget funds allocated for the implementation of state targeted programs in the agro-industrial complex. For 2019, within the framework of the Law «On the State Budget for 2019», state support for the agro-industrial complex is planned to be reduced by 2 billion UAH, which in the long term will hurt agrarians and farmers first. Also, modern volumes of both national and foreign investments in agriculture remain extremely insufficient. In addition, the imbalance in the supply and demand of agricultural products has led to the complication of the price situation in some food markets;

– monopolization of the domestic grain market by foreign companies whose goal is to prevent Ukraine from entering foreign markets and gradually turning it into an exporting country of raw materials, and not processing products. For example, the share of grain exports by enterprises with foreign capital ZAT «AT "Kargill"», ZAT «Alfred Topfer Ukraine», «Serna», LLC «Lui Dreifus Ukraine», LLC «SP "Nibulon"» is 75–80 %;

– ineffective management and criminalization of the state material reserve system, misuse and embezzlement of state budget funds allocated for the formation, storage and maintenance of material values, which led to a significant reduction in strategic reserves, the gradual loss of the state reserve of its main purpose;

– insufficient level of control by the tax authorities and the state enterprise «Ukrspirt» over the production and circulation of non-

excisable alcohol-containing products, theft of property (finished products) and the illegal manufacture of alcohol at state-owned enterprises in Ukraine. It is no coincidence that annually in Ukraine dozens of people dies from the use of surrogate alcohol. Under such conditions, one of the important elements of reforming the alcohol industry is the decentralization of administrative functions and the optimization of staffing levels. The optimization of the activities of the State Enterprise DP «Ukrspirt» is the key factor in the destruction of corruption schemes and the increase in the efficiency of its own production.

In the segment of the domestic grain market there are also threats and negative factors, in particular, these are:

– the desire of highly developed countries to prevent Ukraine, as a potential competitor in the production of grain, from entering the new world economic system; the monopolization of the regional grain market, the production and sale of flour and bread products by individual structures and a discriminatory policy towards agricultural producers;

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– unlawful expropriation of grain belonging to the state;

– the inefficiency of state policy in the domestic grain market, the lack of effective support for domestic producers.

The range of operational support and analysis of the functioning of the domestic meat market indicates the presence of a number of factors that adversely affect the development of the livestock industry, in fact, leads to the reorientation of processing enterprises to cheap low-quality imported raw materials and pose a threat to public health. The main reasons for the current situation are the decrease in the number of livestock, especially cattle and pigs, which leads to a decrease in the implementation rate for the slaughter of livestock and poultry in live weight. In addition, there is a constant trend in which the increase in meat products is provided only by large-scale enterprises of the poultry industry, in the particular case of pig production.

Worth to mention that one of the destabilizing factors that exacerbates the situation on the meat market is the growth of the uncontrolled import of low-quality meat and meet products to Ukraine at dumping prices, which as a result slows down the development of livestock and leads to a production decrease with all negative economic and social consequences. Considering the

abovementioned, a number of problematic issues should be highlighted, which in the near future will have a negative impact on the development of the domestic market of meat products:

– the increase in the cost of meat due to the increase in the cost of the feed base of the last year, the increase in other expenses of farms for the maintenance of animals, etc.;

– the low quality of the finished meat products produced by meat-processing enterprises of Ukraine leads to the possibility of using domestic enterprises in the production of meat products of low-quality raw materials and various harmful ingredients for humans.

Against this background, in Ukraine there is no regulatory support for the powers, obligations and organizational bases for the functioning of quarantine veterinary and police posts. As a result of deregulation measures taken, the competent authorities of Ukraine have lost regulatory and specific tools for monitoring effective quarantine measures at outbreaks of highly dangerous infectious animal diseases, and are also threatening for domestic livestock production.

Therefore, the priority tasks of the state in the field of food security remain: ensuring the formation of the capacity of the agricultural market through the production of domestic agricultural products in the amount that guarantees the country's food independence; creating the infrastructure of the domestic agricultural market, ensuring the quality and safety of food, protecting the domestic market from low-quality imported goods; supporting the competitiveness of the agricultural sector in the context of Ukraine's integration into the world economic space; overcoming the spontaneity and shadowing of the agrarian market.

It is precisely the prevention of the food crisis that is one of the state's primary tasks in modern conditions, the fulfillment of which requires the joint efforts and interaction of all the competent state and law enforcement agencies. The activities of the Security Service of Ukraine in this direction cannot be underestimated. Adaptation of the Ukrainian economy to market conditions of business management, implementation of state programs for the development of the agro-industrial complex require enhanced attention and control from the activities of the Security Service of Ukraine.

