

# **Industry and Services-Agribusiness Irrigation**

## **SUPPORT PROGRAMMES**

20 November 2023  
Workshop  
Multi-agency Donor Coordination  
Platform for Ukraine

# Agriculture of Ukraine: Challenges and Opportunities

## Highlights of the pre-war period:

Agriculture = 16% of GDP in 2021. Ukraine: 10% of world wheat exports and 50% of sunflower oil.  
Main importers: Middle East, North Africa, China.

## The impact of the war with Russia:

30% decline in output in 2022.  
\$8.7 billion in direct losses;  
\$31.5 billion in indirect losses.  
The greatest losses in Lugansk, Donetsk, Kharkov, Kherson and Zaporizhzhya regions. Decrease in agricultural activity due to war by 25%, to 40% in the most affected regions.  
It is estimated that total losses exceed **40 billion euros**.

## Recovery and growth potential:

Focus on EU integration, movement of value chains and modernisation.  
Priority: Land reform, bringing in line with EU standards, increasing exports.  
The need for formalization, access to financing and public administration reform.

## Strategic goals (2024-2027):

1. Alignment with EU requirements and promotion of institutional reforms.
2. Strengthening agricultural value chains for modernization and environmentally friendly practices.
3. Demining of agricultural land for safe reconstruction.
4. Promoting innovation in agricultural technology and food technology to increase productivity.

# Total needs



**\$ 958,6** mio

**Total investments  
in Ukrainian  
Economy**

**Budgeted**

**\$ 0 mio**

**Supported**

**\$ 99,6 mio**

**Extra need**

**\$ 859,0 mio**

**Total need**

**\$ 958,6 mio**

# ARISE, EU Support to Ukraine's fast recovery



**\$220,9** mio

**Total investments  
in Ukrainian  
Economy**

**Grants and inputs for ag  
production by small farms (per  
hectare and per livestock unit)**

## Short Description:

Contribute to the country's food security and economic resilience by ensuring uninterrupted production of agricultural and food products and supporting access of farms (i.e. legal entities and individual agricultural producers less than 120 ha) to working capital.

Budgeted	<b>\$0 mio</b>
Total need	<b>\$220,9 mio</b>
Supported by IBRD+EU	<b>\$70,9 mio</b>
Extra Need	<b>\$150 mio</b>

# PCGF



**\$20** mio

**Total investments  
in Ukrainian  
Economy**

## **Strengthening the Partial Credit Guarantee Fund (PCGF) for Small Farmers in Ukraine Project**

### **Short Description:**

Due to the support of the Fund, small farms will receive an additional resource for partially guaranteeing their own obligations to financial institutions under credit agreements, as a result of which the risks for banks will be reduced, and farms will have access to resources for financing agricultural work

Budgeted	<b>\$0 mio</b>
Total need	<b>\$20 mio</b>
Supported by IBRD	<b>\$11 mio</b>
Extra need	<b>\$9 mio</b>

# The support of the energy supply



**\$50** mio

**Total investments  
in Ukrainian  
Economy**

### Short Description:

The support of the energy supply to grain silos, support of energy efficiency and electricity supply of grain silos through energy modernization and purchasing of power generators

Budgeted	\$0 mio
Total need	\$50 mio
Extra need	\$50 mio

# Urgent Support to the Agricultural Sector



**\$12** mio

**Total investments  
in Ukrainian  
Economy**

**Reconstruction and replacement  
of damaged assets, machinery,  
inputs, and outputs**

## Short Description:

Restoration of agriculture through the purchase of equipment and materials necessary for emergency restoration

Budgeted	<b>\$0 mio</b>
Total need	<b>\$12 mio</b>
Supported by JICA (Phase 2)	<b>\$12 mio</b>
Extra need	<b>\$0 mio</b>

# Renewal of agricultural equipment park through leasing



**\$50** mio

**Total investments  
in Ukrainian  
Economy**

Budgeted	<b>\$0 mio</b>
Total need	<b>\$50 mio</b>
Extra need	<b>\$50 mio</b>

## Short Description:

The project is designed to supply agricultural machinery to the Ukrainian State Fund for farmers ("Ukrderzhfond"), which through leasing will provide farmers on the de-occupied territories with appropriate agriculture machinery and provide the opportunity to cultivate and harvest crops



# SUPPORT OF AGRICULTURAL SECTOR



**\$605,71** mio

**Total investments in  
Ukrainian Economy**

Budgeted	<b>\$0 mio</b>
Total need	<b>\$605,7 mio</b>
Kyslytskyi arm irrigation project KOICA	<b>\$5,7 mio</b>
Extra need	<b>\$600 mio</b>

## Restoration of irrigation systems

### Short Description:

Built during the Soviet period, Ukraine's irrigation complex, capable of irrigating over 2 million hectares, managed only 551 thousand hectares in 2021, highlighting the necessity for comprehensive restoration. While war damage, including the Kakhovka reservoir, has impacted many areas, the Odessa region remains unaffected by this specific destruction. Investing in irrigation projects, particularly in Odessa region, is crucial for preserving vital irrigation capacities and ensuring future crop security.

Increasing Agricultural Productivity in Izmail District through Efficient Water Resource Management of Kyslytskyi Arm in Ukraine. It is planned to cover \$ 5,71 mio by KOICA.

**Thank you for your attention**