

Development of the Production of Ecological Goods in Ukraine and Their Labeling and Compliance With Standards

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Abstract –The urgency of the study is due to the fact that the domestic market of environmental goods and organic products in the current economic conditions characterizes the level of environmental and food security of Ukraine and the effectiveness of the implementation of state environmental policy in the field of quality management of goods, products and services.

Keywords: retail network, social and environmental responsibility, electronic equipment and machinery.

I. Introduction

The situation on the market of environmental goods of Ukraine reflects the urgency of the problems of ensuring environmental and food safety. The ecological consciousness of consumers, who are thinking of the purchased product safety and high quality in use and consumption, is growing. Due to this, a certain category of consumers, especially children, elderly people with special needs, prefers organic products that are in high demand both in Ukraine and abroad every year, the Ukrainian ecological goods market is developing rapidly, with significant potential. for the production of organic agricultural products.

Ukraine has all the necessary resources and opportunities for the growth of the market for environmental goods and services, and, above all, the political will of the country's leadership is needed. It is difficult to resolve all the issues related to the organization of the process of production of environmental products, at the level of the industry or the region, on the state scale. But under the current conditions and conjuncture of the market, individual producers are trying to satisfy the consumer's need for environmentally safe products.

Improvement of the production, sale and labeling of ecological and organic products is related to the regulation of these processes in the regulatory and information field of the functioning of the market for such products, which will bring eco-goods production closer to European standards, in particular in the field of labeling of eco-labels and will promote the production of high-quality, competitive organic products.

The purpose of the research is to identify trends in the development of the production of environmental goods and organic products on the territory of Ukraine and to

assess the peculiarities of state regulation of its quality and safety through marking and certification.

II. The main material

It is known that Ukraine has always been famous as an agricultural country, which today possesses a powerful agro-industrial complex and modern scientific developments in the field of agricultural production

Thus, according to the Ministry of Agrarian Policy, for the last 5 years organic production has increased by 90%. The official statistical surveys of IFOAM confirm that in 2010, 142 farms that received the status of "organic" were registered in Ukraine, then in 2016 there were already 390 certified organic farms, and the total area of certified organic agricultural land was 421200 hectares (Table 1) [1].

Such rapid development of the production of organic products positively influences all spheres of economy and life of citizens: the society (gives the opportunity to the consumer to buy safe, ecologically clean and high-quality products); the state economy (creates new jobs, develops rural areas, creates new international relations, etc.); the state of the environment. But there are problems associated with the development of the market for organic products to ensure the quality of its production by marking and certification.

In our time, on the shelves of Ukrainian supermarkets, products with the words "environmentally friendly", "without preservatives", "bio" and "natural" are found quite often. But are these goods really organic products?

Such labeling of organic products indicates its "environmental friendliness", but one should distinguish what it is about: about product safety for the environment or its special consumer qualities.

Many manufacturers wanting to be competitive with producers of similar products are misleading consumers by marking their products with all sorts of inscriptions and signs that are by no means proven, but claim that the products are organic. Therefore, there is a high probability that consumers buying and selling eco-goods in retail networks simply overpay and buy pseudo-organics.

The use of organic markings in Ukraine is an element of the system of state regulation of the quality of goods. Normative acts establish procedures and rules for conducting and applying markings in the form of statements and graphic representations indicating the benefits of goods or services to human health. Use of such marking is allowed only in relation to certified products.

When it comes to organic products and the development of its markets, the "organic" guarantee system, which includes specialized inspection and certification bodies, plays an important role. This system uses in its activity legal norms that establish mandatory requirements within the framework of state regulation, as well as certain defined standards.

At present, in Ukraine, national standards for organic production are in the process of development and implementation. Now, organic certification in Ukraine is carried out according to international standards of

countries or associations of countries and private standards recognized in the international market.

Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labeling of organic products and repealing Regulation (EEC) No 092/91 – the EU law act contains a set of rules and requirements for organic production and operates in the countries of the EU as a whole. This is the most common standard under which organic production certification is conducted in Ukraine.

Organic products in the European Union are labeled with the unique logo (the organic logo of the EU – the so-called Euro leaf), which is indicated on packed certified organic products, along with information on the certification body and the origin of organic raw materials [2].

Also, since 2002, the international public association of bio production participants of 'Biolan Ukraine' has been operating in Ukraine, whose specialists have developed standards for organic farming and labeling of products and foodstuffs based on the Basic Standards of the International Federation of Organic Agriculture. Only 'Organic Standard', the first Ukrainian certification body, can certify manufacturers according to BIOLan standards in Ukraine. Certification is a necessary step, which confirms that the product is grown, processed and packaged in accordance with the BIOLan standards.

Thus, since 03.09.2013, as amended and supplemented by the Law of Ukraine of February 12, 2015, the Law "On the Production and Circulation of Organic Agricultural Products and Raw Materials" has been in force in Ukraine, but its provisions do not provide conditions for the implementation of EU legislation, regulation of the market for organic products and its filling with quality competitive products. Consequently, a favorable environment for the introduction of counterfeit organic products is created, which avoids the liability of producers of organic products for violating the legislation in this area.

Due to the fact that this law needs to be revised, and organic production is gaining momentum, in 2016 a draft Law "On Basic Principles and Requirements for Organic Production, Circulation and Labeling of Organic Products" was created. This Law defines the basic principles and requirements for organic production, circulation and labeling of organic products, the principles of legal regulation of organic production, the circulation of organic products and the functioning of the organic products market, the legal basis for the activities of executive bodies and the directions of state policy in this area [3].

In the first place, the law fully takes into account EU directives and regulations, which will allow Ukrainian legislation to be adapted to the European one. This means that Ukrainian organic products will be produced in accordance with international requirements and standards, and consumers will receive quality guaranteed proven goods.

This law strengthens control over the use of the brand "organic" and imposes more severe penalties for

violations of the law, and the subject is excluded from the Register operators and deprived of the certificate

The bill No. 5448 specifically provides for the possibility of providing state aid directly to organic producers. For this purpose, the Ministry of Agrarian Policy has identified priority support within the framework of the Ukrainian State Fund. The organic producer has the priority to receive financial state support and the opportunity to participate in all state agricultural support programs, thereby creating additional jobs in rural areas.

Conclusion

Demand for environmentally friendly goods and services and organic products is increasing, but there is one significant negative factor – a high price, high costs and relative complexity of ecological production against the backdrop of an imperfect mechanism of confirming the quality of eco-goods. The main advantages of organic products and problems associated with marking and falsification are described.

An assessment of the domestic regulatory and information base of the functioning of the market for ecological products has revealed that one of the tools of the state environmental policy in relation to the regulation of the quality of ecological and organic products is to develop and implement for producers and distributors relevant statistical reporting on the availability of marking and certification.

In addition to improving the regulatory framework, it is proposed to improve the quality control of goods in the market for organic products through the development and implementation of appropriate forms of statistical reporting for producers and distributors on the availability of labeled and certified ecogoods and organic products.

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