



# **Transformation of Agrarian Policy and Agriculture in the Ukraine's Eurointegration Process**

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**The Unknown scares Us the most**

# Timeline



2013-  
2014

Revolution  
of Dignity

2014

russian invasion,  
annexation of  
Crimea

D  
C  
F  
T  
A



2016

Agricultural  
State Support  
reform (VAT),  
state support for  
agriculture in the  
amount of at  
least one percent  
of gross  
agricultural  
production

2017

2020-



Agricultural  
land reform  
  
Updated  
Nationally  
Determined  
Contribution of  
Ukraine to the  
Paris  
Agreement  
(NDC2)

2021

€ M

2 500

2 000

1 500

1 000

500

0

2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

Ряд1 768 1 135 1 350 2 164 855 1 027 1 455 1 808 1 713 1 170 1 210 1 755 2 113 2 024 2 023 1 630 2 104

Investments in  
Agriculture

# Strategic Framework (b. f-s.i)

National Economic Strategy 2030

The Strategy of exports of agricultural products, food and processing industries of Ukraine for the period up to 2026

Rural Development Concept

Irrigation and Drainage Strategy of Ukraine until 2030



... vertical

Horizon – SPS, Env, Forms of business, Labor...

State Support approaches

Law of Ukraine on State Support for Agriculture

Law of Ukraine on Farming

Law of Ukraine on peculiarities of Insurance of Agricultural Products with State Support

... vertical

State Budget Law

Procedures

*The Single and Comprehensive Strategy and Action Plan for Agriculture and Rural Development in Ukraine for 2015 – 2020, 2014*

D  
C  
F  
T  
A



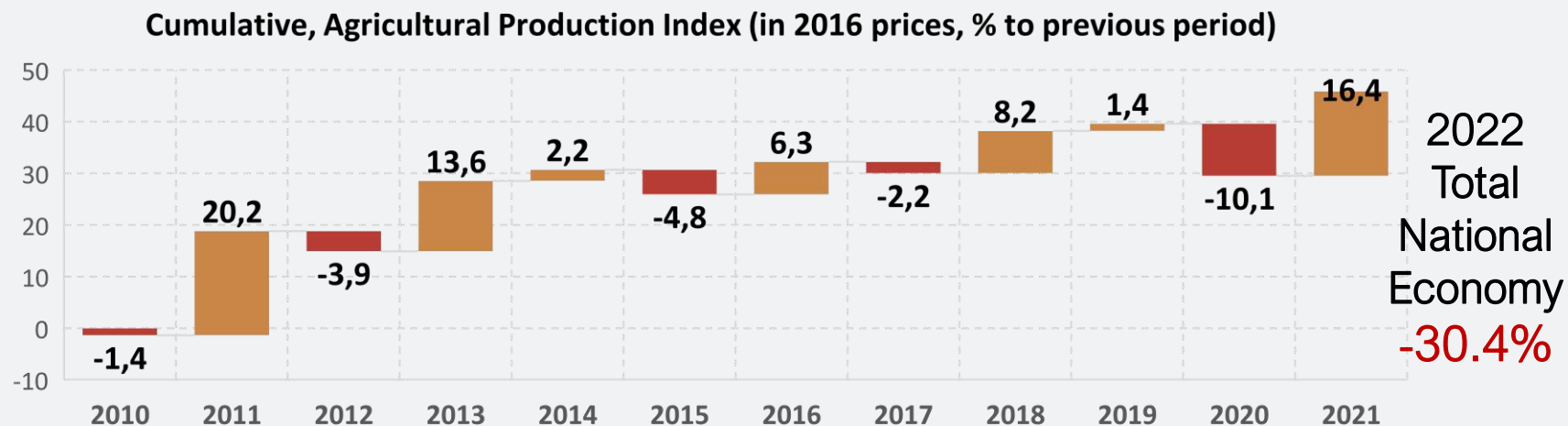
# Ukraine's agriculture before the full-scale russian invasion

