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FOOD BANKING AS A SOCIAL ENTREPRENEURSHIP: FOOD SHARING IN THE ECONOMY OF TRUST

Abstract

One of our time's global economic challenges on sustainable development is the fight against food losses and spoilage along the entire route of movement of products from production to the final consumer. This economic phenomenon's negative effect is the colossal environmental damage caused by waste and its disposal to nature. Addressing food waste and waste will help reduce poverty, promote sustainable consumption, reduce environmental risks, and eliminate hunger. Food sharing as a system for redistributing food surpluses can help reduce food losses and wastage. It is also one manifestation of the emerging sharing economy.

The article is devoted and research the various aspects of food sharing: socio-economical, legal, environmental. The definition of food sharing is given, and its classification is carried out.

The experience of food sharing practice in foreign countries has shown its effectiveness in solving the problems of providing affordable food to socially unprotected segments of the population and combating food losses and spoilage. Simultaneously, food sharing in Russia is just beginning to develop and is experiencing growth difficulties. The reasons for this are the lack of the necessary infrastructure and the presence of regulatory barriers.

The undoubted priority of food sharing's legal regulation should be the quality and safety of distributed food. However, the state's restrictions are often excessive in the context of food insecurity for socially unprotected segments of the population. We are talking about products with expiring but not expired, as well as sanctioned goods.

Keywords: food sharing, sharing economy, production and consumption waste, food security, sanctioned goods, food bank, food bank

Introduction

Economy sharing consumption (English -. Sharing economy / collaborative consumption) represents a set of relationships between individuals by obtaining, providing, or sharing access to goods and services, as a rule, to coordinate through online services [1, p. 2047].

The sharing economy is built on the principles of trust, sharing, using digital platforms instead of intermediaries, use instead of ownership and property [2, p. 22].

Food transfer is of critical social importance. Ethnographers note that this process is the most important channel of non-verbal communication [3, 423]. What does such communication as food sharing transmit in modern society? Through the prism of the above principles of the economy of consumption, we believe, first of all, the ideas of rational, responsible consumption and social solidarity.

Methods

In the course of the study, the observation method was applied, making it possible to consider food sharing as a natural economic process.

When defining the concepts of "food-sharing", "food bank" / "food bank", the abstraction method was used by means of which essential features of the studied phenomena were revealed.

The food-sharing infrastructure was analyzed through a systems approach as well as analysis and synthesis methods.

Results

Food sharing as an economic phenomenon and a form of social entrepreneurship is considered in the context of sustainable economic development. The interrelationships of economic entities arising in food sharing are revealed, and the infrastructure necessary for its effective functioning is determined. The imperfections of the legal regulation of food sharing as social entrepreneurship, requiring changes in legislation, have been revealed.

Both positive and negative economic effects of the development of the food banking system are considered, the question of the need to find a balance between its development and containment of negative effects from this process is raised.

Discussion

According to the United Nations, hunger affects 690 million people or 8.9 percent of the world's population - and an increase of 10 million in one year and nearly 60 million in five years. The world is not in a position to achieve the goal of Zero Hunger by 2030. If the trends continue, then by 2030, the number of people suffering from hunger will exceed 840 million [4].

In this case, the loss, according to the general evaluation of the proposed food and agricultural organizations (FAO) (Eng. Food and Agriculture Organization, FAO) in 2011, a year was wasted or spoiled about a third of all the food in the world [5].

FAO identifies the following stages, at each of which part of the food is lost:

- agricultural production and harvesting, slaughter or catch;
- operations after harvest / slaughter / catch;
- processing;
- wholesale and retail trade;
- consumption: households and catering establishments.

Food loss and food waste refer to reducing or decreasing food quality throughout the food supply chain. Based on empirical evidence, it was determined that food loss occurs in the food value chain, from harvest/slaughter/catch to retail (excluding the last stage). As for the spoilage of food products, this phenomenon occurs in retail trade and consumption [4].

