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.

(a) 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**.

\mathbf{Y} 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):

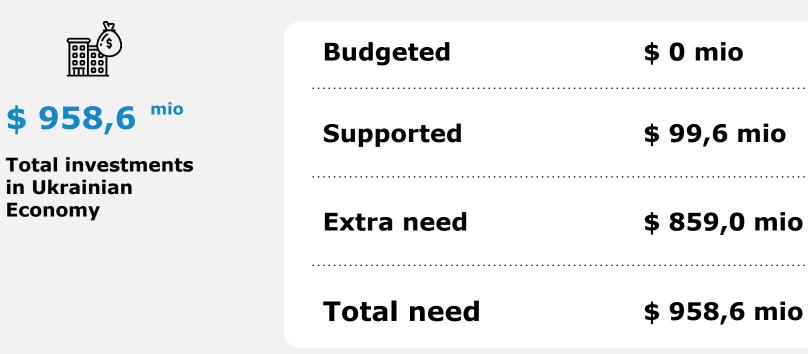
1. Alignment with EU requirements and promotion of institutional reforms.

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



ARISE, EU Support to Ukraine's fast recovery



Total investments in Ukrainian Economy

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

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.

PCGF



Total investments in Ukrainian Economy

Budgeted	\$0 mio
Total need	\$20 mio
Supported by IBRD	\$11 mio
Extra need	\$9 mio

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

The support of the energy supply



Total investments in Ukrainian Economy

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

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

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	\$0 mio
Total need	\$12 mio
Supported by JICA (Phase 2)	\$12 mio
Extra need	\$0 mio

Renewal of agricultural equipment park through leasing





Total investments in Ukrainian Economy

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

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



Total investments in Ukrainian Economy

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

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 Managment of Kyslytskyi Arm in Ukraine. It is planned to cover \$ 5,71 mio by KOICA.

Thank you for your attention