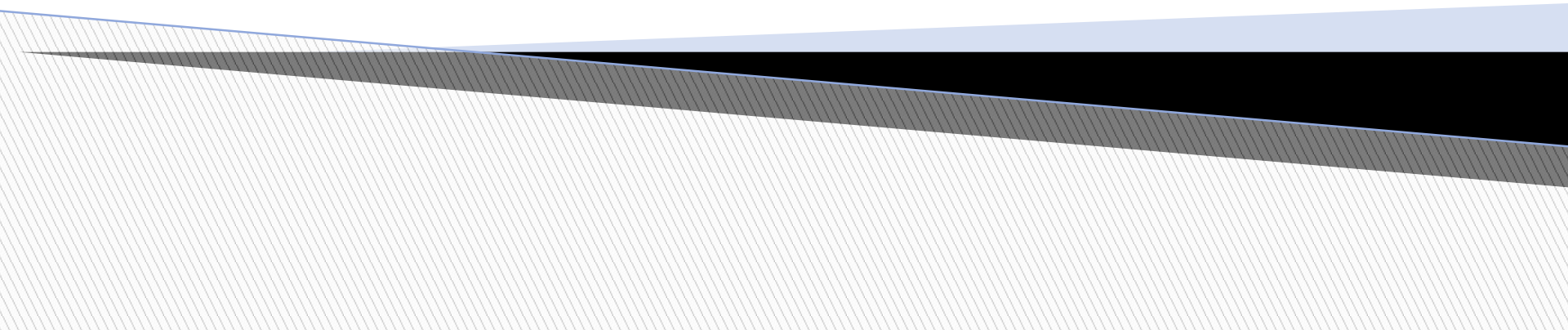


Ukrainian agriculture



Content

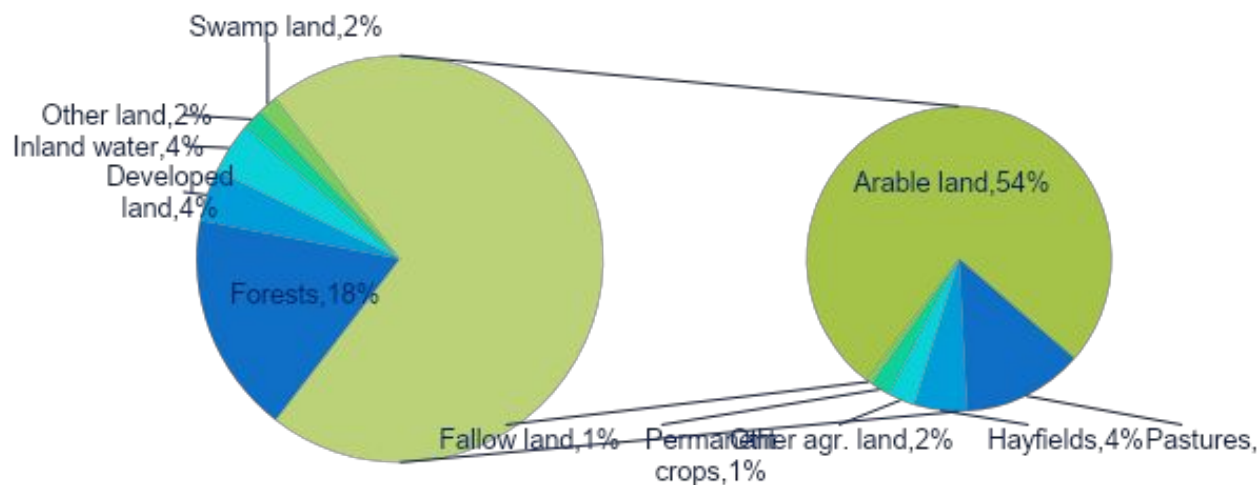
1. Land structure
2. Grains
3. Oilseeds & Sugarbeet
4. Horticulture
5. Agriholdings

Land structure

Ukraine's area, on January'11

	Area, ths ha
Total area	60 355
Forests	10 601
Developed land	2 513
Inland water	2 424
Other land	1 046
Swamp land	980
Agricultural land	42 792
Arable land	32 477
Pastures	5 482
Hayfields	2 411
Other agr. land	1 216
Permanent crops	897
Fallow land	310

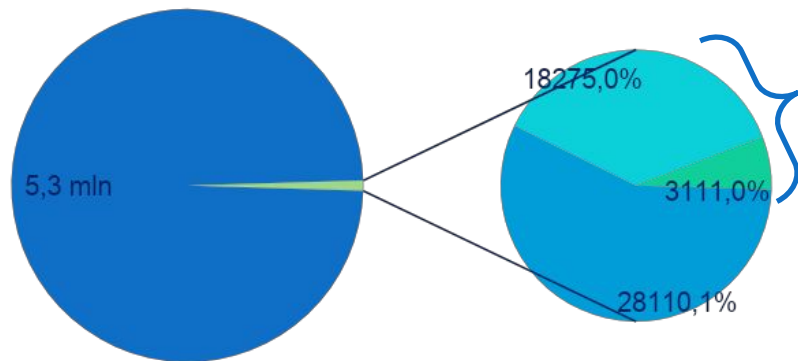
Structure of Ukraine's area, ths ha



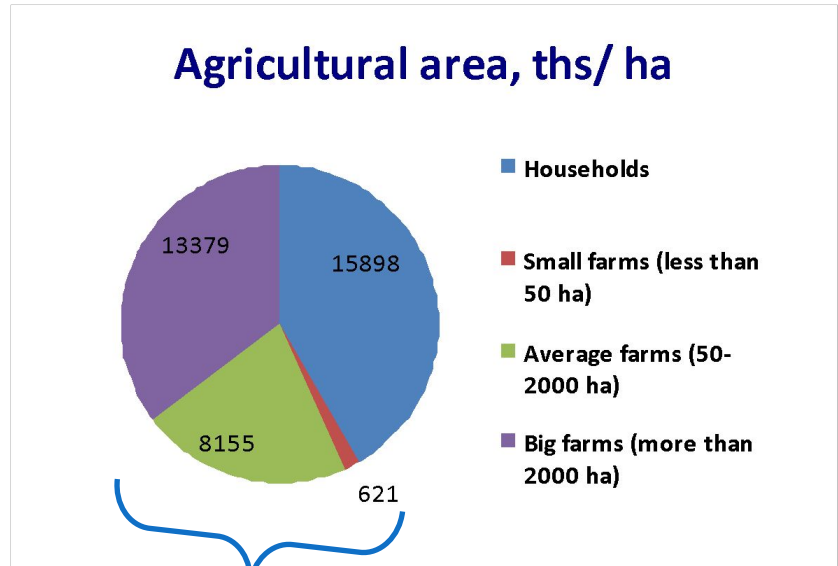
Land users

Number of land users

- Households
- Small farms (less than 50 ha)
- Average farms (50-2000 ha)
- Big farms (more than 2000 ha)