Population 41.1 M

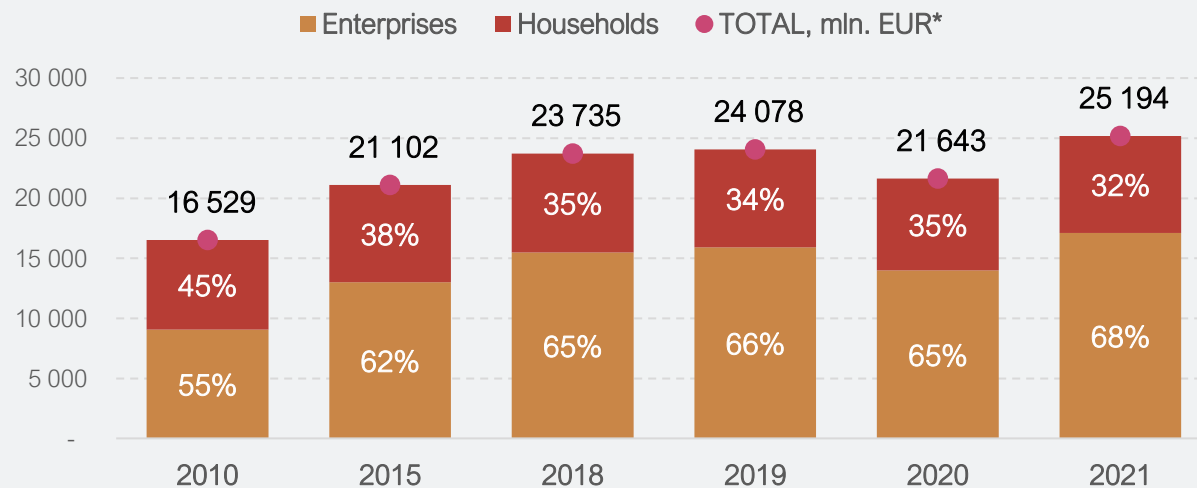
Employment in Agriculture  
17.3%,

12% of GDP - Agriculture

Up to 2% - share of government  
support in farmers' revenues

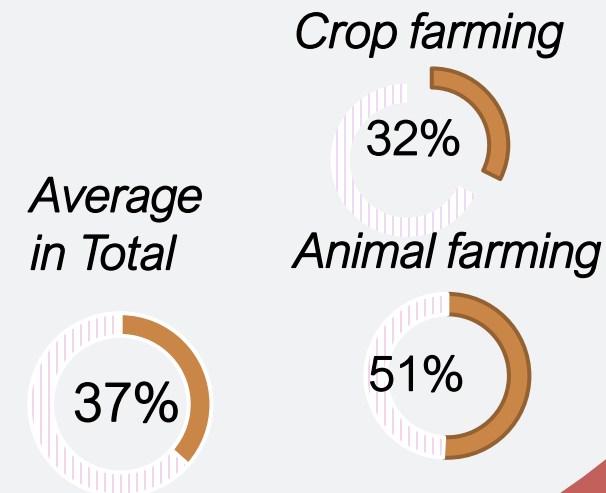


## Agricultural production in 2016 prices, M EUR\*



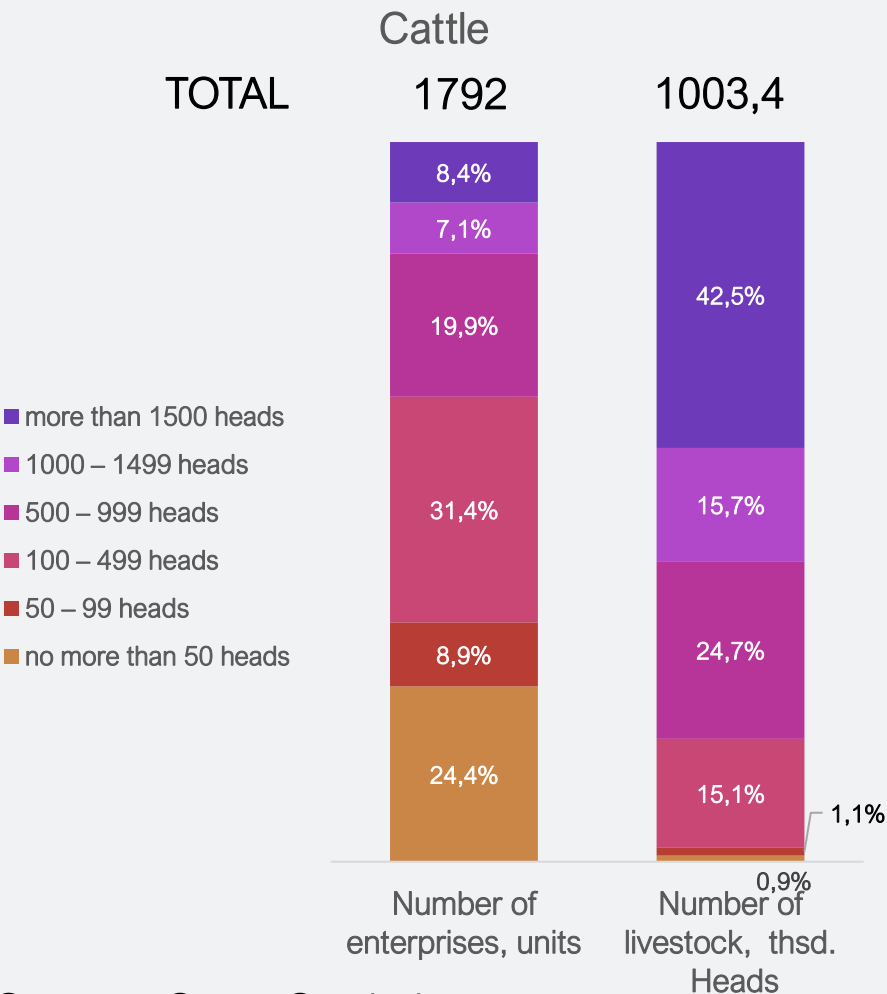
\* at the average Central Bank ROE in 2016

## Share of Households

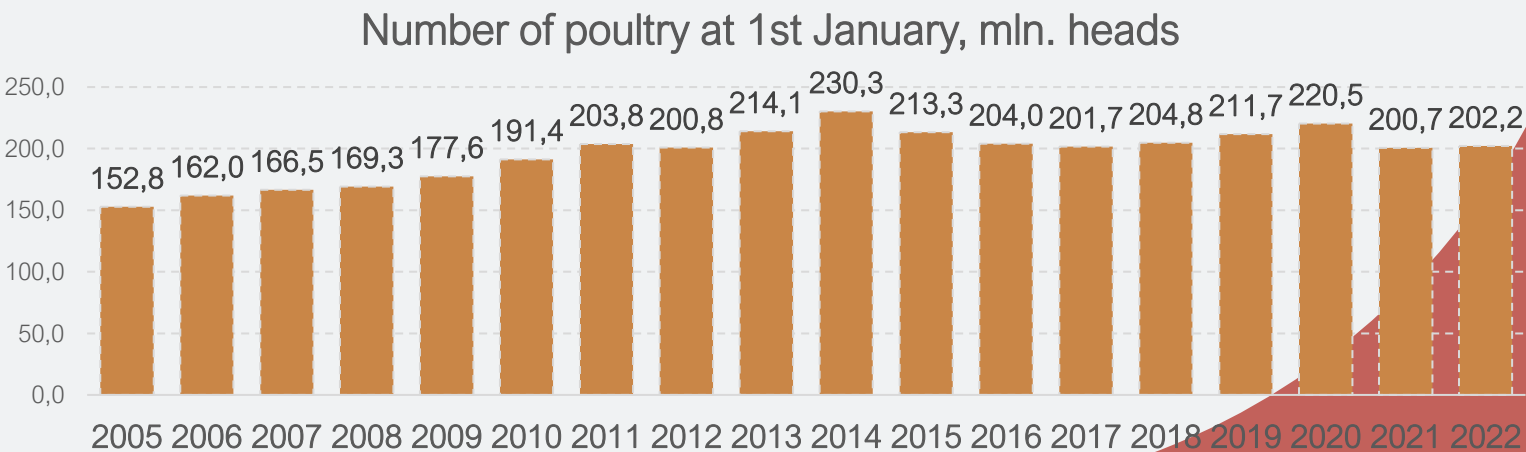
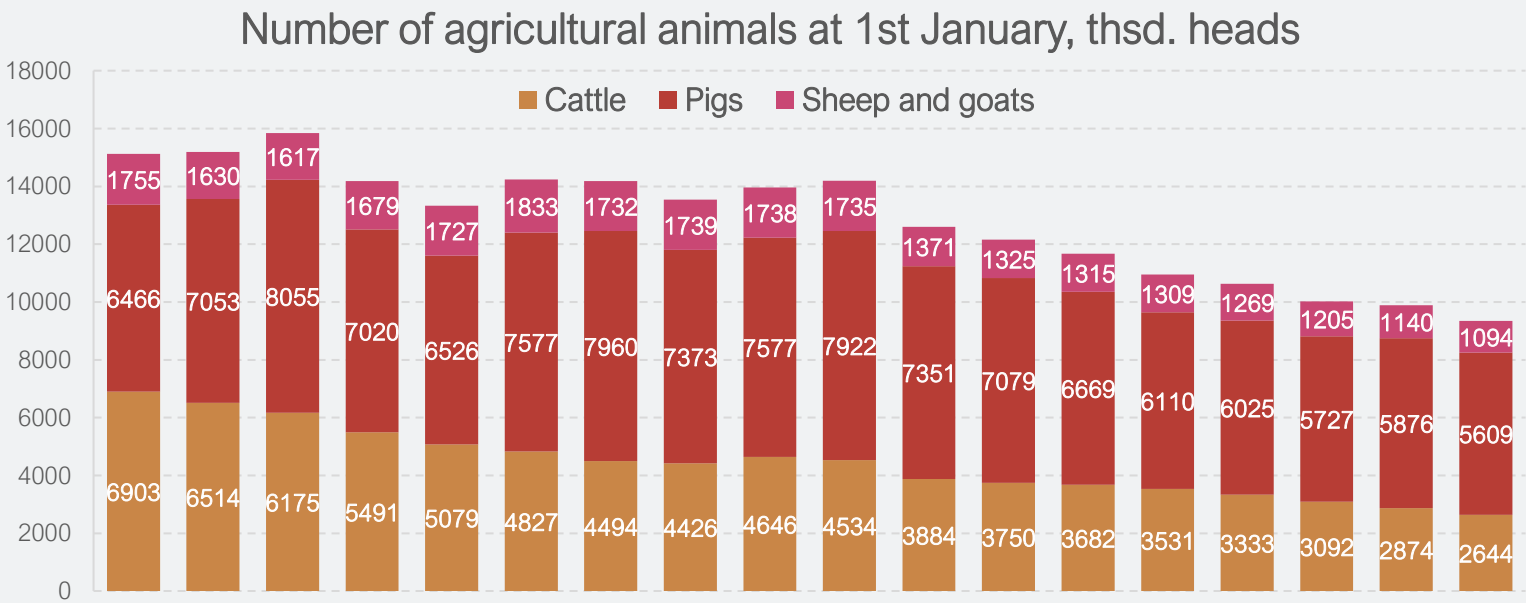


