



AAF Session_Ukraine

15.02.2022



ARABLE LAND DECREASED DUE TO THE WAR

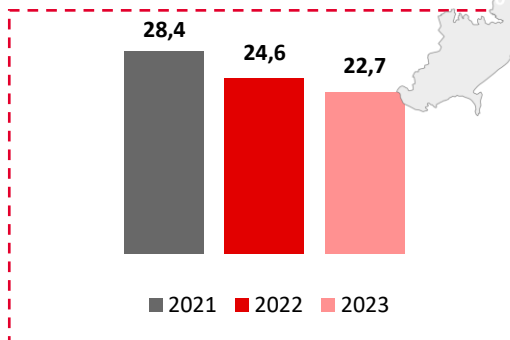
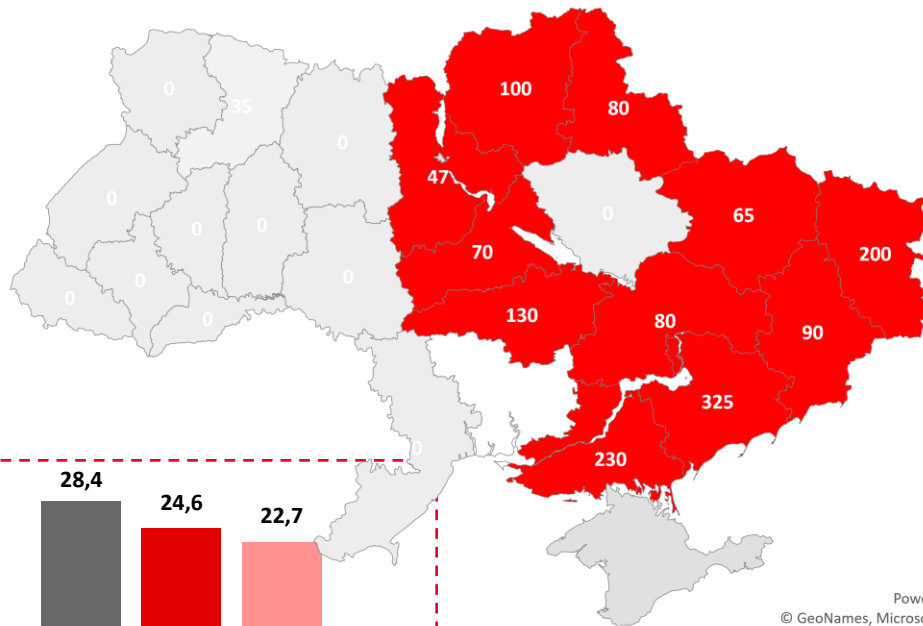
Decrease 22% K, ha

Sources:
State Statistics Service Ukraine

SNF & MAIZE LOST ACREAGES FOR 22/23

As of December 2022:

- **28.4 mln ha** of *all cultivated land* of our country in 2021
- **24.6 mln ha** (86% of the entire territory) are *located under the controlled territory of Ukraine*
 - ✓ among which **3.8 mln ha** cannot be sown due to *proximity to the front line or are mined, etc.*