Agricultural area, ths/ ha



Around 70 huge agriholdings with total land bank of 5 mln ha

Typical farmers

	Households	Farms	Agr enterprises	Agriholdings
Size	0.1-10 ha	5-1000 ha	0.5-10 ths ha	20-400 ths ha
Main directions	Potato, vegetables, milk	Cash crops	Cash crops, animal farming	Cash crops, animal farming
Production orientation	Self consumption	Market	Market	Market

Households

- ▣ Peasant families who grow crops and have some chickens, pigs and cows for own consumption and to sell surplus

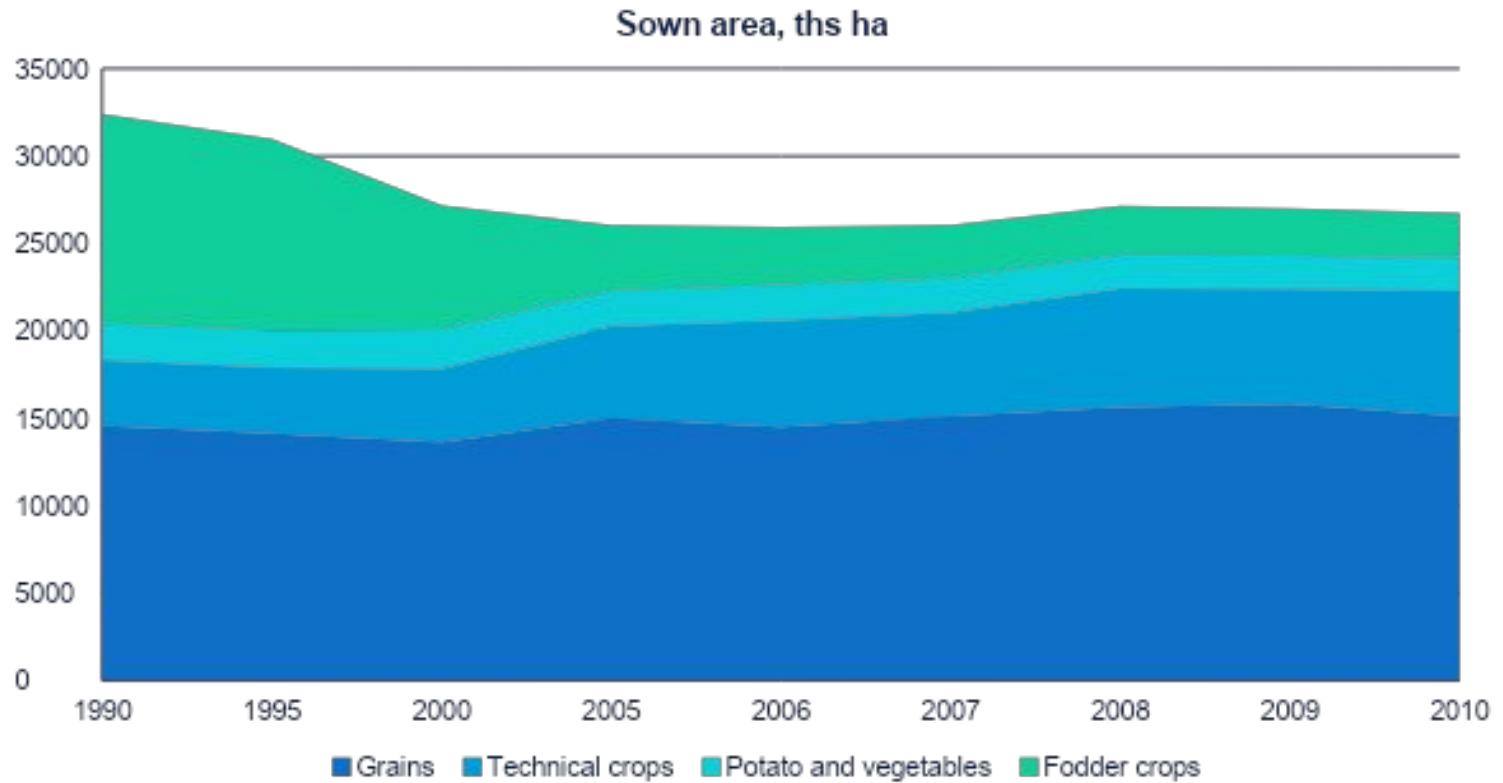


Farms

- ▣ Peasants who get land after privatization process and decided to farm

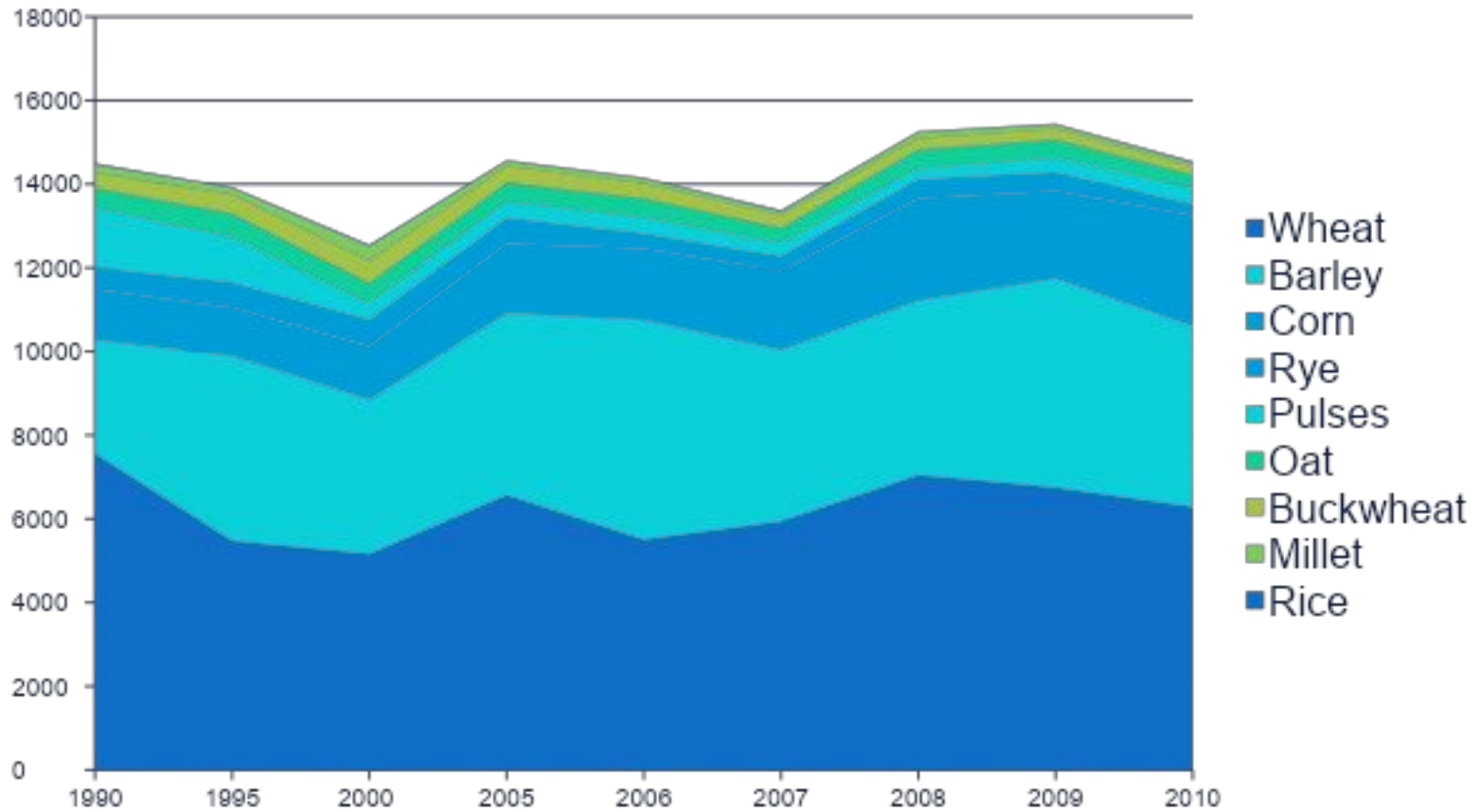