# Ukraine's agriculture before the full-scale russian invasion

Farms by size in 2021



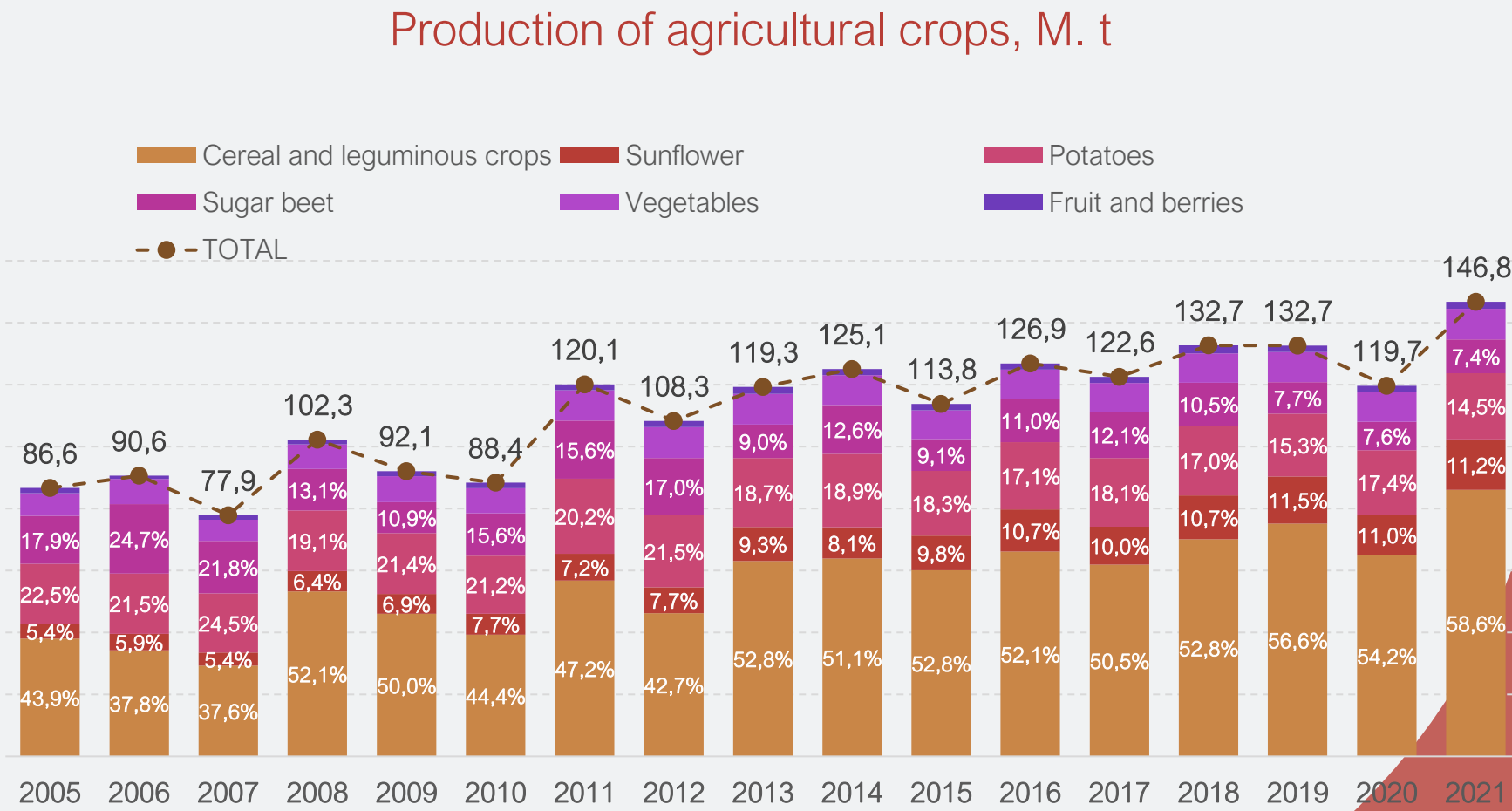
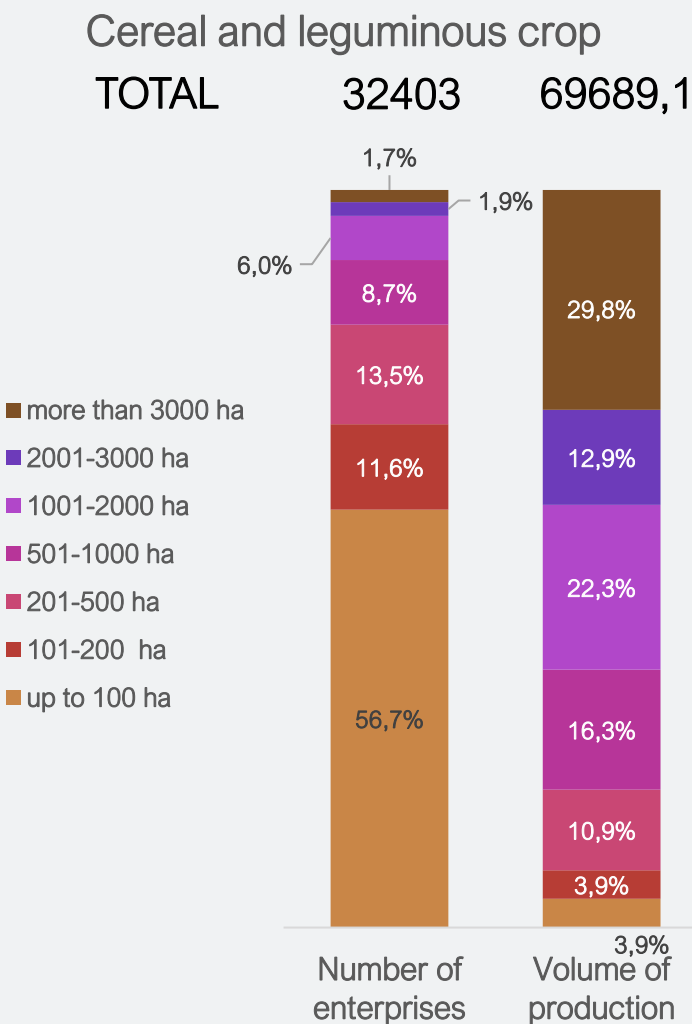
Livestock