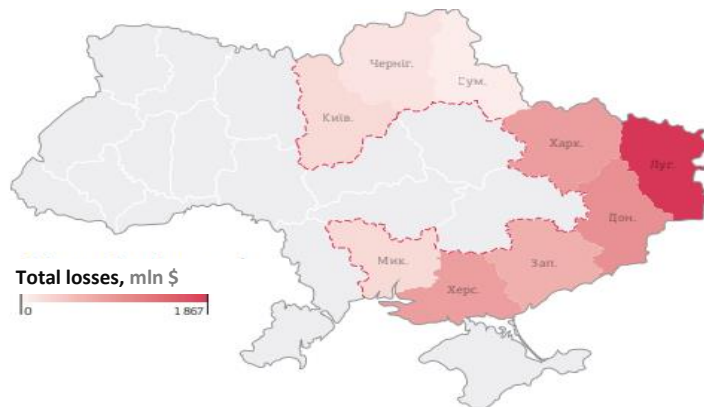


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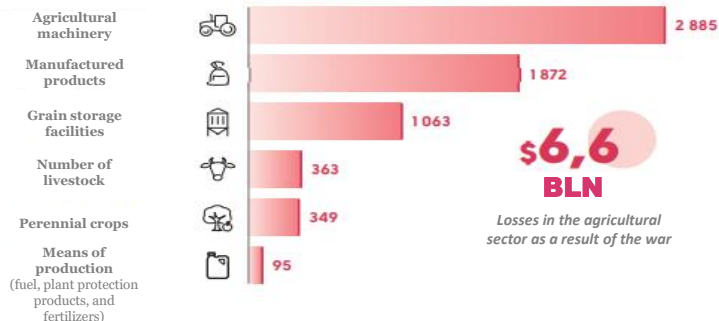
LOSSES OF THE UKRAINIAN AGRICULTURAL SECTOR DURING THE WAR

Sources: Kyiv School of Economics



Total losses by category, mln \$

The cash value of tangible assets that have been destroyed, stolen, or partially damaged (but still suitable for repair or restoration) due to military actions and occupation.



Total indirect losses by category, mln \$

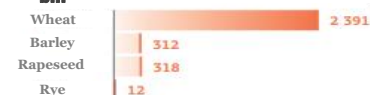
Indirect losses are the difference between actual income and the income that farmers would have received if not for Russia's invasion of Ukraine



\$11,5 bln Decrease in the production of agricultural crops in 2022



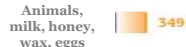
\$3,0 bln Decrease in the production of winter crops in 2023



\$0,9 bln Increasing of production costs



\$0,3 bln Decrease in production of livestock products



\$34,2 BLN

Indirect losses of the agricultural sector as a result of the war

Until the war ends, it is difficult to estimate the extent of damage and losses to Ukraine's agricultural sector.

The amount of damage to the agricultural sector is \$6.6 billion, or 5% of the total estimate of infrastructure damage.

Russian aggression affects not only the ability to freely export agricultural products: damage to land, infrastructure, and agricultural machinery directly affects production. Damage assessment is the first element in assessing the need for reconstruction.



EXPORTS DURING THE WAR

Sources:
USDA, State Customs Service (until March 2022),
Ministry of Economic Development and Trade (from March 2022)



After harvesting a record 108.8 mln tons of grains and oilseeds in 2021/22 MY, Ukraine was expected to export a record volume to the global market.

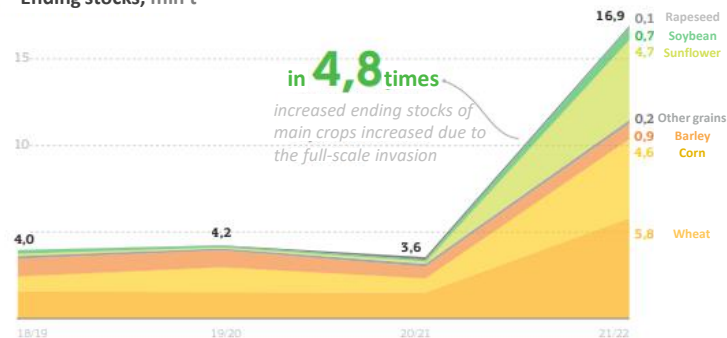
However, due to the war and its logistical problems, Ukrainian exports have been suspended.

The ports of the Black and Azov Seas were blocked by more than 20 million tons of grains and oilseeds. Grain exports in the first months were limited to 500 thousand tons per month compared to 5 million tons before the war. According to the Ministry of Agriculture, Ukraine was losing \$170 million daily due to blocked ports.