Sown area

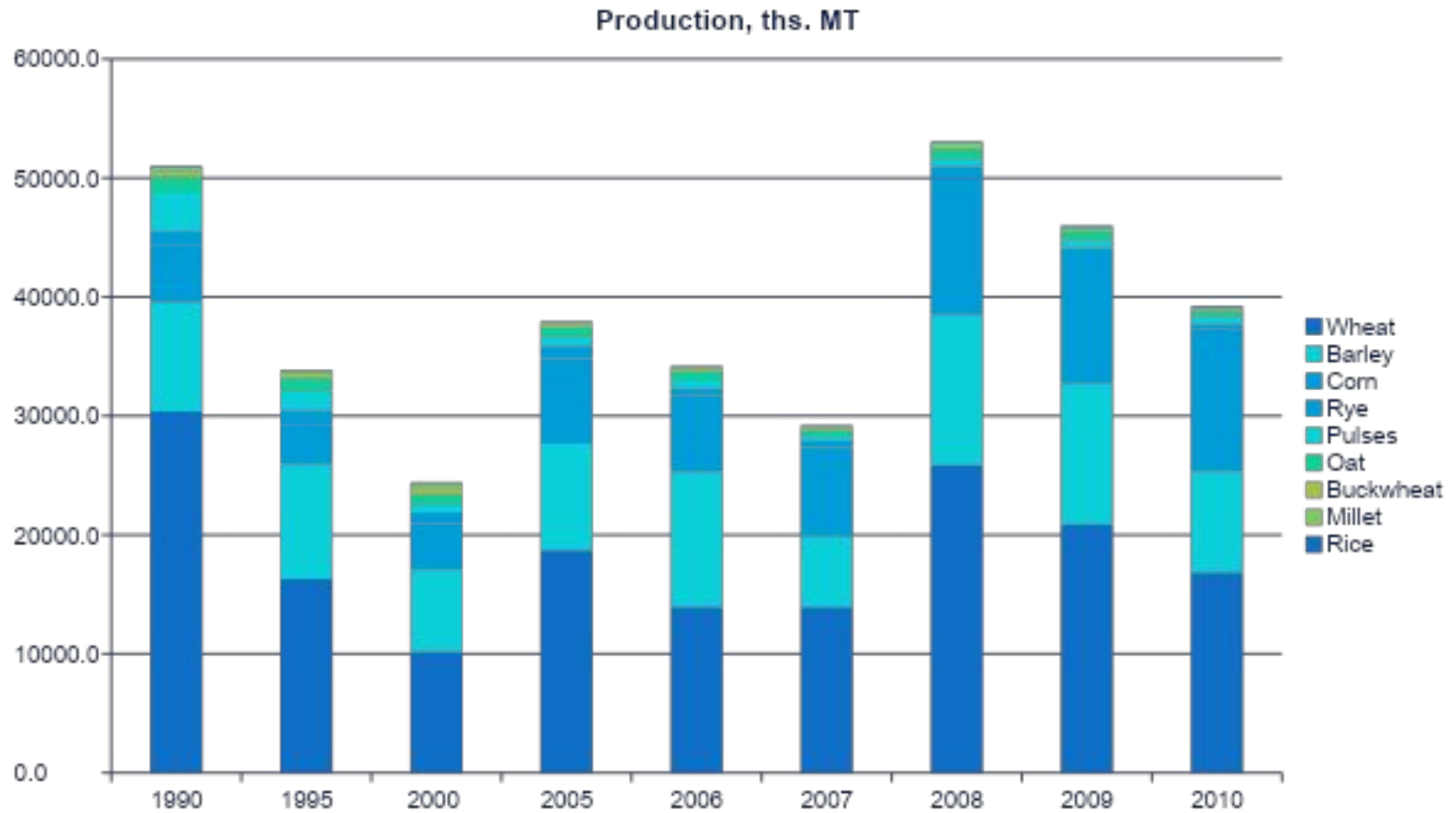


Grains

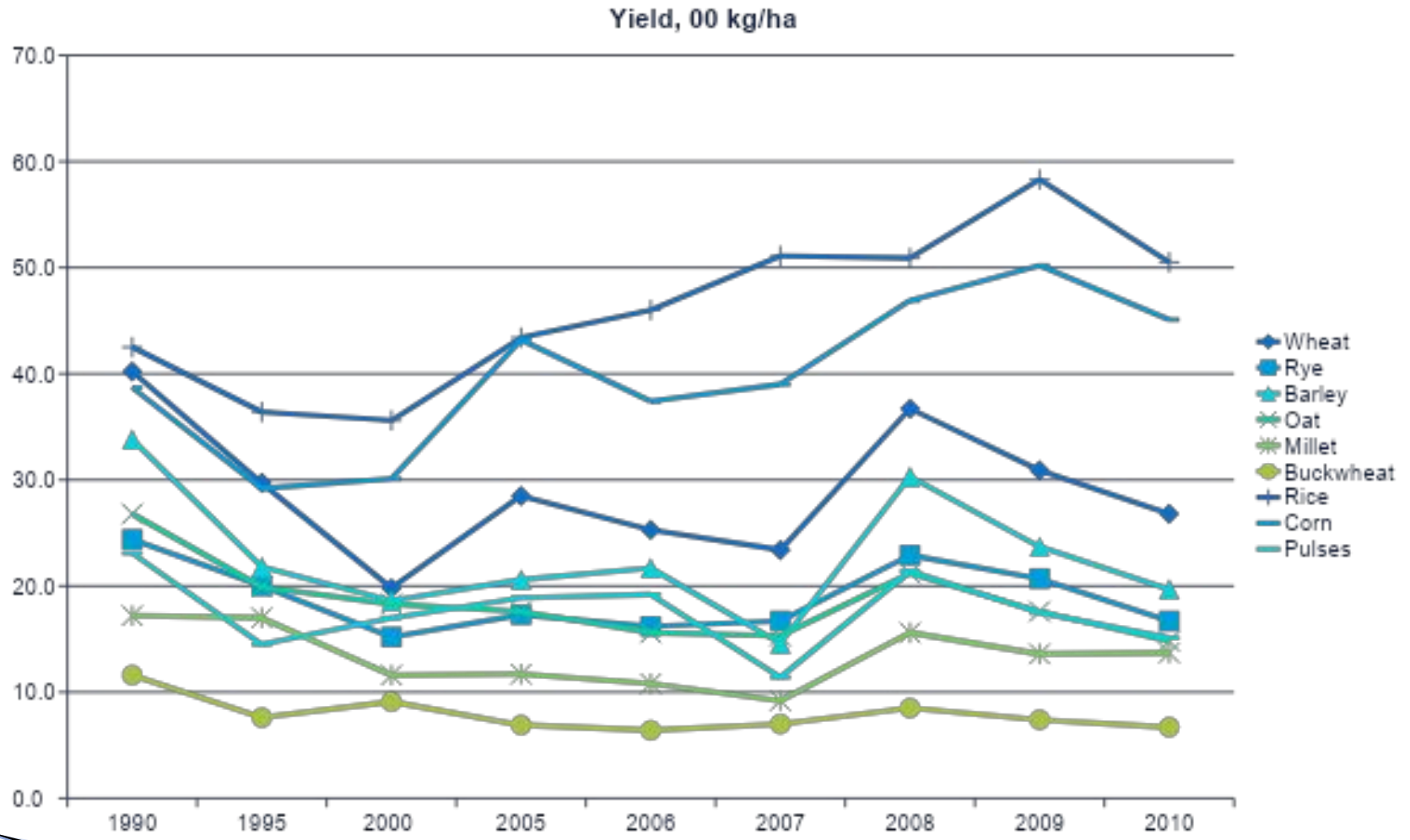
Harvested area, ths ha



Grains



Grains



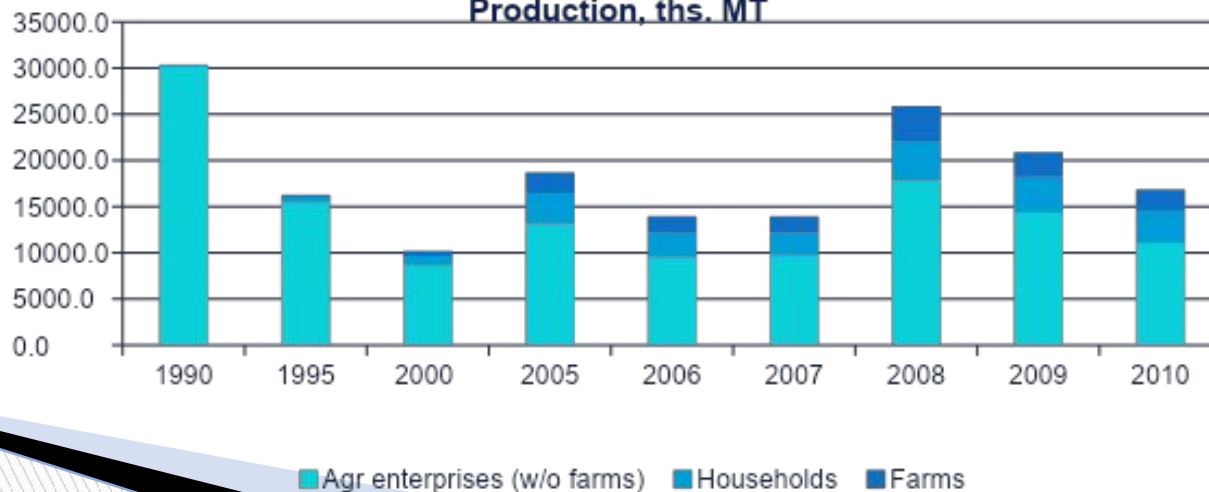
Wheat

	Winter wheat	Spring wheat
Sown area, ths. ha	5940.7	369.86
% of total wheat area	94%	6%
Yield, MT/ha	2.9	2.3