Source: State Statistic Service of Ukraine

# Ukraine's agriculture before the full-scale russian invasion

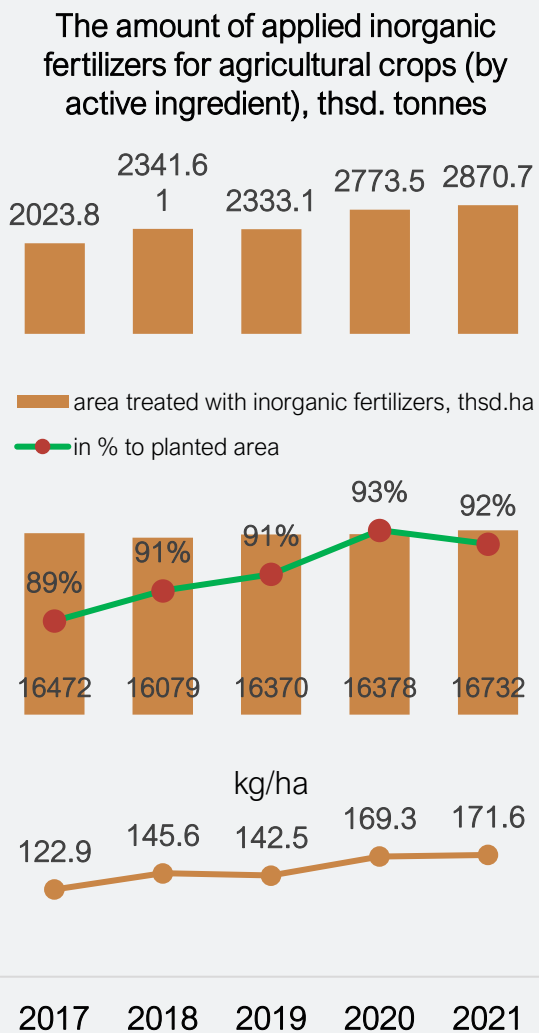
## Farms by size in 2021





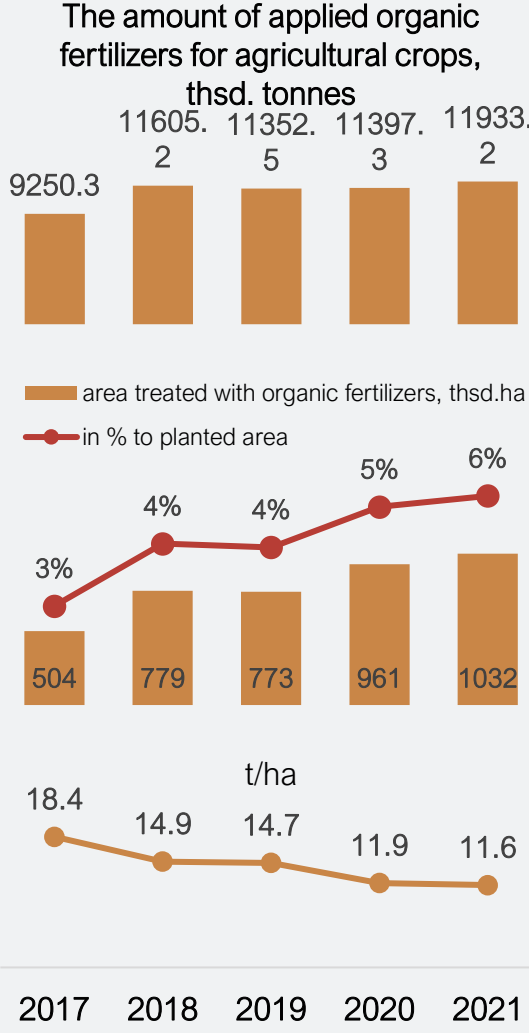
# Fertilizers and Plant Protection

## Fertilizers



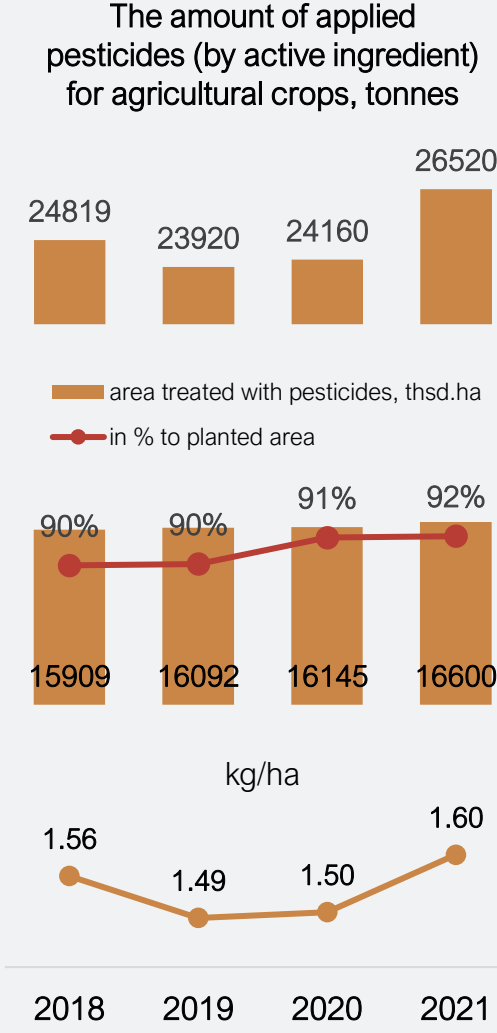
EU - Up to 200

## Organic fertilizers



Source: State Statistic Service of Ukraine

## Pesticides



EU - Up to 10

## EU From Farm to Fork Strategy:

- a reduction by 50% of the use and risk of chemical pesticides and the use of more hazardous pesticides by 50% by 2030.
- a reduction of nutrient losses by at least 50% while ensuring that there is no deterioration in soil fertility. This will reduce the use of fertilisers by at least 20% by 2030



# Organic farming

- In 2022, **1 %** of the total agricultural land in Ukraine, i.e., 422.299 ha was used for certified organic production or under conversion
- **418** agricultural producers
- total number of organic operators was **528**

*last five years*  **+21% areas**  
**+29% number of farmers**

*russian invasion*  **-30% areas**  
**-15% farmers**

- 2021 Ukraine exported about 260.000 t of organic products worth USD **220 million** to over 30 countries, **82%** to the EU market. Ukraine is among the TOP 5 suppliers of organic products to the EU and the first among non-tropical countries.
- the volume of Ukrainian organic products exported to the EU and Switzerland in 2022 of 225.814 t was **13%** higher than the previous year.

## Antimicrobials

The procedure for the use of antimicrobial veterinary medicinal products in veterinary medicine and the procedure for submitting a report on the volumes of antimicrobial veterinary medicinal products used by them (2022)

### EU From Farm to Fork Strategy:

- a reduction by 50% of the sales of antimicrobials for farmed animals and in aquaculture by 2030
- and reaching 25% of agricultural land under organic farming by 2030

# Food System Transformation in Ukraine

Achieving the 2030 SDGs (2020), Ukraine



Source: <https://ukraine.un.org>

National priorities for the transformation of food systems by 2030 in the context of achieving the Sustainable Development Goals 2030 and a strategy for their implementation at the national level (2021):



# Food System Transformation in Ukraine

## HEALTHY NUTRITION

1. “Healthy and varied food in sufficient quantities for everyone in Ukraine”
  - Development of a national system of responsible consumption, reduction of food losses and waste; Introducing a culture of adherence to standards and best practices across the entire "from farm to fork" chain;
  - Ensuring the availability and accessibility of special food products for people with partial food intolerance;
  - Increasing the share of fortified foods in accordance with the "WHO Recommendations for increasing the content of vitamins and trace elements in food";
  - Improving the national nutrition system in schools;
  - Introduction of a traceability system at all levels of activity of food market operators "from farm to fork";
  - Creating programs to support and encourage processing of agricultural and fishery products.
2. “Changing the culture of food consumption and recovery after a pandemic”
  - Increasing market share of semi-finished and ready-to-eat products;
  - Ensuring post-pandemic recovery of the HoReCa segment;
  - Supporting initiatives aimed at improving the well-being of workers in various food-related sectors;
  - Development of gastrotourism and support production of craft and local products;
  - Promoting development of a national culture of wine consumption.

# Food System Transformation in Ukraine

## **RESISTANCE TO MARKET INSTABILITY AND FOOD AVAILABILITY FOR ALL**

1. “Ukraine – is one of the key guarantors of global food security”:
  - Implementation of export food policy and Promotion of Ukrainian agricultural and food products in foreign markets;
  - Adherence to the principles of transparency and predictability of behavior as a supplier in the foreign market
2. “Increasing the share of small and micro agricultural producers in food systems”:
  - Creation of a nationwide system of support for small food producers;
  - Establishment of a national system of advisory services;
  - Extensive training of small agricultural producers in the latest technologies, especially climate-neutral;
  - Encouraging participation of small farmers in organized product promotion chains
3. “Introduction of innovations in the agricultural sector. The increasing role of science and education”:
  - Implementation of national reporting standards for compliance with the principles of sustainable development;
  - Harmonizing approaches with the EU animal health and welfare standards;
  - Application of animal husbandry practices in compliance with the principles of sustainable development;
  - Strengthening the role of agricultural science and education in the transformation of food systems;
  - Improving vocational agricultural education and developing lifelong learning;
  - Development of agrometeorological systems;
  - Digital transformation of food production chains;
  - Improving systems for forecasting the development of the agricultural sector of the economy;
  - The growth of organic production is ensured and supported;
  - Accelerate the process of harmonization of legislation with the provisions of the EU Directives and Regulations.

# Food System Transformation in Ukraine

## ECO FRIENDLY PRODUCTION

1. "Adaptation of agriculture to climate change":
  - System of voluntary measurement, reporting and verification of greenhouse gas emissions; Carbon agriculture;
  - Ukraine's Second Nationally Determined Contribution to the Implementation of the Paris Agreement
2. "System of state policy, state support and financial and credit system takes into account the requirements of environmental and social management in enterprises":
  - GAEC indicators into state support policy;
  - Introduction (or stimulation) of the use of environmental criteria in public procurement of food products;
  - National system of green financing and insurance;
  - Harmonization of legislation with the approaches of the EU Strategy "From farm to fork";
  - Chemical pesticides circulation; Improving the fertilizer management system; Reducing the use of plastic in food chains.
3. "Sustainable Natural Resources Management":
  - Strengthening the monitoring of bio-resources and natural resources; Self-seeded forest management; Wood line management; Introduction of innovative irrigation technologies, machinery and pipelines; Closed cycle of water resources;
  - Increasing the share of environmentally friendly modes of transport, such as rail transport and inland waterways;
  - System for monitoring compliance with environmental standards in the production of agricultural products.
4. "Improving the energy efficiency of food systems":
  - Increasing the share of bioenergy in the national energy balance;
  - Introduction of "best available technologies" and "best available practices" in the field of energy efficiency in agriculture.



# Food System Transformation in Ukraine

## DECREE OF THE PRESIDENT OF UKRAINE No. 41/2022

On the national priorities for the transformation of food  
systems in Ukraine  
February 7, 2022

- 1) determination of national priorities for the transformation of food systems in Ukraine for the period up to 2030, including such areas as **healthy nutrition**, **environmentally friendly production**, **resistance to market instability**, and **availability of food products for all population groups**;
- 2) ensuring the **implementation of national priorities for the transformation of food systems in Ukraine** for the period up to 2030, in particular, during the development of draft forecast and programme documents, draft regulatory and legislative acts, primarily in the fields of agriculture, on issues of food security, safety and quality of food products



# Milestones

24.02.2022

full-scale unprovoked invasion  
by the russian federation



Wartime policy - food security, critical infrastructure, logistics, provision of electricity and inputs, demining, applying for exemption from conscription ...