The lost export potential of the 2021/22 season, mln t



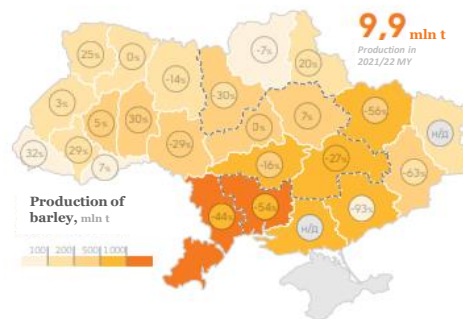
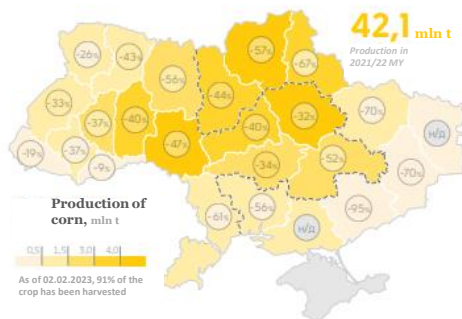
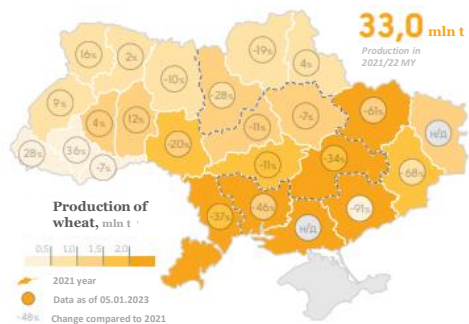
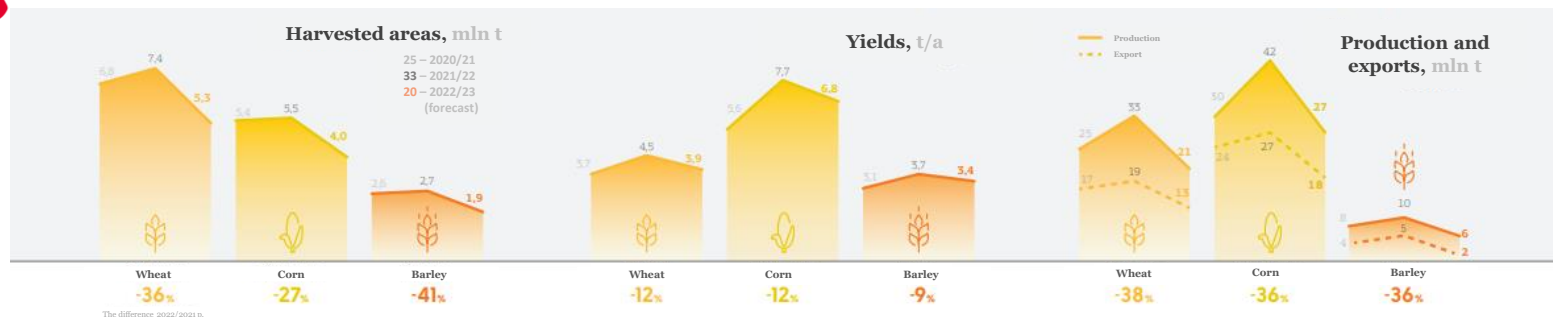
Ending stocks, mln t





MAIN GRAIN CROPS

Sources:
State Statistics Service, Ministry of Agrarian Policy and Food - yield and harvested area,
USDA - production and exports



