

# THE CASE STUDY OF FOOD MARKET REGULATION POLICY IN ARMENIA: PECULIARITIES AND SHORTCOMINGS

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**Introduction:** The food security of any country is closely linked to the normal functioning of the country's food markets. In this regard, in addition to market mechanisms, state policy and regulatory measures are very important. Armenia is Net importer country with relatively low levels of food security. This fact further emphasizes the importance of constant improvement of state policy and regulatory measures for food markets.

**The relevance** of the topic is related to the current geopolitical situation of Armenia. The covid-19 pandemic and the Artsakh war highlighted the urgency of increasing the level of food security in Armenia. One of the guarantees of ensuring food security is the establishment of stability in food markets, which in turn depends on the effectiveness of the proper state regulation.

**The main purpose** of this article is to comprehensively study Armenian food market regulation mechanisms, find existing shortcomings and problems and cultivate possible concepts of their solutions. In particular following **problems** have been addressed in the scope of this article.

- The peculiarities of the RA food market regulation, the mechanisms that are used and implemented have been studied,
- The assessments of the current functioning of food markets was performed,
- The existing shortcomings and the problems have been revealed,
- Numbers of measures aimed at solving them have been pointed out.

**Literature review:** The food security of any country strongly depends on the food availability and access, which in their turn are mainly dependent to the market situation of food markets. Thus the regulations of food market must be states' top priority in the context of providing food security. Unlike other commodity markets, these markets must be the target of constant state regulation and control. Since agriculture in developed countries is a production represented by numerous and relatively small enterprises operating relatively autonomously from each other, many laws of the market appear in a purer form in the food agrarian and food markets than in other sectors<sup>1</sup>. The market of agricultural products, which is a part of the food market, has a number of peculiarities, which are vividly expressed in Armenia. These peculiarities are<sup>2</sup>:

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<sup>1</sup> Kostrova Y. (2014): Analysis of food market of Russia. In: St. Petersburg. pages 7-8.

Link: <https://www.spbume.ru/file/pages/76/kostrova.pdf>

<sup>2</sup> Perner L.: Food Marketing, Consumption, and Manufacturing. University of Southern California, Los Angeles, CA 90089-1424, USA (213) 740-7127.

- Severe fluctuations in gross harvest volume,
- Clearly expressed seasonality,
- Regional concentration and fluctuations in the level of costs due to it.

From this point of view, the balanced intervention of the state and the application of the right policy are very important. As C. Peter Timmer and David Dawe state “Within a framework where economic decision-makers are free to make choices based on their own knowledge and conditions, the role of government remains critical. In particular, government investments that allow markets to function efficiently are essential to fostering a dynamic rural economy, especially in agriculture. Unfortunately, the provision (or attempted provision) of food security through food price stabilization has conflicted with this goal in many countries (especially in Latin America and Africa) as a result of excessive government intervention in the marketing chain. In Asia, India has also intervened strongly in domestic marketing”<sup>1</sup>.

Government assistance policy and trade liberalization have become policies that contribute to productivity growth in Southeast Asia. Productivity growth is associated with a government’s agricultural policy shift in support of agricultural production and the liberalization of trade. Such agricultural policy shifts and trade liberalization have occurred within the political transitions to liberal institutions and policymaking. In Thailand and the Philippines, politics have transitioned to electoral politics where elected politicians have become the major players in policymaking.

Government policy has an influence on farmers’ rice production, and such policy can qualitatively affect the farmers’ production in that the government provides production technology and knowledge for farmers so that they can improve their productivity in the long run. Quantitatively, the government’s policy results in increasing rice production, especially the rice productivity of farmers. Southeast Asian countries (i.e. Vietnam and Thailand) are among the biggest rice exporters in the world market, while others (i.e. the Philippines or Indonesia) are among the biggest rice importers. The government has intervened in the rice market via several policy tools, and the government intervention in Southeast Asia can be roughly divided into subsidization and taxation. On the one hand, the government in Southeast Asia provides financial and production assistance for farmers via price guarantees or input subsidies and on the other hand, it imposes tax barriers on imported inputs and machines and controls rice prices<sup>2</sup>.