23.06.2022

Ukraine is a candidate for  
EU membership



Acceleration of the adaptation/implementation the EU  
acquis



# Ukraine's agriculture after the beginning of the full-scale russian invasion

Decrease in sown area by 25%

Lack of labor/inputs

Demining: 1.75 M ha, for vernal sowing operations 470 K ha

Disruption of Logistics and Associated Costs:

- \$25 per t for transporting grain to Ukrainian port, \$150 per ton to Polish port
- lack of insurance coverage
- waiting for an inspection in the Bosphorus – demurrage
- 90% before 24/02/2022



Population 28-32 M\*

4,8 M

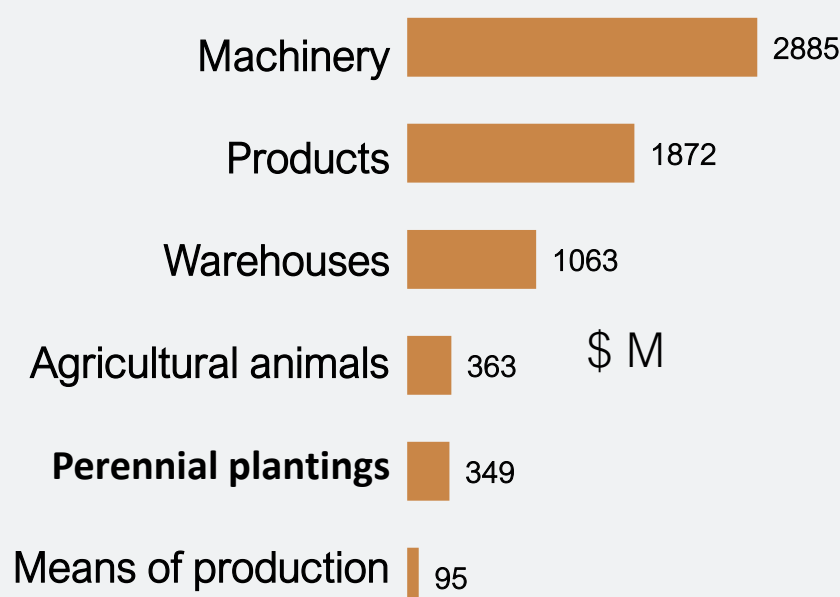
IDPs

5,1 M

EU temporary protection

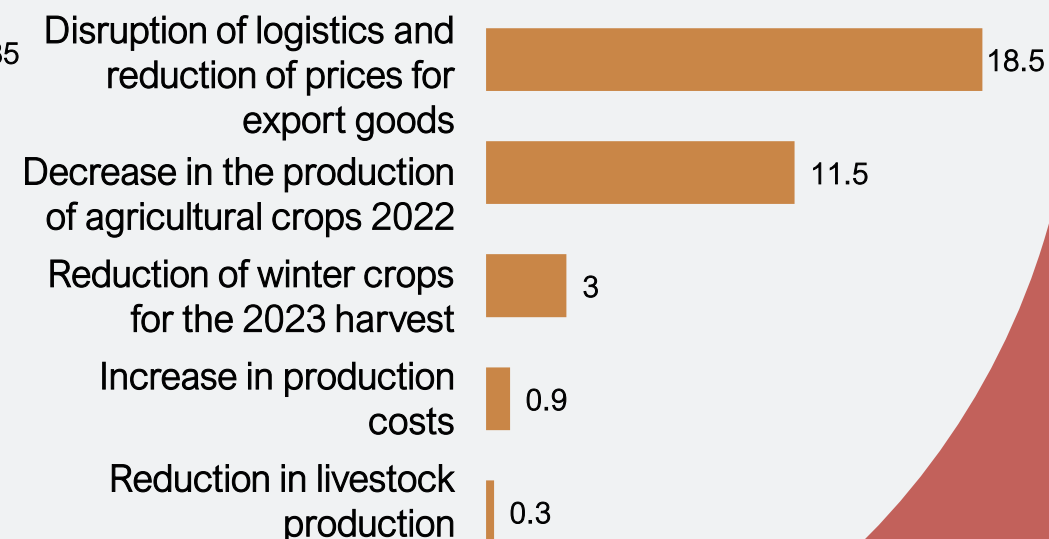
Direct losses\*\*

**\$6.6 B**



Indirect losses

**\$34.2 B**



Source: \* Institute of Demography; \*\* KSE



## Map of areas potentially contaminated by explosives

<https://mine.dsns.gov.ua/>

Footage Date: ~3/23/2023

Source: NASA+University of Maryland,  
E. C. Duncan, S. Skakun



# Assessment of Direct Losses Incurred by Agricultural Producers (January 1, 2022)

Types of losses	Unit	Number of damaged assets*
Machinery	units	109951
Warehouses	capacity, K. tons	10748
Perennial crops	ha	18122
Destroyed or stolen agricultural products (ready for sale)	tons	4037542



Bachmut, 2022, 17 K head



Kharkiv, Agrosvit, 2 K cows, 2022



Gostomel, 30 horses, 2022



Chornobayivka, 4 M chickens

\* Source: KSE



# War-Related Losses in Ukrainian Agriculture



Snegurivka, Mykolayiv, warehouse



Donetsk region, 2022, wheat field



Zaporizhzhia region, 2022



Kyiv region Bakery, Chanta



# Production of key crops in Ukraine

Crop	Planted Area, K ha			Harvest Area, K ha			Yield, t/ha			Production, K t			Change of production	
	2021	2022	2023*	2021	2022	2023*	2021	2022	2023*	2021	2022	2023*	22 vs 21	23 vs 21
<b>Cereal and leguminous</b>	15 995	14 006	10 069	15 948	11 382	9 817	5,39	4,58	4,65	86 010	52 605			
<i>Wheat</i>	7 095	6 728	4 100	7 090	4 900	4 018	4,53	3,86	4,04	32 151	18 936	16 221	-41%	-50%
<i>Barley</i>	2 476	1 889	1 565	2 472	1 660	1 537	3,82	3,42	3,37	9 437	5 679			
<i>Corn</i>	5 522	4 600	3 770	5 482	4 220	3 638	7,68	6,32	6,29	42 110	26 670			
<b>Main oilseeds</b>	8 998	8 002	8 280	9 052	7 603	8 178	2,53	2,42	2,41	22 897	18 378			
<i>Sunflower</i>	6 622	4 970	5 400	6 665	4 871	5 340	2,46	2,26	2,30	16 392	10 998			
<i>Soybeans</i>	1 311	1 570	1 680	1 323	1 546	1 664	2,64	2,48	2,53	3 493	3 835			
<i>Rapeseed</i>	1 006	1 462	1 200	1 005	1 186	1 174	2,93	2,99	2,76	2 939	3 545			