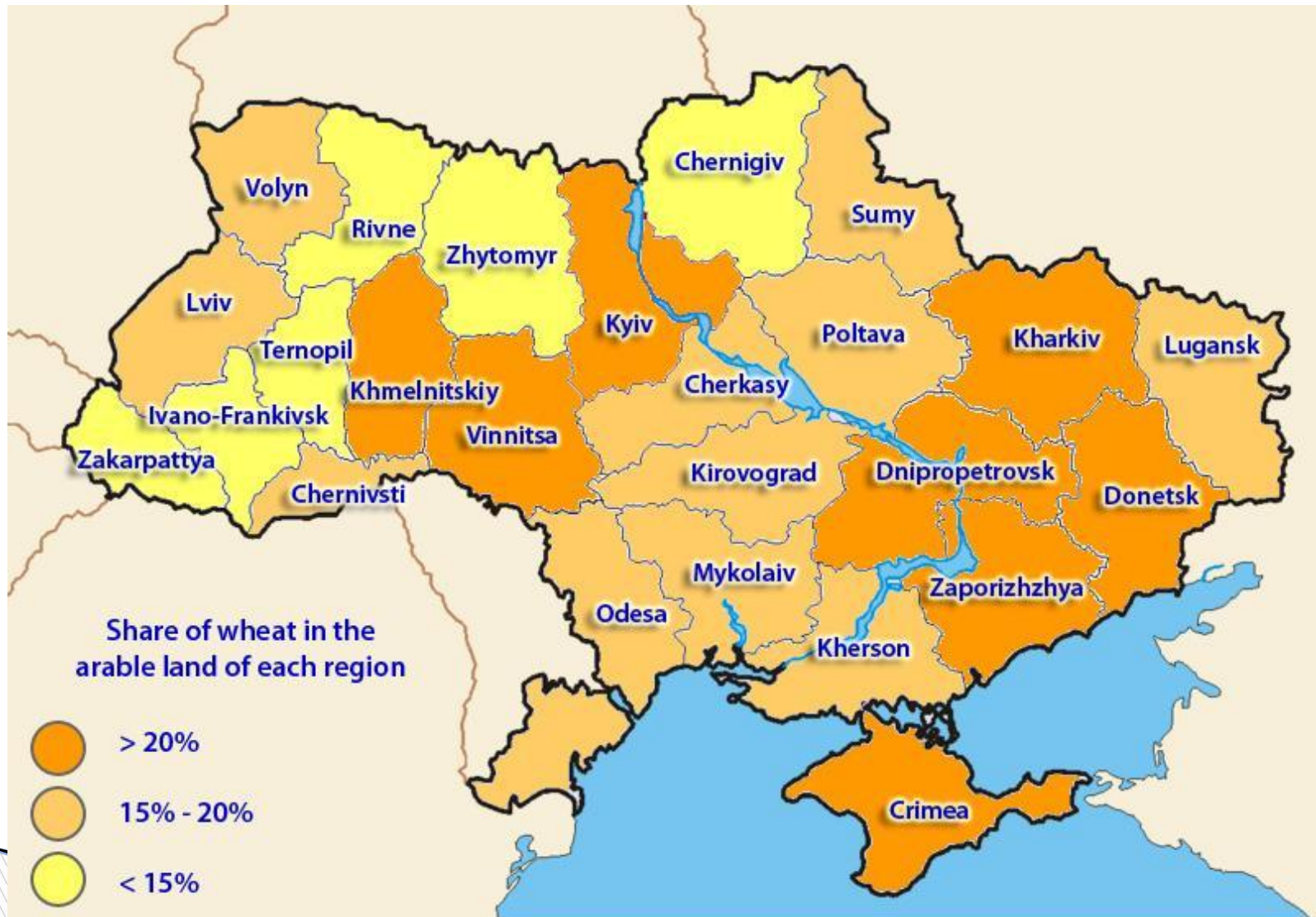
Yield, 00 kg/ha



Production, ths. MT

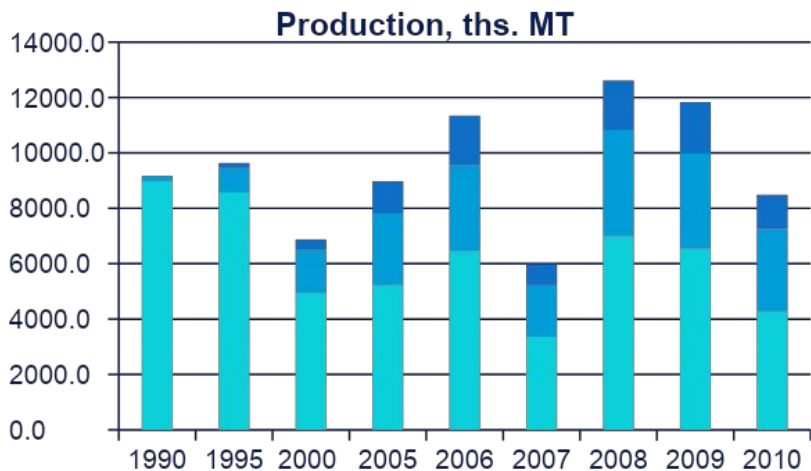


Wheat

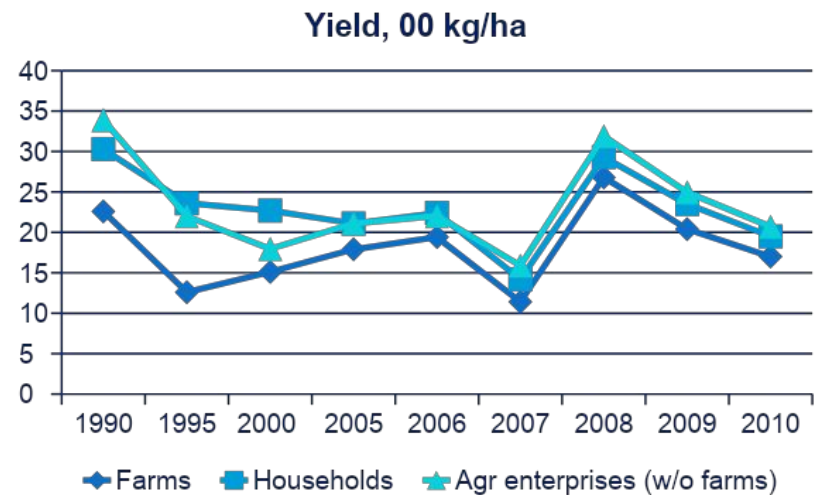
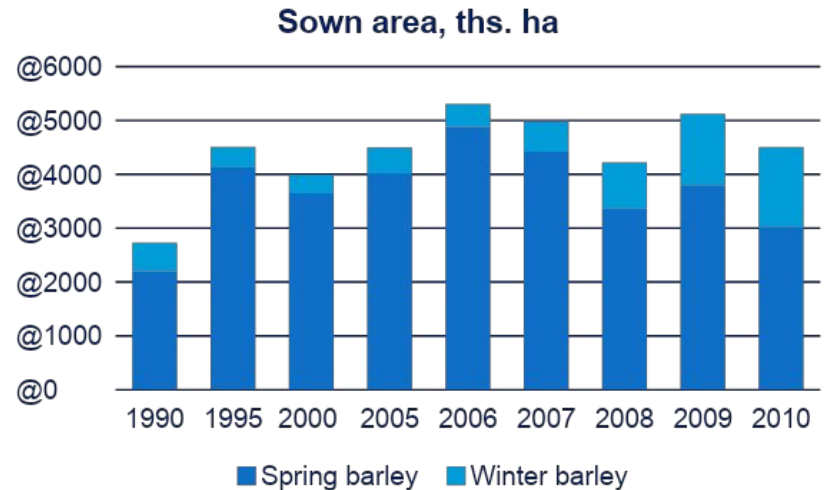