According to Johnson and Schnittker countries are combined in three groups based on their food strategies<sup>3</sup>:

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<sup>1</sup> Timmer P., Dave D. (2007). Managing Food Price Instability in Asia: A Macro Food Security Perspective. *Asian Economic Journal*, 21(1), 1–18. Doi:10.1111/j.1467-8381.2007.00244.x

<sup>2</sup> Laiprakopsup T. (2019): The policy effect of government assistance on the rice production in Southeast Asia: Comparative case studies of Thailand, Vietnam, and the Philippines, *Development Studies Research*, 6(1), 1-12. doi: 10.1080/21665095.2019.1568900

<sup>3</sup> Seevers G. L. (1978): Food markets and their regulation. *International Organization*, 32(03), 721. doi:10.1017/s002081830003191x

- Self-sufficient Nations, which attempt to protect and encourage agricultural production through price guarantees and import restrictions.
- Net Importers, which import a large percentage of their food requirements as a matter of policy.
- Net Exporters, which exceed their basic food requirements and pursue agricultural policies to promote exports.

In the context of all this, it is very important to monitor the food markets and constantly improve its regulatory mechanisms.

**Methodology:** To achieve necessary results we implemented comparative, descriptive, statistical, analytical methods of scientific research. Within the framework of the article, the annual reports of the RA Ministry of Economy, the Competition Commission, and the publications of the Statistical Committee of RA were used as a source of information for studying the regulation of the RA food markets. The work of domestic researchers related to this topic was also used. All these sources are cited in the text and are included in references list.

**Discussion:** The market of agricultural products, which is a part of the food market, has a number of peculiarities, which are vividly expressed in Armenia. These peculiarities are.

- Severe fluctuations in gross harvest volume,
- Clearly expressed seasonality,
- Regional concentration and fluctuations in the level of costs due to it<sup>1</sup>.

The analysis of the data of the national food accounts of the Republic of Armenia shows that, according to the data of 2019, the level of self-sufficiency of vitally important food products calculated by the energy value was about 52.5%<sup>2</sup>. Thus it means that Armenia is Net importer country and agrarian policy and food market regulation must be heavily conditioned by the need to increase the food security level. The food markets in Armenia stand out with a large number of companies that have a high level of product portfolio diversification. As a result, the group of organizations that occupy a dominant position in the market is clearly distinguished. In the food markets, in addition to price, non-price competition is also very important, which is related to intensive advertising, product differentiation, continuous improvement of goods and quality of services, etc.

The RA food market has the following participants:

- Households,
- Enterprise or organization,
- State.

Food markets in Armenia operate through a free competitive mechanism. Market self-regulation is carried out under the influence of market mechanisms. However, the

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<sup>1</sup> Perner L.: Food Marketing, Consumption, and Manufacturing. University of Southern California, Los Angeles, CA 90089-1424, USA (213) 740-7127.

<sup>2</sup> Source: <https://www.mineconomy.am/en/page/1333>, (date of access; 16.05. 2022)

specificity and strategic importance of food markets require some state intervention. In the context of regulation of the food markets in Armenia, the state agrarian policy is the key opponent. The normal regulation and development of the food markets is the mirror of the country's agrarian policy. The effectiveness of state regulation and state support measures ultimately contribute to the stabilization of food supply, which in turn leads to the stabilization of market prices.

The main measures of state support for agriculture development affect the prices of food products to a greater or lesser extent, but the programs aimed at regulating pricing directly have a more significant impact. Programs of this nature are not implemented in Armenia, due to which consumers are often dissatisfied with high prices and producers with low prices<sup>1</sup>.