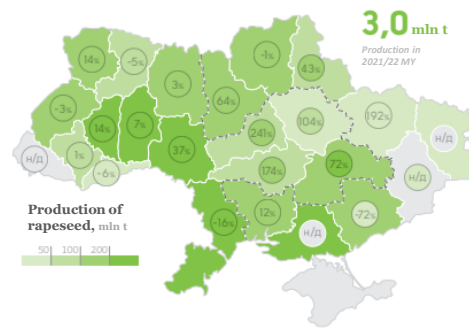
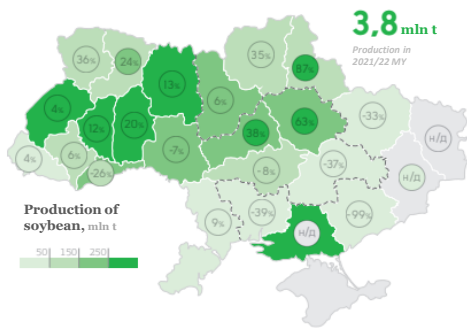
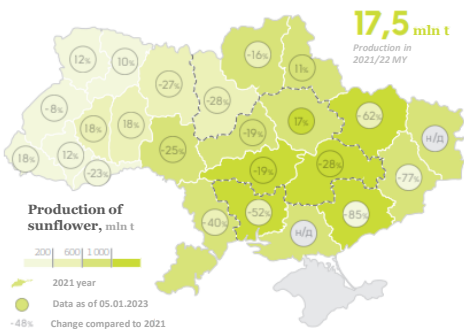
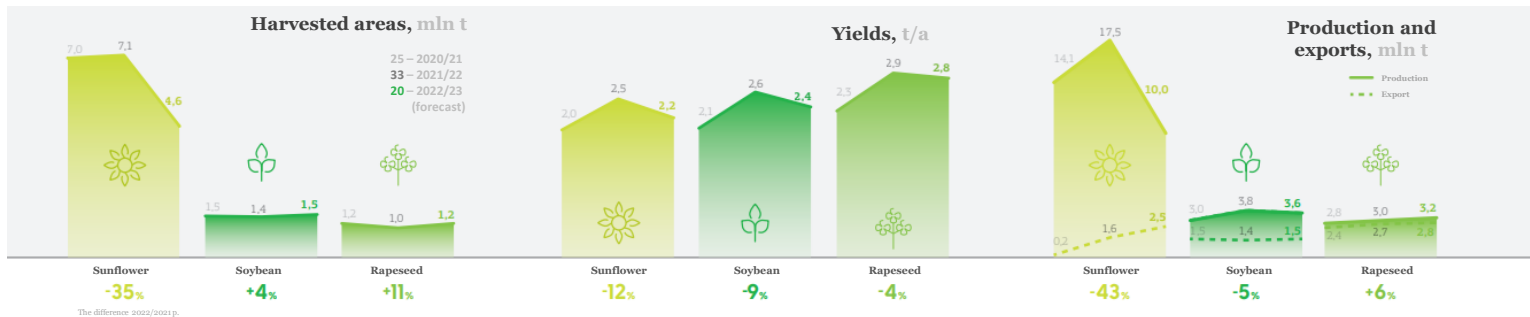
TOP-5 export destinations for Ukraine in 2021/22 MY, mln



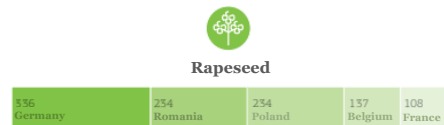


MAIN OIL CROPS

Sources:
State Statistics Service, Ministry of Agrarian Policy and Food - yield and harvested area,
USDA - production and exports



TOP-5 export destinations from Ukraine in 2021/22 MY, mln





THE SITUATION IN FARMS

Sources:

*Institute of Agrarian Economics
National Academy of Sciences of Ukraine*



Farmers and private households have demonstrated **their key role in preserving and developing local markets and food supply chains.**

In practice, the conclusion of **classical agroeconomic theory** has been demonstrated:

the main basis for the sustainability of small-scale agriculture is not its economic advantages over large-scale farming, but the important fact that large-scale farming is conducted as a capitalist enterprise for the sake of profit and rent, while small-scale farming is conducted to ensure the existence of the producer.



A peasant farmer will not stop farming **even if it gives him nothing but an average wage.**



For this reason, **small-scale agriculture can exist and develop with much less income than large-scale capitalist agriculture.**



MAIN TREND CROPS

Main Crop/ Indicators	Winter Wheat	Corn	Soyabean	Sunflower	WOSR	Spring Wheat	Spring Barley	Spring OSR
Profitability	☹️	☹️ ☹️	😊	😊 ☹️	😊	☹️	☹️	😊
Availability of seeds	😊	😊	😊	😊 ☹️	😊	☹️	😊	☹️
Monocrop	☹️	😊	😊 ☹️	😊 ☹️	☹️	☹️	☹️	☹️
Price commodities	☹️	☹️	😊	😊 ☹️	😊	☹️	☹️	😊
Logistic & technological issue	😊	☹️	😊 ☹️	😊	😊 ☹️	😊	😊	😊 ☹️
Surfaces trend	📈	📉	📈	📈	📈	📈	📈	📈



THANK YOU FOR ATTENTION!