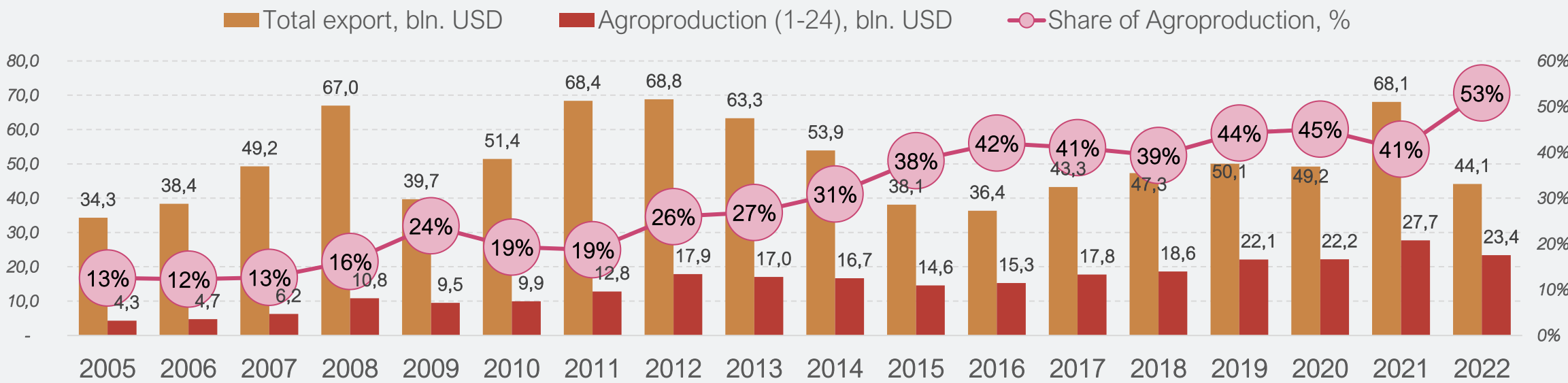
\* Forecast

Source: APK-Inform Agency

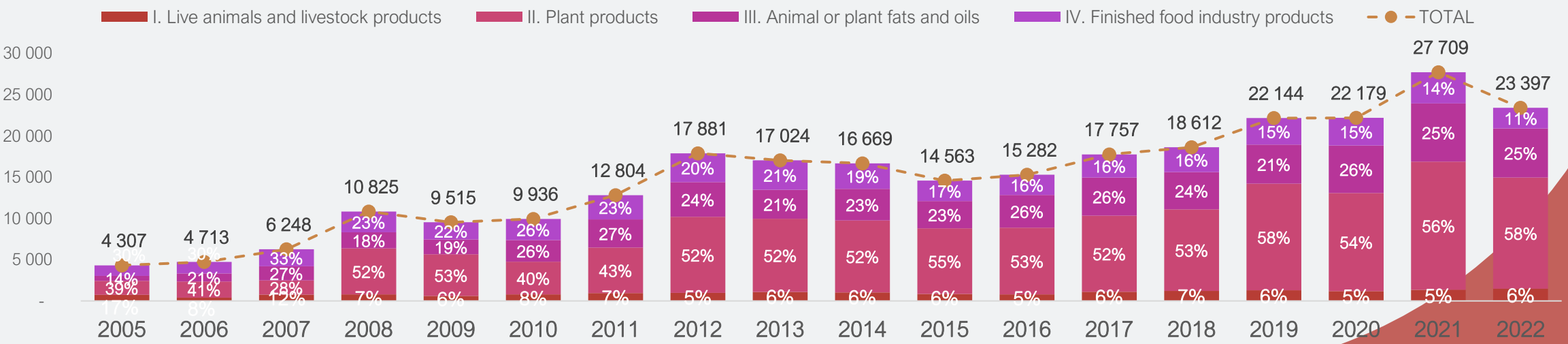


# Export Performance

## Export from Ukraine



## Structure of agricultural products export, M USD





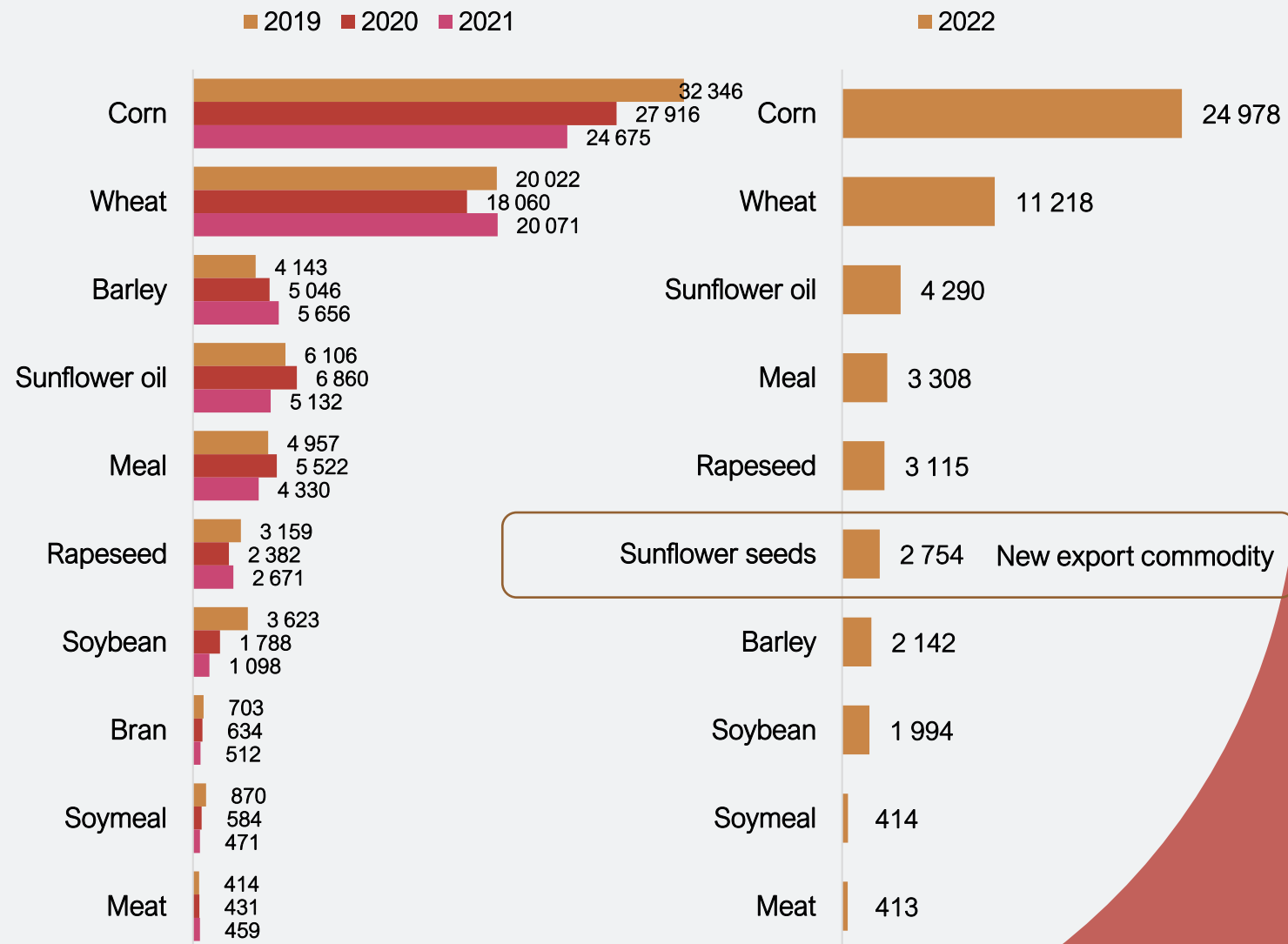
## MAJOR IMPORTERS OF UKRAINIAN PRODUCTS 2021, MLN \$



## MAJOR IMPORTERS OF UKRAINIAN PRODUCTS 2022, MLN \$



## TOP-10 export commodities, K tonnes

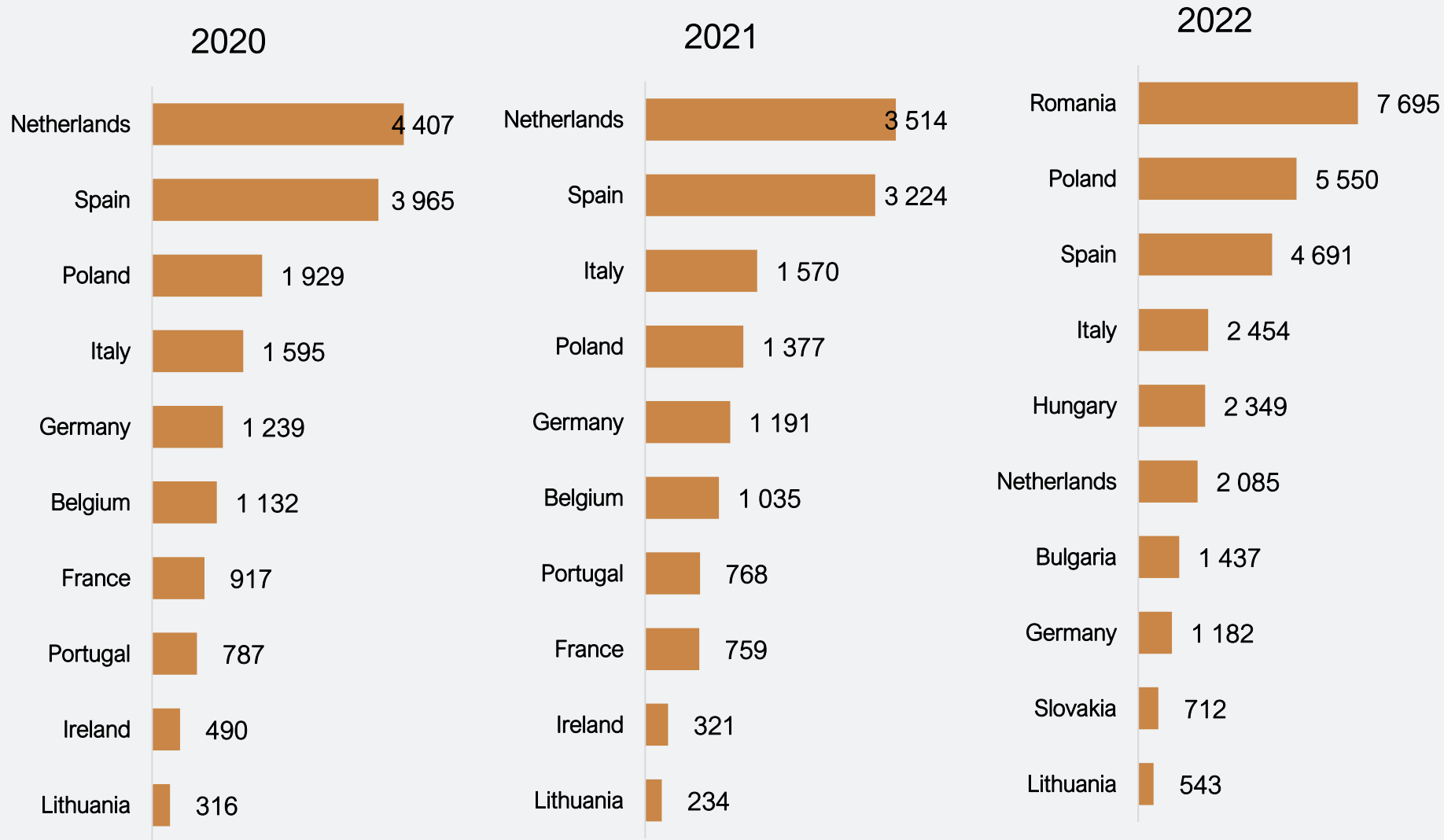


Source: GrowUkraine2022



# Exports to EU (TOP-10, 1-24, K t\*)

**426** (2022) enterprises approved for export to the EU (393 in 2021), +36  
**199** of these export food products (168 in 2021) +31



Ukrainian enterprises that have the right to export products for human consumption to the EU :