Now let's discuss and analyze the forms of state support that are used in RA. According to the Organization for Economic Co-operation and Development (OECD) classification, the support that is aimed to incomes of farmers is classified as direct support and the rest as indirect support. In essence, direct state support is derived from natural disasters in the form of compensation for damages incurred as a result of production restructuring (reduction of arable land, forced slaughter of livestock, etc.). Indirect support is preferred and widely used in most countries.

In particular indirect support includes:

- Price support. When state contributes to the regulation of prices of agricultural products in the domestic market through the establishment of guaranteed prices, quotas, taxes, etc.
- Partial reimbursement of producer costs. These support type refers to the supplementation of fertilizers, pesticides, feed purchase costs, loan interest rates and insurance payments,
- Market development support. This is the allocation of state funds to market programs (support aimed at development of the transportation, storage and other post-harvest processes of agricultural products;
- Support for the development of production infrastructure. This type of support assumes the expansion of production and increase of efficiency through long-term programs with budget allocations (construction of production facilities, modernization of irrigation and drainage systems, improvement of lands, strengthening of capacities of farms, etc.).

According to the Armenian “Amberd” Research Center, it is preferable to use the following forms of state regulation in RA:

1. Setting guaranteed prices. Setting guaranteed selling prices for the most important agricultural products (grain, meat, milk, grape, etc.).

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<sup>1</sup> Avetisyan S., Grigoryan A. (2015): Features and Regulatory Issues of Food Products Market and Non-Food Essentials Market in the Republic of Armenia. Yerevan.  
Link: [https://asue.am/upload/files/amberd-competition/Amberd\\_23.pdf](https://asue.am/upload/files/amberd-competition/Amberd_23.pdf)

2. Commodity interventions and intervention purchases. In order to prevent significant fluctuations in the prices of agricultural products, raw materials, food, in general, in order to regulate the food market in general, it is necessary to develop a complete system of commodity interventions.
3. Export promotion. Providing credit guarantees, grants, and technical assistance to export-oriented companies competing in foreign markets.
4. Promoting the replacement of imported food products with local production. Especially the implementation of subsidy programs to increase self-sufficiency in food (wheat, sugar, vegetable oil, legumes, pork and poultry).
5. Support for the development of a logistics system for the sale of agricultural products<sup>1</sup>.

The food market regulation policy in Armenia is largely conditioned by its membership in the World Trade Organization (WTO). As the rules of international trade are set by the WTO (164 members since 29 July 2016<sup>2</sup>), the state support of the member state's agricultural sector and the food market regulation policy must comply with the requirements of the WTO. The domestic support systems in agriculture are governed by the Agreement on Agriculture (AoA), which entered into force in 1995 and was negotiated during the Uruguay Round (1986-1994). The issue of the domestic support systems in agriculture was discussed in the "Uruguay Round 1986-1994", which ended with the signing of the "Agreement on Agriculture". On the basis of the AoA, WTO Member States undertook to implement an agricultural policy reform agenda that lays down specific binding commitments in three major areas.

- Export subsidies,
- Domestic support,
- Market access<sup>3</sup>.

Depending on the type of impact that they have on the production and sale of agricultural products, there are various types of support programs identified under the WTO agreements. More specifically, a so-called classification of these measures has been developed, according to which support programs are grouped into baskets named after traffic light colors. Thus, the following 3 baskets are.

- Yellow basket. Direct and limited support, it directly affects the volume of production and other related processes. According to the authors of the agreement, such support measures stimulate production, but disrupt the conditions of international trade of agricultural products. For example, price support, sales promotion loans, credit interest rate subsidies, production subsidies, etc.

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<sup>1</sup> Avetisyan S., Grigoryan A. (2015): Features and Regulatory Issues of Food Products Market and Non-Food Essentials Market in the Republic of Armenia. Yerevan.