Barley

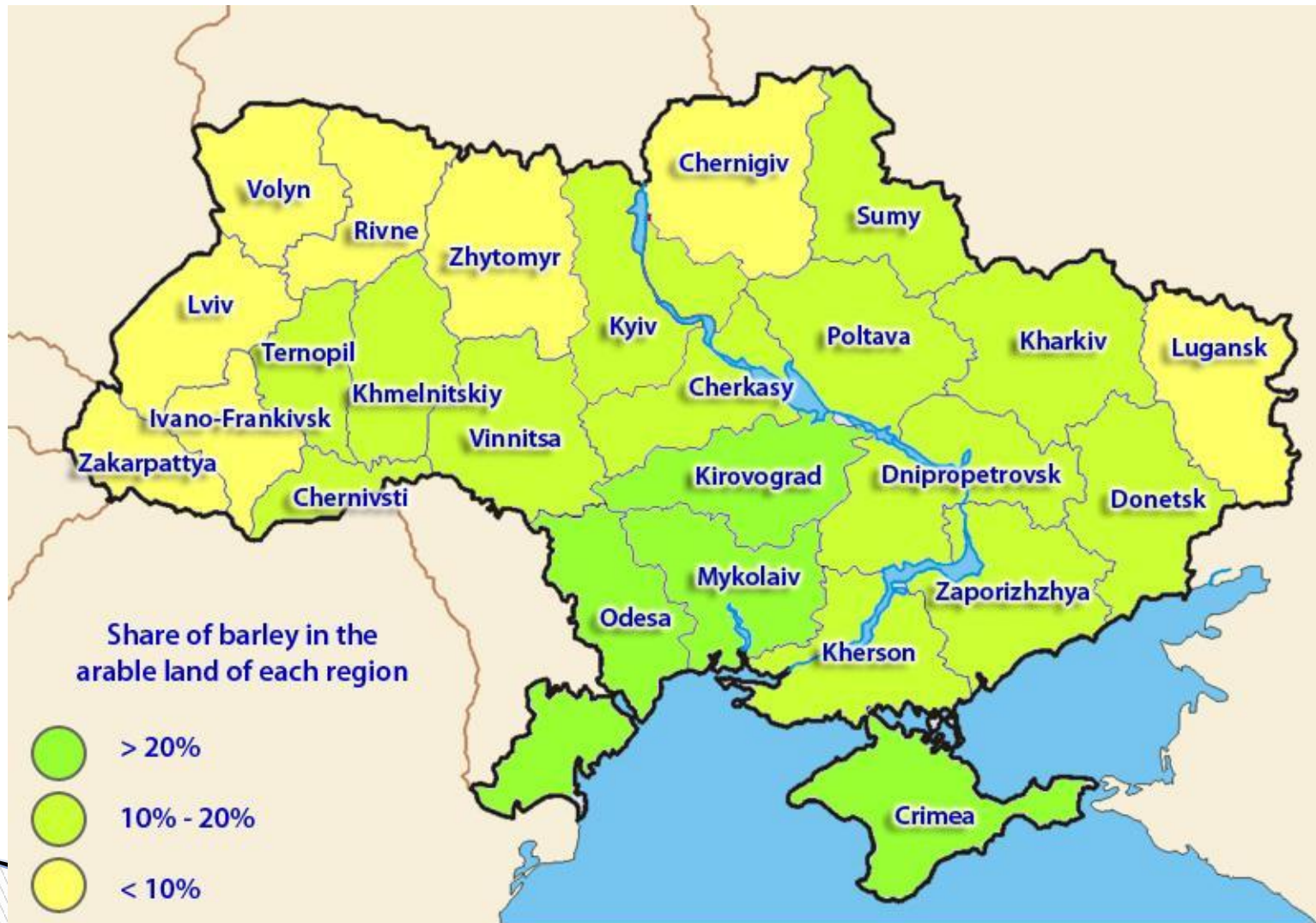
	Spring barley	Winter barley
Sown area, ths. ha	3661	899
% of total wheat area	80%	20%
Yield, MT/ha	2.1	2.5