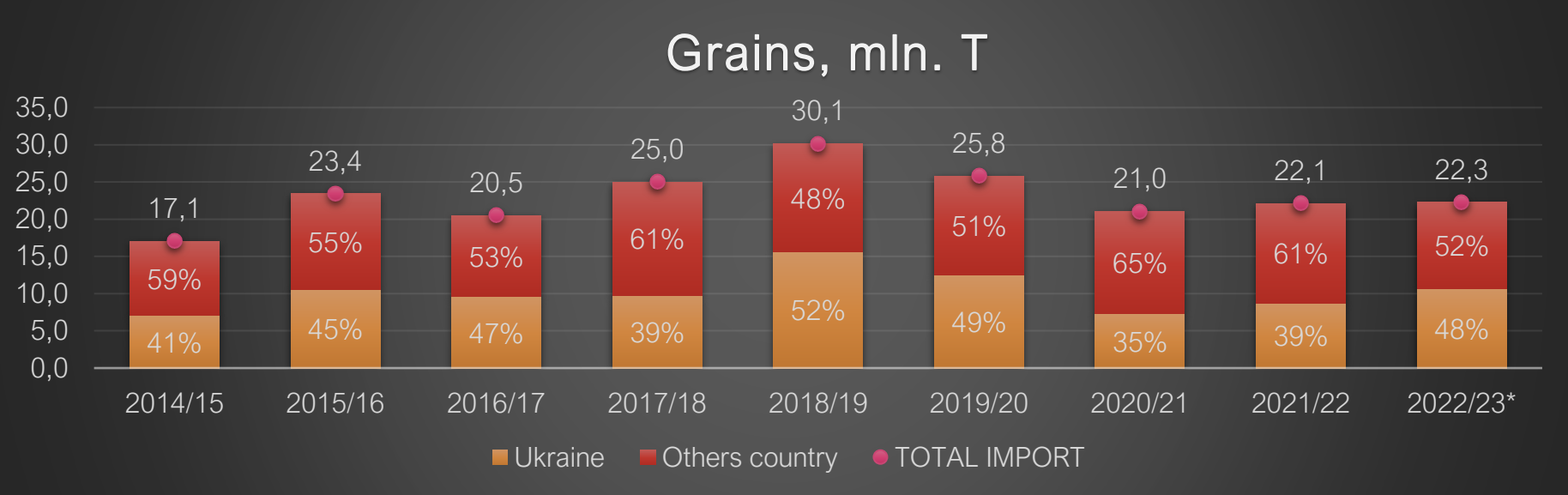
- milk and dairy products;
- poultry meat and poultry meat products;
- fish products;
- eggs and egg products;
- honey;
- food collagen;
- intestinal raw materials;
- snails.

In the process of opening: beef, pork, ready-made meat products, hatching eggs, live fish, shrimps, rapans, other molluscs, oilseeds and beets, planting material of the apple and plum species

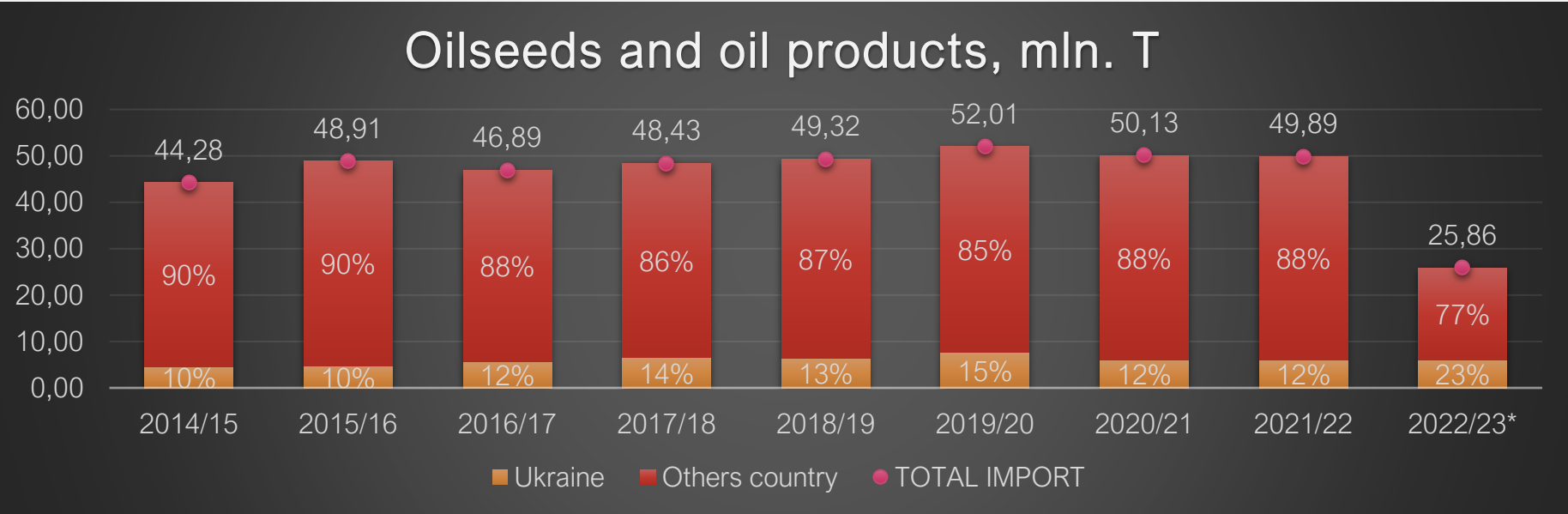
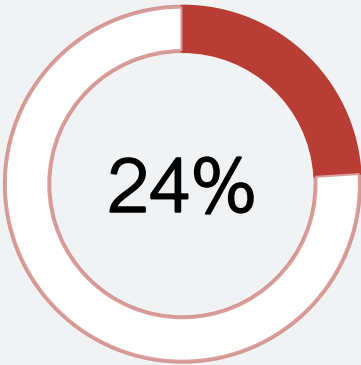
**Request was sent to open the EU market for Ukrainian pork and pork products**