Simultaneously, reducing food losses and waste at various stages of production and consumption can have negative economic effects on producers. Reducing losses from wholesalers will lead to a decrease in purchases from manufacturers.

Food spoilage at the retail level is due to its limited shelf life, the need to ensure that food meets aesthetic standards in color, shape, size, and variability in demand. Common causes of spoilage during the consumption phase are poor planning of purchases, over-purchasing (due to oversized portions and packages), misunderstandings of labeling (i.e., "best use before" and "use by"), and inappropriate storage conditions by households [5].

Reducing food loss and spoilage involves the consistent application of measures to prevent loss and spoilage, redistribution of food, the manufacture of animal feed, the manufacture of fertilizers and compost, as well as the use of waste as energy carriers, and only last but not least, burial and destruction as a last resort [6, p. 4].

Under Russian law, faulty production and consumption are classified as waste according to the Federal Law of June 24, 1998, N 89-FZ "On Production and Consumption Waste" (from now on - The Law on Waste). Wastes of production and consumption are substances or objects

that are formed in the process of production, the performance of work, provision of services or in the process of consumption, which are removed, intended for disposal, or subject to disposal by this Federal Law (Article 1 of the Law on Waste). Law fixed recycling a priority as the use of waste for the production of goods (products), works and services, including the reuse of waste, including the reuse of waste for its intended purpose (recycling), their return to the production cycle after appropriate training (regeneration), the extraction of useful components for their reuse (recovery), as well as the use of solid municipal waste as a renewable energy source (secondary energy resources) after the extraction of useful components from them at processing facilities (energy recovery) (Art.1 of The Law on Waste).

At the same time, Part 2 of Art. 3 of The Law on Waste is correlated concept FAO and fixes in descending order of priority the following basic is, the direction of Russian state policy in the field of treatment of waste: the maximum use of the source of raw materials; waste prevention; reduction of waste generation and reduction of waste hazard class in the sources of their generation; waste treatment; recycling; waste disposal.

Infrastructure development of food sharing can be an effective means of ensuring food security in the country's socio-economic development. It provides food sovereignty of the Russian Federation shall be guaranteed the physical and economic access for every citizen of the food production of the country corresponding to the mandatory requirements, in quantities not less rational consumption norms food products necessary for an active and healthy lifestyle (Decree of the President of the Russian Federation of January 21, 2020, N 20 "On the approval of the Doctrine of food security of the Russian Federation"). The most important elements of food security are:

- rational norms of consumption of food products - a diet presented in the form of a set of products, including food products in volumes and ratios that meet modern scientific principles of optimal nutrition, taking into account the existing structure and nutritional traditions of the majority of the population;

- economic accessibility of food - the ability to purchase good quality food at prevailing prices, in volumes and assortments that meet the recommended rational consumption standards.

Keeping physical and economic access to the food range of quality and safe food products required to form a healthy diet for every citizen of the country is one of the strategic objectives of ensuring food safety.

Food sharing can be described as a system of free redistribution of food surpluses.

The development of food sharing requires the creation of infrastructure. So, as a rule, there are so-called "food banks" / "food banks," sometimes with digital platforms.

The first food bank St. Mary's Food Bank appeared in the USA in 1967 [7]. With the development of food banks' idea, its founders created a national organization that united the later emerged food banks. Today this organization is called Feeding America [8] and brings together more than 200 food banks throughout the country. About 40 million people receive food through this organization annually; 12 million are children, and 7 million are older people.

Food banks can be universal, such as, for example, the Global Food Banking organization [9], which involves 44 countries, and the list of participating countries is continually growing, regional and local.

There are various classifications of food sharing, such as primary actors interaction protrude b2c and c2c models.

According to the b2c model, the food bank is organized in the form of a legal entity - a non-profit organization-fund. In Russia, one of the largest such funds is the Rus Food Fund [10].

The fund distributes food surpluses from manufacturers and retailers (for example, the "basket of kindness" campaign with X5 Retail group) through other non-profit and religious organizations, and public welfare authorities quality meets all regulatory requirements. In 2019, the Rus Food Fund distributed 5,369,647.994 kg of food and essential goods.