Link: [https://asue.am/upload/files/amberd-competition/Amberd\\_23.pdf](https://asue.am/upload/files/amberd-competition/Amberd_23.pdf)

<sup>2</sup> Source: [https://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/org6\\_e.htm](https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm), accessed on April 2022

<sup>3</sup> Source: [https://www.europarl.europa.eu/ftu/pdf/en/FTU\\_3.2.7.pdf](https://www.europarl.europa.eu/ftu/pdf/en/FTU_3.2.7.pdf), accessed on May 2022

- Red basket. These refer to measures which are forbidden. Instead, the so-called blue basket has been developed, which includes measures to limit or reduce production.
- Green basket. These measures do not directly affect the sales process. This includes measures to develop education, science, agricultural consulting, and improvement of infrastructure<sup>1</sup>.

Various “State support programs in agriculture” have been developed and implemented by the Government of the RA in different years. Currently, state support for agriculture is provided in two main directions. The state either refinances a part of the investment in agriculture production or subsidizes the interest rate of the loans taken from the banking system.

Currently RA Government implements following state support programs.

- “Subsidizing the interest rates on loans provided to agricultural sector”,
- “Development of cattle breeding in Armenia”,
- “Construction or reconstruction of small and medium “smart” cattle houses and state assistance for their technology provision”,
- “Co-financing the introduction of modern irrigation systems”,
- “Subsidizing the interest rates on loans provided for introduction of hail protection nets in the agricultural sector of the RA”,
- “State assistance for establishment of vineyards, intensive fruit gardens and berry orchards cultivated with modern technologies in the Republic of Armenia”,
- “Subsidizing the interest rates on loans provided to the agricultural processing sector for purveyance (acquisition) of agricultural raw materials”.
- “State assistance of leasing for financial lending of agricultural machinery in the RA”,
- “State assistance of leasing for financial lending of agri-food equipment in the RA”
- “State assistance for development of sheep and goat breeding in the RA for 2019-2023”,
- “State assistance for introduction of small and medium-sized greenhouses”,
- “State assistance for a pilot project implementation to introduce insurance system to the agricultural sector”,
- “State assistance program for promotion of autumn wheat production in the RA”,
- “State assistance program to promote production of spring bread grains, grass-and-legumes, and food grains in the RA”<sup>2</sup>,

Preferential agricultural loans have been provided for agricultural purposes since 2011 on the following terms: nearly 6385 EUR (with rates of May 2022), with a repayment period of up to 2 years, at an annual rate of 14%, of which 4 percentage points were subsidized by the state. In 2018, the logic of the program was somewhat

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<sup>1</sup> Nekhoda E. (2013): Food security and state support of agriculture economy in the interpretation of WTO. The journal of Tomsk State University. № 377. pp. 123–128.  
Link: <https://core.ac.uk/download/pdf/287456454.pdf>

<sup>2</sup> Source: <https://mineconomy.am/en/page/1338>, accessed on May 2022

edited, and the amount of loans was set from 6300-21 200 EUR, and then up to 32 000 EUR, and later – 63 830 EUR. Loans are now provided for up to 5 years. There are not any thorough studies regarding to the effectiveness of these programs, but RA Government annually issues a report about the results of state support programs.

According to these reports, the total amount of subsidized loans to support agriculture in 2018-2021 has increased. The number of agricultural machinery purchased through agricultural support programs has also increased. The number of farm animals acquired under the programs has increased. The amount of loans provided to the agri-processing sector for the purchase of raw materials has increased 1.2 times, and the number of users of the program has increased 1.5 times. As a result, 13 607 contracts for the purchase of agricultural products were signed with farmers. Such a situation clearly indicates that the state support programs implemented in Armenia have had a positive impact on the increase of gross agricultural output and the regulation of food markets<sup>1</sup>.