■ Agr enterprises (w/o farms) ■ Households ■ Farms

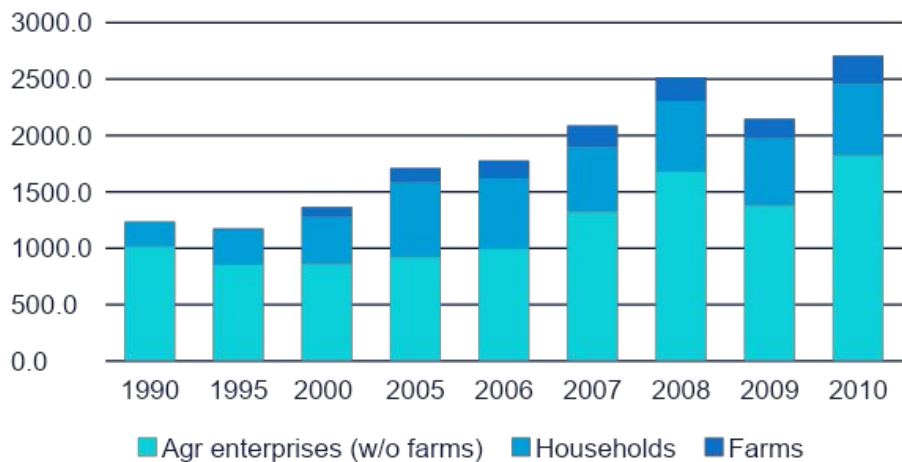


Barley

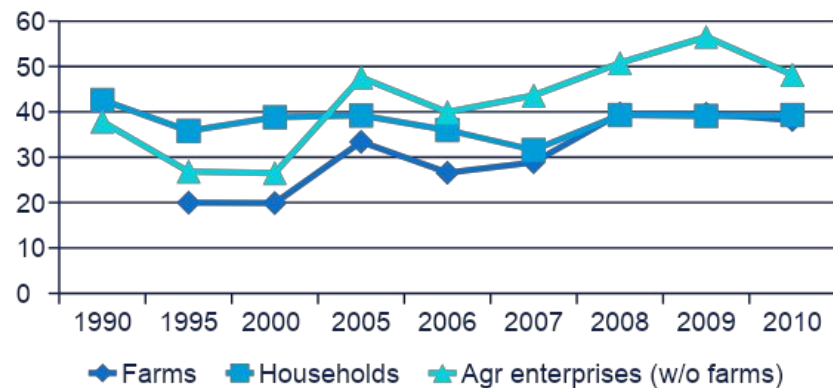


Corn

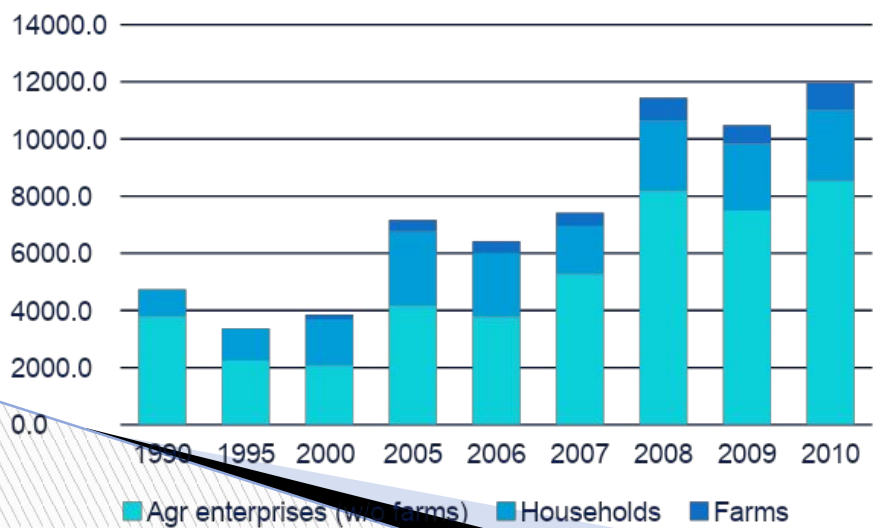
Sown area, ths. ha



Yield, 00 kg/ha

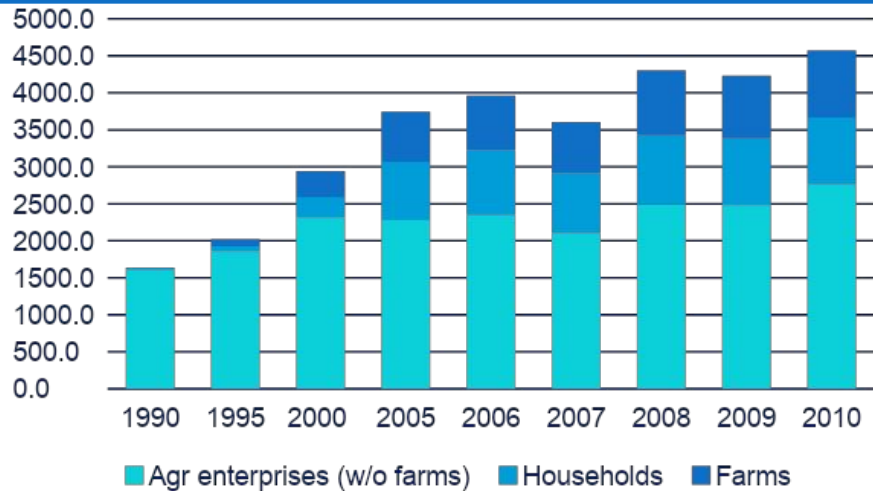


Production, ths. MT

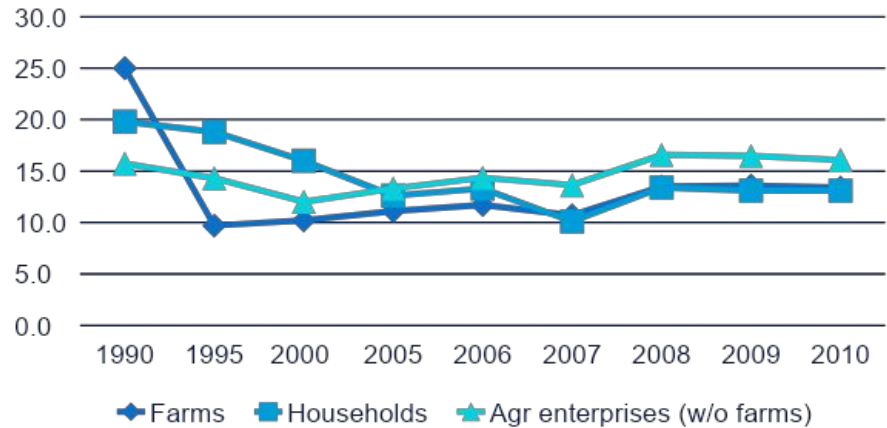


Sunflower