Thus, this type of food sharing can be viewed as a form of social entrepreneurship. However, Russian legislation does not recognize the activities of non-profit organizations as social entrepreneurship.

Amendments to the law on developing small and medium-sized enterprises on social entrepreneurship (Federal law from 26.07.2019 N 245-FZ "On Amendments to the Federal Law" On the development of small and medium enterprises in the Russian Federation") did not extend the law to non-profit organizations. This legislative approach is mainly due to the lack of a full equivalent to the term "entrepreneur," which is used abroad primarily not so much to denote a businessman as an innovator.

The founder of the theory of social entrepreneurship G. Dees attributed social entrepreneur as an entrepreneur with a social mission, for which it is central. First of all, these entrepreneurs create social effects rather than the riches of [12].

In his works, Dees distinguishes two types of entrepreneurs: "business entrepreneurs" and "social entrepreneurs" [12].

Deese uses the term "entrepreneur" instead to denote an organizer-innovator, that is, by its direct meaning from the word "undertake", but not in the sense of making a profit. Therefore, a social entrepreneur is an innovator in the social sphere, but not a businessman.

Thus, the adopted federal law does not fully reflect social entrepreneurship's essence; perhaps adopting an independent law on social entrepreneurship would be a conceptually more correct decision.

According to the c2c model, food sharing, as most often, does not have a rigid structure and is a form of self-organization of individuals, usually within a group in a social network.

Thus, food sharing can be organized at all stages of the production and consumption chain. However, in order to accomplish this task, it is necessary to create appropriate legal conditions.

Food sharing is one way to rationalize and make responsible the manufacturer, wholesalers and retailers, transport and logistics companies, and the consumer in the sharing economy.

Laws allowing the distribution of food surpluses have been adopted in foreign countries.

Following French legislation, supermarkets with an area of over 400 sq.m. are obliged to conclude contracts for the donation of expiring products with charitable organizations under the threat of a fine [13].

A similar law is in effect in the Czech Republic [14].

Since 1989, the Food Bank of Fondazione Banco Alimentare Onlus collects surplus produce from retail chains and redistributes them among the more than 8898 charities through its network across the country, consisting of 21 organizations that help the poor and lacking in camping across Italy [15].

Simultaneously, it should be noted that legislative barriers impede the development of food sharing in Russia.

Legal regulation of food sharing activities is based on the provisions of Art. 582 of the Civil Code of the Russian Federation, Art. 4-5 and 12 of the Federal Law of 11.08.1995 N 135-FZ "On charity and volunteering (volunteering)" and Art. 3 of the Federal Law of 02.01.2000 N

29-FZ "On the quality and safety of food," which prohibits the circulation of products with an expired shelf life.

Simultaneously, in the USA, product quality requirements do not apply to products sold as a donation [16, p. 258].

The possibility of introducing preferential VAT taxation on donations in the form of food is considered in the Letter of the Ministry of Finance of the Russian Federation N. 03-03-06 / 3/18418 dated 20.03.2019. This letter explains that such transactions are not subject to taxation under the current legislation.

Another source of food for food sharing could be seized sanctioned goods. So in the first two years of operation, by the Decree of the President of the Russian Federation of July 29, 2015, N 391 "On certain special economic measures used to ensure the security of the Russian Federation" 7,500 tons of products prohibited for import were destroyed. In this regard, in 2017, a draft federal law N 1151505-6 "On the implementation of certain special economic measures used to ensure the security of the Russian Federation" was introduced to the State Duma of the Russian Federation, which provided for the transfer of seized sanctioned goods for socially significant needs. However, it was rejected as contrary to the legislation and the objectives of introducing counter-sanctions [17].

Conclusion

Food sharing development has positive socio-economic consequences since it reduces poverty and is also a useful tool in combating hunger and social inequality and stimulating responsible consumption and production.

Its positive environmental effect is to reduce the amount of food waste that pollutes the environment.

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