All these measures actually belong to the yellow basket group. However, the comprehensive and balanced development of the agricultural sector presupposes the application of measures included in the green basket. For example, the development of infrastructure and the establishment of an established consulting system will have a large, positive impact on the development of agriculture in the Republic of Armenia. For effective management of agriculture, it is necessary to be knowledge-based, based on the use of the latest and accurate technologies. That is why it is a priority for Armenia to have an established agrarian consulting system. The consulting system of the agricultural sector in the Republic of Armenia is mainly expressed in the state language. The consulting was mainly provided through state structures, and there are almost no private consulting services in Armenia. All this has a very negative impact on the development of the agricultural sector. The fact is that due to the lack of consulting services, the connection between the farmers and the "introduction of the latest agricultural technologies" is cut off. Public advisory services in the Republic of Armenia have existed with different legal statuses, and after the reforms in 2019, these services became part of the Ministry of Economy of the Government of the Republic of Armenia. However, in 2021, as a result of regular reforms, reductions took place - internal structural changes, as a result of which, at the moment, the state consulting services in Armenia are, also absent, a serious problem arises. We suggest that the issue should be resolved through drastic conceptual changes. Whether the taken measures will be related to the development of private consulting services or the establishment of a university consulting services system - in any given scenario there must be state regulation regarding agrarian consulting policy. In addition to the abovementioned problems, the irrigation networks are in a deplorable state, as a result of which there is a problem with irrigation water. In the already drought years, water loss leads to dire consequences, the first of which is a reduction in gross crop harvest. Resolving such

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<sup>1</sup> Source: <https://mineconomy.am/media/18884/hashvet%202021.pdf> , accessed on May 2022

issues creates a need to improve state domestic support (green basket). It is necessary to develop new ones in addition to the existing programs, which will address the problems faced by the RA agricultural sector.

Mechanisms for regulating food markets in the Republic of Armenia are developed, implemented, competition in food markets is regulated, and protection of consumers' interests and food safety control is carried out through a number of state authorized bodies, which are:

- Ministry of Economy of the Republic of Armenia,
- Competition protection commission of the Republic of Armenia.

The purpose of the Competition protection commission of the RA is to protect and encourage free economic competition, provide the necessary environment for fair competition, promote the development of entrepreneurship and protect the interests of consumers in the RA.

The Competition protection commission performs the following main functions:

- Supervises the observance of the legislation on protection of economic competition;
- discusses cases of violation of economic competition protection legislation; makes decisions;
- applies to the court in case of violation of the legislation on protection of economic competition;
- Participates in the elaboration of legal acts regulating the state policy regarding economic competition, etc.<sup>1</sup>

According to the annual report published by the Competition protection commission in 2021, in the food markets of the RA were detected cases of abuse of a dominant position by market participants, unfair competition, and appropriate measures were taken by commission. In addition, the Competition protection commission conducts sectorial studies related to the study of specific food market segments. Specifically, in 2019-2021, the food markets of sugar, butter, brandy, chicken eggs, wheat, poultry, milk and dairy products were studied. As a result, the existing problems and violations were identified, and packages of proposals aimed at solving those problems were presented to Government of RA<sup>2</sup>.

In spite of some well-organized aspects of food market regulation in RA, it is noteworthy that the market supply is not regulated in terms of primary food types in Armenia. The Table 1 presents the structure of daily consumption of the main types of food in Armenia and sufficiency level of those types of food in 2016-2020. It becomes clear that the foods which have large share in structure of the daily food consumption also have very low self-sufficiency level (wheat, vegetable oil, and poultry). It means that the most important types of food are mainly imported. Despite the dangers that

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<sup>1</sup> Source: <http://www.competition.am/index.php?menu=133&lng=1> , accessed on April 2022

<sup>2</sup> Source: [http://competition.am/wp-content/uploads/2022/04/Annual-report\\_2021.pdf](http://competition.am/wp-content/uploads/2022/04/Annual-report_2021.pdf) , accessed on April 2022



this situation can cause to the food security, the Government of the Republic of Armenia does not take concrete steps to regulate the supply in the market, aimed at satisfying the demand at the expense of domestic production. For example in 2021, there was a problem with potatoes. The increase in exports and the decrease in the gross potato harvest led to a sharp rise in prices in the domestic market. In December 2021, the consumer price index for potatoes was 1,761, i.e. inflation was more than 76 %. In fact, potato prices have almost doubled compared to the same period last year, with inflation continuing to rise. Despite these circumstances, the Government of the RA has not taken appropriate steps to mitigate such sharp inflation in the domestic market, has not implemented export restrictions, quotas, and at the same time, does not plan a gross potato harvest for 2022. The listed shortcomings can have a very negative impact on the country's food security.

