

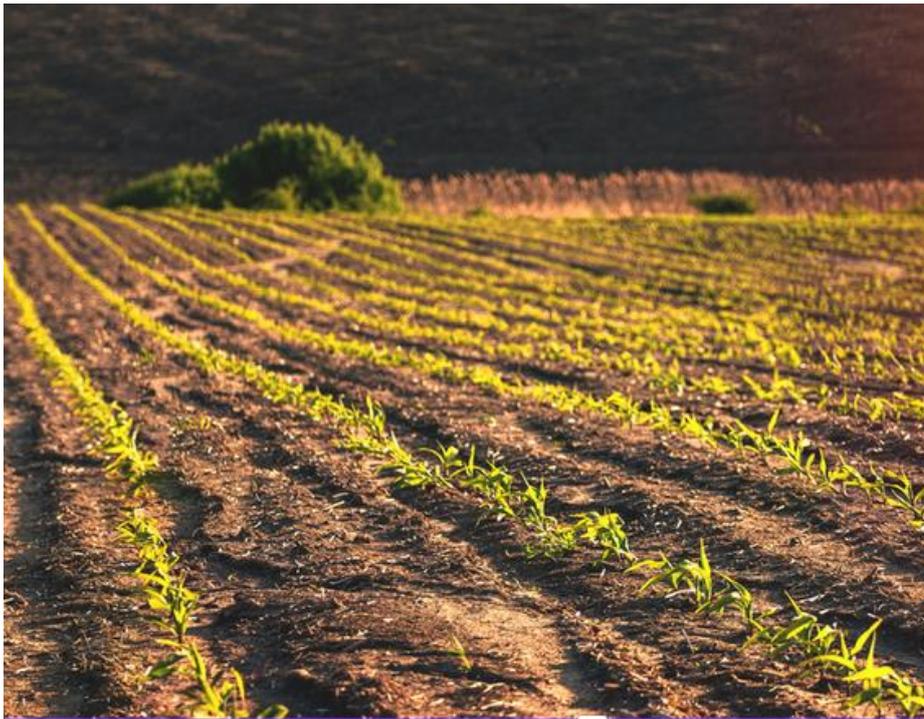
# FACT SHEET

## UKRAINIAN AGRICULTURE DURING THE WAR: SMALL FARMERS AND HOUSEHOLDS

ROSTYSLAV KOS | 23.11.2022 | UKRAINE

### IMPACT OF THE WAR ON AGRICULTURE

Fullscale Russian aggression has a big influence on Ukrainian agriculture. All agri sectors faced a lot of damages and problems but try to prolong their activities. Small farmers and households are the most vulnerable to these challenges



### THE SITUATION IN THE DIFFERENT SECTORS

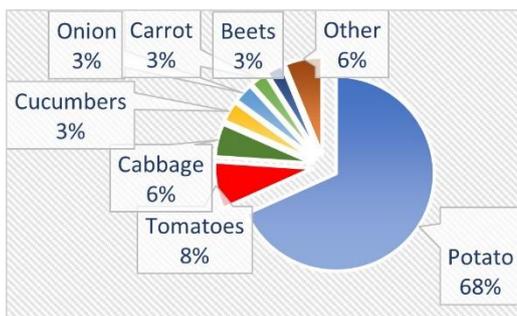
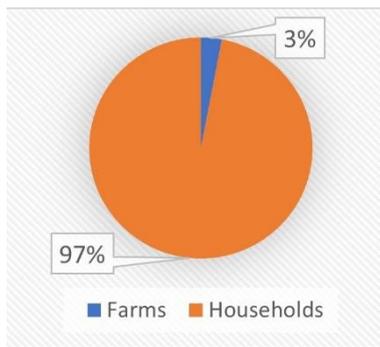
**Grain.** Ukrainian agri producers harvested appr. 55 mln. t in 2022. (Compared to 86 mln. t in 2021). Domestic consumption needs do not exceed 20 mln. t.

**Poultry and eggs.** Households occupy 43% of poultry market and agricultural enterprises 53%. The main industrial producer MHP Group has 45% of enterprise's market and it's lands and farm-complexes are located in safety area. That's why market will more-less stable and small farmers and households will sell products on the local level.

The Ukrainian sector of chicken eggs had to face a lot of problems in 2022. The largest producer "Avangard" Group had to record huge losses. (It was ranked 1st in Europe in the number of laying hens in 2021). About 3 million chickens died in Europe's largest poultry farm "Chornobayivska" (Kherson region). 4 other poultry complexes also had to face significant problems.

Households occupy 50% of the market but they couldn't produce enough products during the cold season. That is why especially the egg market is struggling with major problems as a great shortage of products, prices have tripled. This is not a good situation for consumers but small producers' incomes will be increased at the end of year.

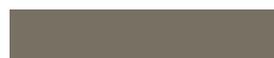
**Vegetables.** Households take up a significant percentage of the sector: - 97%!



Most of the main products were produced throughout Ukraine and consumers have the possibility to buy enough of them. Nevertheless, there was a price increase due to the increased cost of cultivation, not because of a lack of produce.

But there are also exceptions to this. In the Ukrainian tomato sector there is a different distribution of producers: 37 % farms and 63 % households. The main company "Agrofusion" is located in the occupied Kherson and Mykolayiv regions and couldn't to supply tomatoes to the market. Most households are also located in the occupied southern regions. Therefore, Ukrainian consumers faced a shortage of certain very popular tomato varieties - and very high prices in 2022.

Unfortunately, due to the Russian occupation, our small producers have suffered a massive

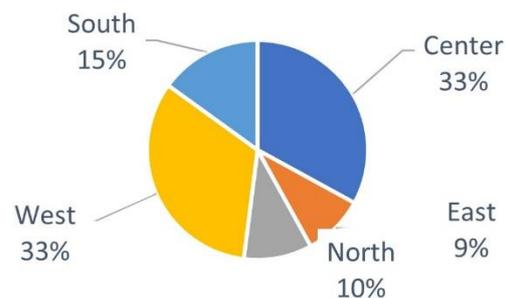
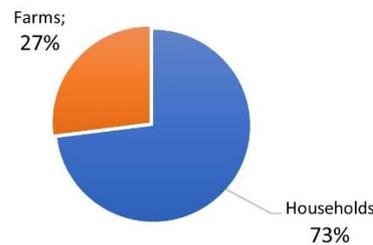


## AN OUTLOOK

Small agricultural producers will face new challenges next year. The prices for operating materials (fuel, fertilizers, and agricultural equipment) will rise up and they will need some state subsidies or support from international projects.

drop in production, especially in the area of crops that require warmth: 68% of tomatoes, 71% of eggplants and 58% of sweet pepper.

**Fruits and berries.** Households occupy 73% of fruit and berries market but the share of farms is equally impressive - 27%.



The production of farms is usually destined for export, whereas the product of households is destined for the domestic market. Main fruits and berries (apples, pears, plums, cherries, strawberries, blueberries, and raspberries) were grown in the West and Center of Ukraine. these are the more or less safe regions of our country and the producers were able to secure their harvest.

But there are 2 exceptions: watermelons and sweet cherries. The main region of watermelon cultivation is Kherson region and the main production of sweet cherries is in the Zaporizhzhya region (Melitopol area). Both regions were occupied, and supply chains were destroyed.

Agri production will grow in Western Ukraine, where many producers from the southern and eastern regions have relocated their businesses (animals and machinery).