Thus, in March 2018, employees of the Security Service of Ukraine, together with the Prosecutor's Office as part of a set of measures to protect critical infrastructure in the food sector, prevented the misappropriation of the elevator of the PAT «State Food and Grain Corporation of Ukraine», costing an integral property

complex of over UAH 600 million. Law enforcers established that representatives of the group of companies, through a fictitious enterprise, issued an illegal re-registration of ownership rights to the elevator for the purpose of resale and withdrawal of funds abroad. The capacities of the elevator are involved in the implementation of the General Agreement concluded with the PRC, under which the state corporation under the guarantees of the Government of Ukraine was provided with credit funds in the amount of 1.5 billion US dollars. Misappropriation of the elevator could lead to termination of the contract. According to the materials of the Security Service of Ukraine, the prosecution authorities registered criminal proceedings in which, on the basis of a court order, the entire property complex was seized, which enabled PAT «State Food and Grain Corporation of Ukraine» to continue to carry out business activities to fulfill the contract with the PRC.

In July 2018, officers of the Security Service of Ukraine in the Mykolaiv region, within the framework of protecting critical infrastructure of the agro-industrial complex, prevented a threat to the food security of the region. It was found that officials of the local branch of one of the state-owned food companies, together with metropolitan merchants, forged a package of documents, according to which large volumes of agricultural products were allegedly imported into the territory of the elevator. As part of the criminal proceedings opened by the National Police, according to materials from the Security Service of Ukraine (Part 5, Article 191 of the Criminal Code of Ukraine), it was documented that the businessmen planned to assign the batch, including the state grain, by shipping it from the elevator as «mistakenly imported». At the initiative of the Security Service of Ukraine, a court decision imposed an arrest on grain products with a total market value of more than UAH 8 million. According to experts, an illegal transaction could affect the implementation of the branch of its obligations under the international agreements.

Thus, in the context of reforming the domestic law enforcement system, it can be stated that the Security Service of Ukraine effectively implements operational support and counter intelligence support of food security in the following format: identification and suppression of directions of foreign special services and organizations of information on the state and activities of the state food reserve; operational support of the expenditure, storage and replenishment of the state food reserve; operational support of the processes of reforming the agro-industrial complex, the identification

and suppression of the facts of offenses in the field of export-import operations with agricultural products; identification and suppression of illegal mechanisms of «shadow» production and circulation of alcohol and tobacco products; prevention of the spread of prohibited biotechnologies in Ukraine, transgenic crops, etc.

Thus, according to the proclaimed course of European integration such as special services in the EU countries, which are deprived of the functions of investigating economic and corruption crimes, Ukraine also plans to introduce a similar scenario. Within six months after the adoption of the law on national security, that is, at the beginning of 2019, a law concerning the reform of the Security Service of Ukraine should be introduced to the Verkhovna Rada of Ukraine.

Also in Ukraine there is a draft law on the National Bureau of Financial Security of Ukraine No. 8157 as of March 19, 2018, the purpose of which is to introduce an effective reform in the field of countering criminal threats in the field of financial security of the state. It is expected that with the entry into force of this bill, it will be possible to reduce the number of law enforcement agencies engaged in combating crimes in the economic sphere and at the same time eliminate the units of the Security Service of Ukraine that are engaged in combating economic crimes, including in the agro-industrial complex. However, such a state of affairs is impossible without a transition period, since the institutional and legislative support for the activities of the newly established the National Bureau of Financial Security requires sufficient time, considerable budget resources and adequate staffing.

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Протидія злочинності у сфері забезпечення продовольчої безпеки в контексті реформування вітчизняної спецслужби

Згідно з результатами аналізу загальної світової практики, причинами для зростання рівня споживання імпортного продовольства є: низькі темпи зростання вітчизняного сільськогосподарського товарного виробництва, зокрема завдяки зменшенню кількості земель сільськогосподарського призначення, які обробляють, тривала дія мораторію на створення ринку земель сільськогосподарського призначення; неефективна державна аграрна політика, реалізація якої призводить до імпорту дешевого продовольства; підвищення попиту на продовольство внаслідок збільшення популяції населення, зростання рівня його доходів й обсягів спожитого продовольства; зміна структури харчування населення, що може призвести до появи попиту на продукти харчування, які не виробляють у країні, а імпортують. Висвітлено організаційно-правові та соціально-економічні механізми гарантування продовольчої безпеки в низці держав світу, що встановлюють у нормативно-правових актах, комплексних програмах, концепціях і стратегіях, положення яких визначають умови функціонування економіки країни та її галузей, зокрема аграрно-промислового комплексу, переробної та харчової промисловості.

Ключові слова: протидія злочинності; продовольча безпека; агропромисловий комплекс; спецслужба України; реформування.