Taking into account the current military-political peculiarities of the RA, we have developed following recommendations.

1. Expand state support programs with an emphasis on promoting local production of imported foods. In particular this refers to the measures aimed at promoting local production of poultry, wheat, etc., which have the largest share in the structure of food consumption. For example, the main obstacle to the development of animal husbandry in Armenia is the underdevelopment of the fodder industry. The development of fodder production in Armenia and the production of cheaper fodder will directly lead to the development of poultry and pork production.
2. The State to regulate the prices and supply-demand relationships of **primary food products** in Armenia. In such situation, RA can adopt a pricing policy similar to the one used in the rice market in Sri Lanka. Rice is very important type of food for Sri-Lanka. As a result, the state has constantly intervened in pricing, set a minimum price, and so on. Studies show that these mechanisms have worked effectively and have had a positive impact on rice self-sufficiency and consumption in Sri-Lanka<sup>1</sup>. A similar policy was used in Indonesia, which also had a positive effect<sup>2</sup>. In other words, taking into account the international experience measures should be developed to regulate the food markets of primary food. A vivid example of foreign experience is the active use of tax and customs levers in regulating primary food markets. For example, the reduction of tax barriers in production inputs has a positive effect on farmers' rice productivity, and the results showed that the government's tax intervention in rice production discourages the growth of rice productivity in Southeast Asia. Rice productivity in Thailand and the Philippines has gradually increased since the 1980s, when the

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<sup>1</sup> Ellis F., Senanayake P. and Smith M. (1997). Food price policy in Sri Lanka. *Food Policy*, 22(1), 81–96. Doi:10.1016/s0306-9192(96)00037-1

<sup>2</sup> Ellis F. (1993). Private trade and public role in staple food marketing. *Food Policy*, 18(5), 428–438. Doi: 10.1016/0306-9192(93)90065-j

governments in both countries decided to reduce tax barriers and restriction programs on production inputs. Vietnam is the best example of the association between the reduction of tax and trade barriers and the growth of rice productivity. In the 1970s, the communist government strictly controlled rice production through a collectivist policy, and the government strictly controlled the rice market at every level<sup>1</sup>.

3. Contribute to the development of private consulting services in RA through state support. This particularly refers to consulting services engaged in market analysis, providing information about market's state and prices.

**Scientific novelty:** The scientific value of this study is revelation of shortcomings in Armenian food market regulation and the ways of its improvement. In particular we emphasize the importance of state regulation of primary food prices and state support aimed at improving food security of primary foods.

**Conclusion:** The results of this study made it clear that the regulation of the food markets in the Republic of Armenia is carried out by indirect means (state support programs) through direct interventions of the relevant state bodies (Competition Protection Commission, Food Safety Inspectorate, etc.). There are no direct price regulation mechanisms in Armenia. As a result, especially in agricultural markets, unfavorable conditions are often created for farmers (for example very low market price is formed). This is especially the case in the grape market, where the buyers themselves dictate the prices; the set price is not favorable for farmers. Besides, consulting services are very underdeveloped in RA. There are no organizations analyzing the market situation both in the public sector and in the private sector. Situational analysis of the food market is very important, but there is no established culture of providing market information in Armenia. In the RA, the state does not directly intervene in the regulation of the market supply of primary foodstuffs included in the consumer minimum basket. As a result, a very risky situation arises, when it is simply impossible to provide the population with sufficient food due to force majeure.

To improve the situation some recommendations were made in scope of this study. The listed recommendations will not only contribute to the establishment of a stable situation in the food markets, but will also have a positive impact on raising the level of food security in Armenia.

