

From 20-21<sup>st</sup> October the agricultural team of the Embassy of the Netherlands in Ukraine went on a working visit to <u>Nova Kakhovka</u> (<u>Kherson region</u>) together with 15 Dutch companies. The region is particularly interesting due to large potential in cooperation in food processing, horticulture and potatoes. During the working visit a round table with local authorities took place, a Dutch-Ukrainian business forum and company visits.

While there are many varieties and debates about the best recipe and its origin, the traditional Ukrainian soup Borsch is widely known as a hearty soup to warm you up during the cold winters. Several vegetables are normally included in the meat or bone stock, such as beetroots, onions, carrots, tomatoes, potatoes, garlic and cabbage. These ingredients can all be found in the Kherson region which has 1,8 mln hectares of arable land. In fruits, especially the watermelon is grown in abundance besides grapes and berries. Together with the favourable geographical position for export, availability of processing industry (23% of the vegetables are processed), 57 fruit & vegetable storages and the largest area of irrigated land in Ukraine, the Kherson region provides many opportunities for cooperation.



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The working visit was focused on the opportunities in the production and post-harvesting processing of vegetables, potato, fruit and berries, storing of horticultural products and food processing. Joining the embassy were companies active in the following sectors: seeds and planting material (Rijk Zwaan, HZPC, Agrico, Rosetta Agro), Fertilizers & crop protection (ICL, Koppert Biological Systems), Storing and post-harvest equipment (AgroVent, Fresh Engineering Group, Tolsma-Grisnich, Rosetta Agro), food processing (Unifreezing, Partners International Business FoodTechLink, Grimco Trade Holland, Tolsma-Grisnich, Rid Logistical Solutions) and the Dutch agricultural company Kischenzi. Also the Ukrainian berries association and the Ukrainian Food and Export Board (UFEB) joined the working visit.

The morning of the 10<sup>th</sup> of October the Embassy representatives together with the Dutch delegation had a round table with <u>local administration</u>, <u>Kherson Chamber of Commerce</u> and the <u>State Agrarian University</u>. The following topics of join interest were discussed: focus areas for the agricultural development of Kherson region, state support programs, <u>investment policy</u> and donor projects in the region. There were presented the Dutch governmental instruments and program available for Dutch-Ukrainian cooperation and well as the priority sectors in which the Netherlands business in ready to supply technological solutions and materials. There is an interest in starting up demonstration projects, also in view of the exhibition <u>Agroport Kherson in summer 2018</u>. From the Ukrainian side support is given through financial and training instruments, both with local banks and international donors. Another topic discussed evolved around marketing. Where the orange tulip is the trade mark for



the Netherlands and worldwide used for branding, Kherson is developing its own brand to present itself on the world market. Branding, marketing, knowing your customers and showing yourself at international exhibitions is an important part of fulfilling the potential in agricultural export.



At the Dutch Ukrainian forum representatives of Dutch companies, the berry association and UFEB presented the general trends in the world market of berries and fruit, the potential of Ukraine and in particular of the Kherson region and the innovative solutions for optimizing through technologies in production and storage. The potential lies on both the domestic and the world market. With the Association Agreement, Ukraine can carry out duty free supplies of 36 food items to the European Union within the approved tariff quotas. Quota for processed foods remains largely unused. Adding value to the product and introducing the latest technologies for growing, storage and processing can prove to be the key for successful export.

The second day was devoted to company visits. The delegation visited the leading company in vegetable production <u>Green Team</u> with total storage capacity of 50.000 tons, based on Dutch technologies. The company started in 2011, has Global Gap Certification and besides attracting local producers also has its own farm of approx 1.200 ha. Main products are carrots and onions for the domestic market, but also butternut pumpkin and sweet potatoes mainly as more niche products for the export market (UK). We would like to thank the CEO Denys Sazonov for the introduction and showing us around the storage and production facilities.



The second visit was at the farm Agroteko. Mr Vadym Shelestov together with Oleksandr Gurytskyi

from Fresh Engineering Group showed the delegation the vegetable storage for onions and carrots. On site, also a grain storage is in the process of being built for storage of among other grains, maize from their own farm. We would like to thank Agroteko for their openness and

hospitality.

The working visit ended at the <u>"Prince</u> <u>P.N. Trubetskoy Winery"</u> with a tour around the vineyard and the chateau, degustation of different wines

primarily build in 1900, followed by a degustation of different wines.

The embassy of the Netherlands in Ukraine would like to express their thanks to the local authorities of Kherson region and Kherson Chamber of Commerce for their active contribution to the working visit. New contacts have been made, both by business and with local authorities.





Further information:

- Regional Investment Passport by the Kherson regional state administration <u>https://investinkherson.gov.ua/ua/</u> (some information also available in English)
- More photo's on the Facebook page of the embassy of the Netherlands in Ukraine <u>https://www.facebook.com/DutchEmbassyUkraine/</u>
- Prince P.N. Trubetskoy Winery: <u>http://vina-trubetskogo.com.ua/?lang=en</u>
- Greenteam: <u>www.greenteam.ua</u>



# AGRO-INDUSTRIAL POTENTIAL OF THE KHERSON REGION

# **Fertile land**

- Ecologically clean production
- Favorable geographical location for export
- Availability of processing-industry facilities and enterprises for the production of agricultural machinery
- Availability of processing-industry facilities and enterprises for the production of agricultural machinery, construction, and mineral resources

### • 3 billion 345 mln. UAH of investment during the last 5 years





• River terminal «Nibulon» with capability of 175 k tons

The largest Farmland area: Zmln. ha 427.1‰ area of irrigated land in Ukraine Use of land by agrarian complex entities Europe's largest 22% irrigation system 17% from 2-3k ha 28.7k head of cattle 37% 9% from 3-4k ha to 2.0k 9,5% ha including 70.1<sup>k head</sup> from 4-5k ha 14% from 7-10k ha 8% 1987 from 5-7k ha 5,5% from 10k ha Farms Developed k ha k ha agrarian vegetable of vineyards infrastructure storehouses Arable land Gardening land 1777.9к на Agricultural 8.6 k ha enterprises of all forms of ownership



#### Kherson Region produces up to 2.7 million tons of grain and more than 500k tons of industrial crops annually

- Production of more than 1975.3k dal of wine material
- During 2015, 300 k tons of milk the region 1577.8 million eggs had 78.1 k tons of meat 131 tons of wool

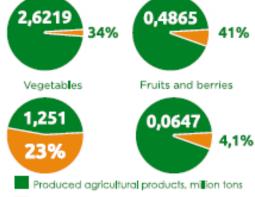
### Kherson region is the Ukrainian leader in:

- production of eco vegetables and fruits
- use of drip irrigation almost 60% of total area in Ukraine
- the highest yield of tomato harvest 468.6 g/ha, cucumbers - 283.4 g/ha and onions - 219.9 g/ha
- second place in melon production 266.1k tons, 95% of which is exported
- second place in production of viticulture for cognac production – 1489.5k dal
- second place in soya harvest yield 33.2 q/ha
- the highest rate of average milk yield per one cow - 6397 lt/year

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- 3rd place in eggs production
- 4<sup>th</sup> place in wool clip per one ship 3.3 kg
- 5" place in poultry stock among other regions of Ukraine

Resource of soil fertility



Processing of agricultural products

Crops

Sunflower

seeds

The share of processed agricultural products, %

#### Agricultural areas of the region



production