

Ukraine

Bilateral relations in agriculture



Main Country Indicators 2013

	Ukraine	EU28
Total area (km ²)	603 560	4 385 992
Population (million)	45.5	506.7
Population density (per km ²)	78.5	120
GDP (current USD)	177.4 billion	17.3 trillion
GDP per capita (current USD)	3900.4	34 240
GDP growth (% change with previous year)	1.8	0.1

Sources: Eurostat, World Bank

Economic importance of agriculture (2012)

	Ukraine	EU28
Agricultural land (km ²)	412 970	1 865 836
Agricultural land as proportion of land area (%)	71.3	44
Arable land as % of land area	56.1	25.6
Permanent cropland (% of land area)	1.5	2.8
Employment in agriculture (% of total employment)	17.2	5
Agriculture, value added (% of GDP)	9.3	1.6

Sources: World Bank

Trade Statistics

EU28 **exports** of agricultural products to Ukraine (2013): EUR 2.2 billion

EU28 **imports** of agricultural products from Ukraine (2013): EUR 3.8 billion

More statistical information

http://ec.europa.eu/agriculture/trade-analysis/statistics/outside-eu/ukraine-factsheet_en.pdf

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Agriculture in Ukraine

Partly because of rich soils and a favorable climate, Ukraine's crop production is highly developed. Its output of grain and potatoes is among the highest in Europe, and it is among the world's largest producers of sugar beets and sunflower oil. Ukraine's livestock sector lags behind the crop sector but its total output is still considerably larger than that of most other European countries.

Considerable amounts of the world's black soil are found in Ukraine's forest-steppe zone. These soils are exceptionally well suited for the cultivation of sugar beets, an important industrial crop, and wheat. Besides wheat (almost all of it fall-sown), Ukraine produces such grains as barley (mostly for animal feed), corn (maize, for feed), leguminous grains (also feed), oats, rye, millet, buckwheat, and rice (irrigated, in the Crimea). Potatoes are a major crop in the cooler regions in the north and in the Carpathian foothills. Sunflower seeds, the principal oil crop, are most common in the steppe zone, where castor beans, mustard, rape, flax, hemp, and poppy seeds also are grown for oil. In the southern steppes, especially where irrigation is used, tomatoes, peppers, and melons are grown as well. Vineyards are common in the southern part of Ukraine, particularly in Transcarpathia and the Crimea.

Cattle and pigs are raised throughout Ukraine. Concentrations of dairy herds occur primarily in the forest-steppe, especially in the vicinity of large cities, while beef cattle are more common in areas of natural pastures and hay fields, as in the Polissya and the Carpathian foothills. Sheep and goats are raised in the Carpathian Mountains and parts of the southern steppe and the Crimea. Chickens, geese, and turkeys are kept throughout Ukraine for meat and egg production, but large-scale broiler and egg-laying operations are concentrated close to the large cities. Bees are kept in all parts of Ukraine for pollination and the production of honey and wax; silkworm raising occurs in Transcarpathia.

Whereas field-crop production and large-scale livestock and poultry operations were developed on collective and state farms in the Soviet period, small-scale gardening, fruit growing, and livestock raising traditionally have been carried on by private households. With the agricultural restructuring initiated by Soviet premier Mikhail Gorbachev in the late 1980s, the theretofore small private plots were allowed to expand, while collective and state farms were allowed to undergo some reorganization on the basis of group or family contract farming. Since independence, the declared intent of the Ukrainian government has been to bring about a gradual privatization of farming, but the agricultural infrastructure, which developed around collective and state farms, made the conversion difficult and costly. In December 1999 the collective farm system was abolished by presidential decree, and land reform remained a subject of concern for subsequent leaders. One of the most politically divisive aspects of privatization, however, was the proposed sale of agricultural land. The practice, prohibited by law in 1992, was seen by many as a crucial step in the liberalization of the agricultural sector.

EU - Ukraine relations

The EU is seeking an increasingly close relationship with Ukraine that goes beyond mere bilateral cooperation, encompassing gradual progress towards political association and economic integration. Ukraine is a priority partner country within the European Neighborhood Policy (ENP) and the Eastern Partnership (EaP). The [Partnership and Cooperation Agreement \(PCA\)](#) which entered into force in 1998 provides a comprehensive framework for cooperation between the EU and Ukraine in all key areas of reform.



A new [Association Agreement](#), including a Deep and Comprehensive Free Trade Area (DCFTA), was negotiated in 2007-2011 and initialed in 2012. On 10 December 2012, the EU Foreign Affairs Council adopted the Council Conclusions on Ukraine. These affirmed the EU's commitment to signing the Agreement (including the DCFTA) as soon as Ukraine takes determined action and makes tangible progress towards achieving the benchmarks set out in the Conclusions. On 21 November 2013, the Cabinet of Ministers of Ukraine took a decision to suspend preparations to sign the Association Agreement. The EU took note of the unprecedented public support in Ukraine for political association and economic integration with the EU and remained ready to sign the Association Agreement.

The political parts of the Association Agreement was finally signed on the 21 of March 2014 while the remaining parts of the agreement including the Deep and Comprehensive Free Trade Agreement (DCFTA) was signed on the 27 June 2014. Since the 23 April 2014 EU has unilaterally provided autonomous trade preference to support Ukraine in the current situation. These measures will apply until end of October 2014. They may be extended until the end of 2015.

The EU is among Ukraine's most important commercial partner and accounts for about one third of its external trade. Ukraine's primary exports to the EU are iron, steel, mining products, agricultural products, and machinery.

General information about EU-trade with Ukraine can be found here:

<http://ec.europa.eu/trade/policy/countries-and-regions/countries/ukraine/>