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<sup>1</sup> Laiprakobsup T. (2019): The policy effect of government assistance on the rice production in Southeast Asia: Comparative case studies of Thailand, Vietnam, and the Philippines, Development Studies Research, 6:1, 1-12. Doi: 10.1080/21665095.2019.1568900

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16. WTO agreement on agriculture, (2022): Link: [https://www.europarl.europa.eu/ftu/pdf/en/FTU\\_3.2.7.pdf](https://www.europarl.europa.eu/ftu/pdf/en/FTU_3.2.7.pdf)

## **ՊԱՐԵՆԱՅԻՆ ՇՈՒԿԱՅԻ ԿԱՐԳԱՎՈՐՄԱՆ ՔԱՂԱՔԱԿԱՆՈՒԹՅՈՒՆԸ ՀՀ-ՈՒՄ. ԱՌԱՆՁՆԱՀԱՏԿՈՒԹՅՈՒՆՆԵՐԸ ԵՎ ԹԵՐՈՒԹՅՈՒՆՆԵՐԸ**

### **Հովհաննես Սիմոնի Ասատրյան Լիանա Սամվելի Ազատյան**

**Համառոտագիր.** Ցանկացած երկրի պարենային անվտանգությունը սերտորեն կապված է երկրի պարենային շուկաների բնականոն գործունեության հետ: Այս առումով, բացի շուկայական մեխանիզմներից, շատ կարևոր են պետական քաղաքականությունն ու շուկայի պետական կարգավորման միջոցառումները: ՀՀ-ն Զուտ ներմուծող երկիր է և ունի պարենային ապահովության համեմատաբար ցածր մակարդակ: Այս փաստն ավելի է ընդգծում պարենային շուկաների պետական քաղաքականության և կարգավորող միջոցառումների մշտական կատարելագործման կարևորությունը:

**Թեմայի արդիականությունը** կապված է Հայաստանի ներկայիս աշխարհաքաղաքական իրավիճակի հետ: Covid-19-ի համավարակը և Արցախյան պատերազմը ակնառու դարձրեցին Հայաստանի պարենային անվտանգության մակարդակի բարձրացման հրատապությունը: Պարենային անվտանգության ապահովման երաշխիքներից մեկը պարենային շուկաներում կայունության հաստատումն է, որն էլ իր հերթին պայմանավորվում է պետական միջամտության արդյունավետությամբ:

**Հոդվածի հիմնական նպատակն է** համակողմանի ուսումնասիրել Հայաստանի պարենային շուկաների կարգավորման մեխանիզմները, գտնել առկա թերություններն ու խնդիրները և մշակել դրանց լուծման հնարավոր մոտեցումները: Մասնավորապես հոդվածի շրջանակներում քննարկվել են հետևյալ խնդիրները.

- Ուսումնասիրվել են ՀՀ պարենային շուկաների կարգավորման մեխանիզմները, դրանց առանձնահատկությունները,
- Իրականացվել է պարենային շուկաների կարգավորման ընթացիկ վիճակի ուսումնասիրում,
- Վեր են հանվել առկա թերությունները և խնդիրները,
- Մատնանշվել են այդ խնդիրների լուծմանն ուղղված մի քանի առաջարկություններ:

**Գիտական նորույթ.** Հոդվածի գիտական նորույթը կայանում է նրանում, որ բացահայտվել են ՀՀ պարենային շուկաների կարգավորման մեխանիզմների թերություններ և մշակվել են դրանց վերացման ուղղություններ: Մասնավորապես, կարևորվում է առաջնային պարենային ապրանքների գների պետական կարգավորումը և այդ ապրանքների ինքնաբավությանը ուղղված պետական աջակցությունը:

Հոդվածում ներկայացված առաջարկությունները ոչ միայն կնպաստեն պարենային շուկաներում կայուն իրավիճակի հաստատմանը, այլև դրական ազդեցություն կունենան ՀՀ պարենային անվտանգության մակարդակի բարձրացման վրա:

**Բանալի բառեր.** պարենային շուկա, ագրարային քաղաքականություն, պետական կարգավորում, պետական աջակցության ծրագրեր, պարենային անվտանգություն

## ПОЛИТИКА РЕГУЛИРОВАНИЯ ПРОДОВОЛЬСТВЕННЫХ РЫНКОВ РА: ОСОБЕННОСТИ И НЕДОСТАТКИ

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**Аннотация:** Продовольственная безопасность любой страны тесно связана с нормальным функционированием продовольственных рынков страны. В связи с этим, помимо рыночных механизмов, большое значение имеют государственная политика и меры государственного регулирования рынка. Армения является страной Нетто-импортером с относительно низким уровнем продовольственной безопасности. Этот факт еще больше подчеркивает важность постоянного совершенствования государственной политики продовольственных рынков и постоянного совершенствования мер регулирования.

**Актуальность** темы связана с текущим геополитическим положением Армении. Пандемия COVID-19 и Арцахская война подчеркнули актуальность повышения уровня продовольственной безопасности в Армении. Одной из гарантий обеспечения продовольственной безопасности является установление стабильности на продовольственных рынках, что в свою очередь зависит от эффективности надлежащего государственного регулирования.

**Основная цель** данной статьи – всесторонне изучить механизмы регулирования продовольственного рынка Армении, выявить существующие недостатки и проблемы и разработать возможные подходы их решения. В частности, в рамках данной статьи были рассмотрены следующие **проблемы**.

- Изучены механизмы и особенности регулирования продовольственного рынка РА,
- Изучено текущее состояние регулирования продовольственных рынков,
- Выявлены существующие недостатки и проблемы,
- Указан ряд предложений, направленных на их решение.

**Научная новизна:** Научная ценность данного исследования заключается в выявлении недостатков в регулировании продовольственного рынка Армении и путей его улучшения. В частности, подчеркивается важность государственного регулирования цен на продукты первой необходимости и государственной поддержки, направленной на повышение самообеспеченности населения продуктами питания.

Перечисленные рекомендации будут способствовать не только установлению стабильной ситуации на продовольственных рынках, но и окажут положительное влияние на повышение уровня продовольственной безопасности Армении.

**Ключевые слова:** продовольственный рынок, аграрная политика, государственное регулирование, программы государственной поддержки, продовольственная безопасность

## THE CASE STUDY OF FOOD MARKET REGULATION POLICY IN ARMENIA: PECULIARITIES AND SHORTCOMINGS

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**Abstract:** The food security of any country is closely linked to the normal functioning of the country's food markets. In this regard, in addition to market mechanisms, state policy and regulatory measures are very important. Armenia is Net importer country with relatively low levels of food security. This fact further emphasizes the importance of constant improvement of state policy and regulatory measures for food markets.

**The relevance** of the topic is related to the current geopolitical situation of Armenia. The Covid-19 pandemic and the Artsakh war highlighted the urgency of increasing the level of food security in Armenia. One of the guarantees of ensuring food security is the establishment of stability in food markets, which in turn depends on the effectiveness of the proper state regulation.

**The main purpose** of this article is to comprehensively study Armenian food market regulation mechanisms, find existing shortcomings and problems and cultivate possible concepts of their solutions. In particular, following **objectives** have been addressed in the scope of this article:

- The peculiarities of the RA food market regulation, the mechanisms that are used and implemented have been studied,
- The assessments of the current functioning of food markets was performed,
- The existing shortcomings and the problems have been revealed,
- Numbers of measures aimed at solving them have been pointed out.

**Scientific novelty:** The scientific value of this study is the identification of shortcomings in Armenian food market regulation and the ways of its improvement. In particular we emphasize the importance of state regulation of primary food prices and state support aimed at improving self-sufficiency of primary foods.

The recommendations made in this article will not only contribute to the establishment of a stable situation in the food markets, but will also have a positive impact on raising the level of food security in Armenia.

**Keywords:** food market, agrarian policy, state regulation, state support programs, food security