*\*Source: European Commission*

# Imports in EU



Average share of Ukraine



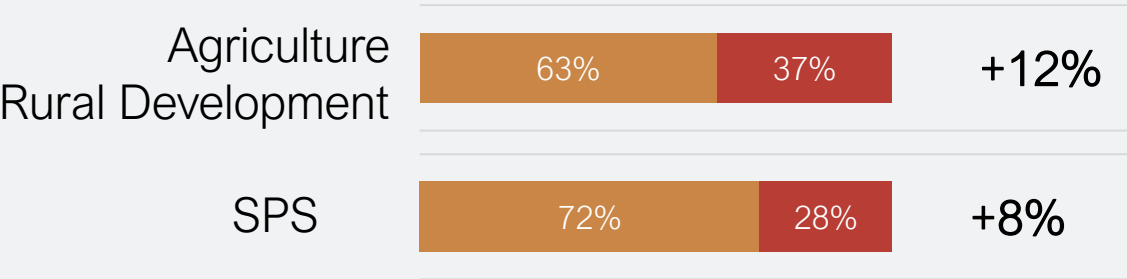
Source: EU Commission  
\*07.2022-01.2023

**EU is not a  
target market  
for Ukrainian  
products.  
Together we  
are stronger**

USDA 2021	UKRAINE		EU		EU+UKRAINE	
Line	Export	Production	Export	Production	Export	Production
corn	4	6	5	4	3	3
sunflower oil	1	2	5	3	1	1
wheat	5	7	2	1	1	1
rapeseed	3	6	4	1	3	1
soyabeans	7	9	10	12	7	6
sunflower meal	1	3	3	2	1	1
barley	3	4	2	1	1	1
poultry meat	6	17	3	4	3	4
soyabean meal	11	23	8	5	6	5
soyabean oil	9	23	3	5	3	5
walnuts	4	5	6	4	4	3
rapeseed oil	7	15	5	1	3	1
bovine meat	19	19	7	4	6	3
white sugar	47	20	6	3	6	3
butter	9	12	2	2	2	2
powdered milk, cream	10	14	2	1	2	1
live bovine animals	9	15	2	5	1	5

# Progress of European Integration

Plan of Measures for the implementation of the Agreement (DCFTA, 2016)



2259 tasks

2023

Self-screening of adaptation of Ukrainian legislation to acquis EU launched

The total number of acts 38,510  
7,923 EU acts – in Agriculture and Rural Development, Fishery, SPS and others

## Key changes

O – SAR

L	Veterinary Medicine, animal health, animal welfare	Food safety	Feed: safety and hygiene	Animal (products) trade standards	Contacting materials, packaging	Informing the consumers
	Pesticides and agrichemicals	Crop protection, Plant health	Plant trade standards	Protection of the rights for plant varieties	Seed production, nurseries	Organic farming

# Next steps (2023):

- Agricultural and Rural Development Strategy
- Climate Policy
- The best available methods and technologies
- CMO and producers' organizations
- GMO
- State (official) control

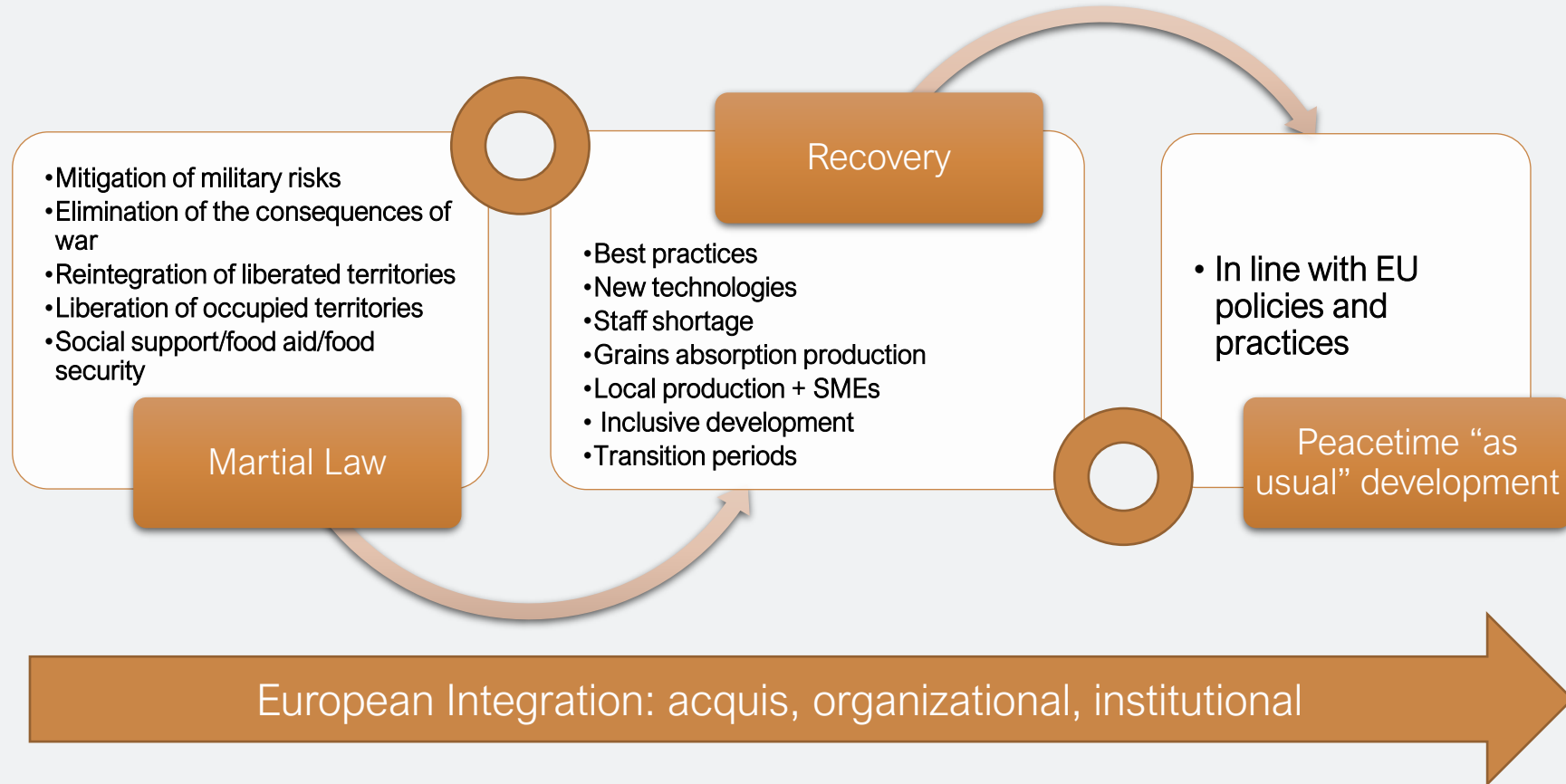
## *Digitalization + Deregulation*



Nationally Determined Contribution of Ukraine to the Paris Agreement (NDC2) - reduce emissions by 65% in total

# Challenges of UA European Integration

The Combination of Wartime Policies and Peacetime Principles for European Integration



## Challenges:

- Institutional capacity
- New institutions
- Producers' awareness
- Change of Market Organization
- Adaptation for “greening”
- Adaptation for EU requirements and standards
- New technologies
- Investments and operational support
- SMMEs

## Support

Stability and Predictability of  
rules and policies

# Cooperation

## Communication:

- To foster better understanding between European and Ukrainian farmers and food processors, it's recommended to encourage mutual participation in NGOs and representative organizations to exchange information about business realities, market conditions, and standards systems.
- To anticipate expected changes, it's crucial to involve Ukrainian representatives from various levels (NGOs in the Agri-food sector, Ministries, Parliament) in discussions about political initiatives and EU legislative acts.
- Enhancement of Agri Dialogue

## Business:


- along the value chain
- search and joint access to the markets of third countries
- development of logistics while controlling the transit – “win-win”
- transformation of grain and legumes in Ukraine

*Wartime support*

## Government:

- The EU pre-accession assistance
- Institutional capacity and Technical support for European Integration processes
- Support agrifood producers at risk
- Transition to climate-oriented technologies and energy efficient technologies
- Support for public Communication, NGOs
- Investments and operational finance support





Happy to answer your  
questions

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