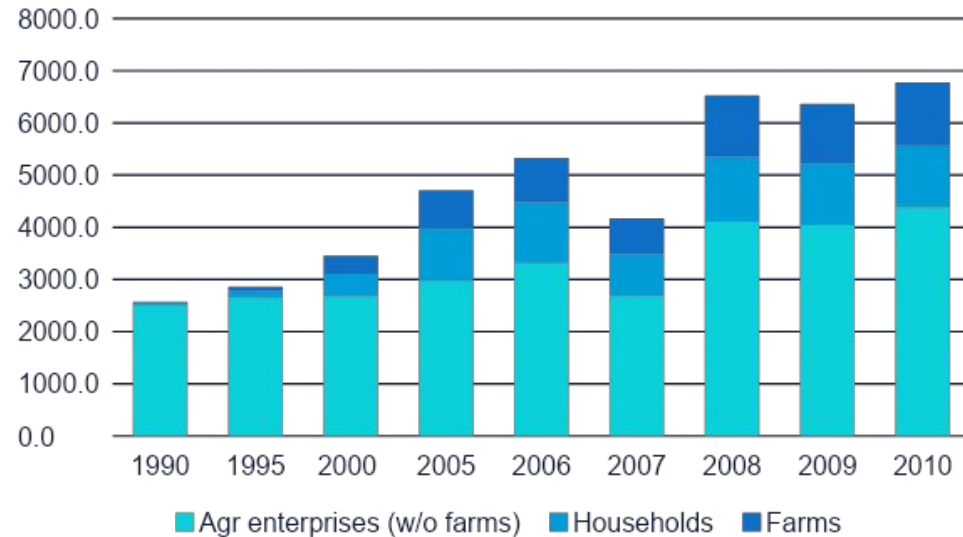
Sown area, ths. ha



Yield

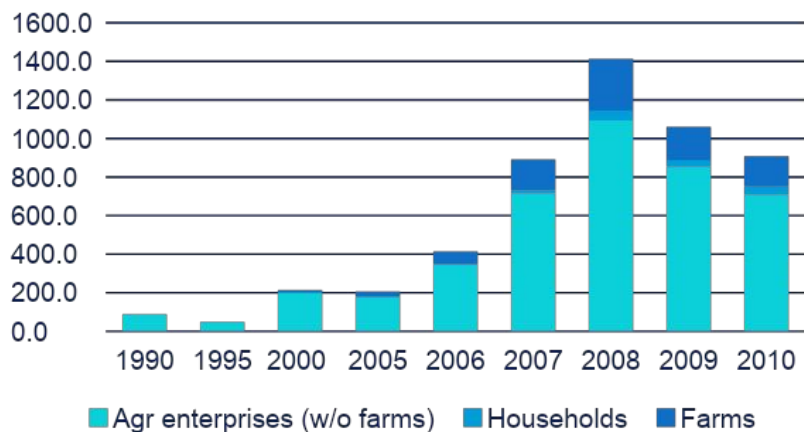


Production, ths MT



Rapeseed

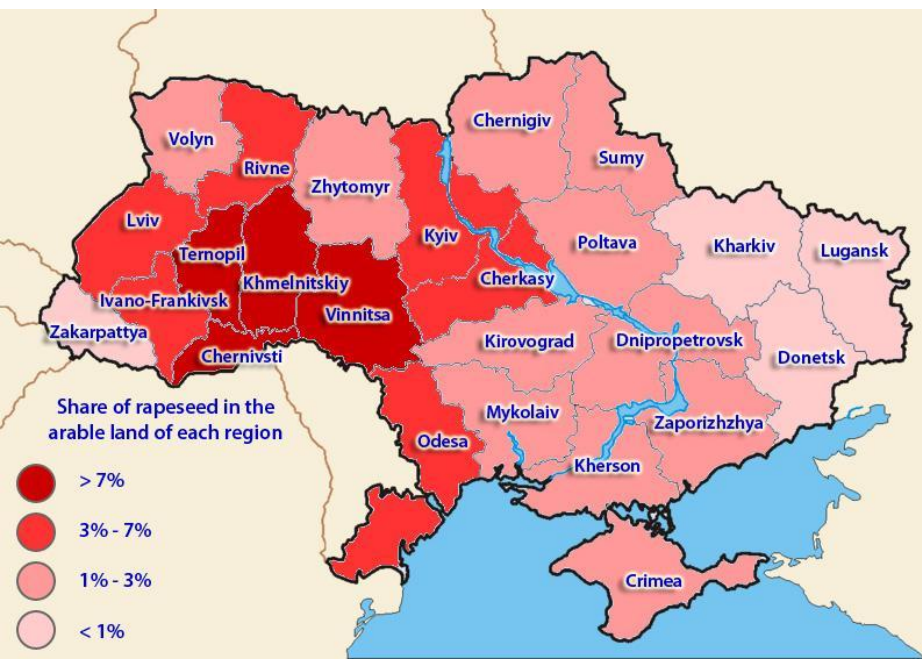
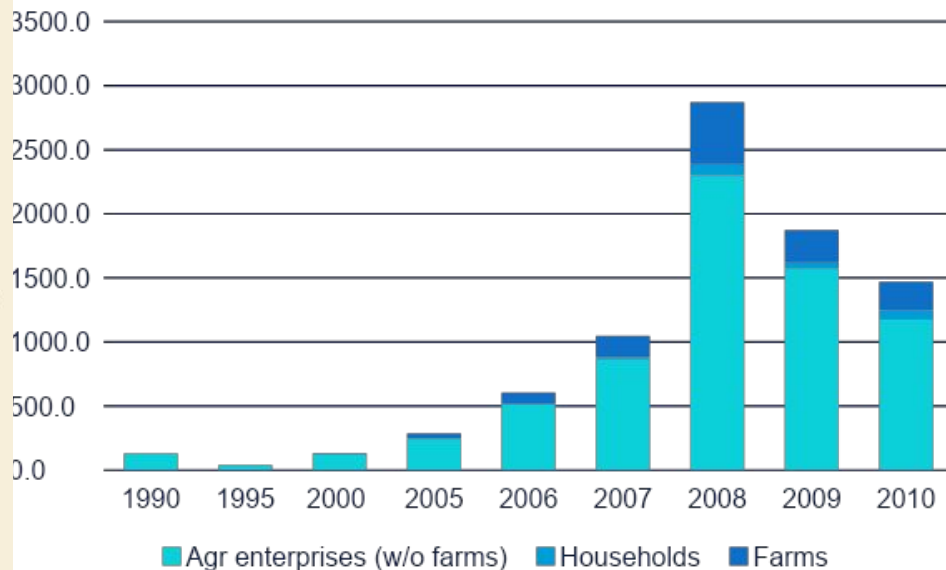
Sown area



Yield

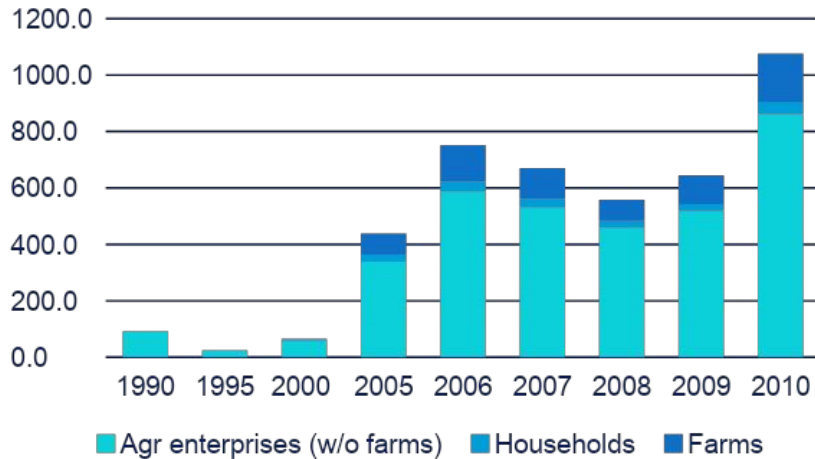


Production, ths MT



Soybean

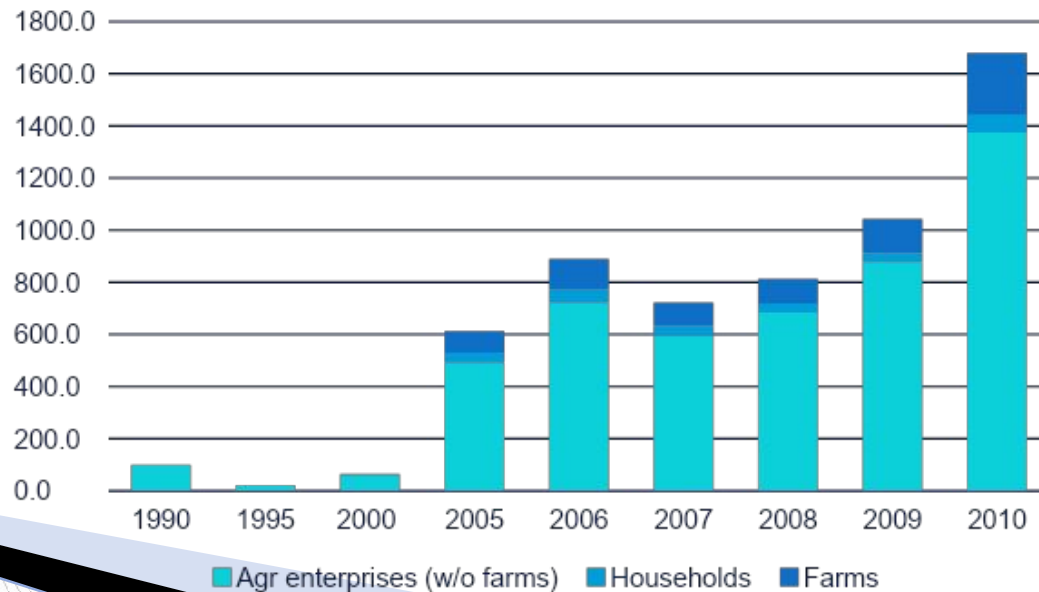
Sown area



Yield

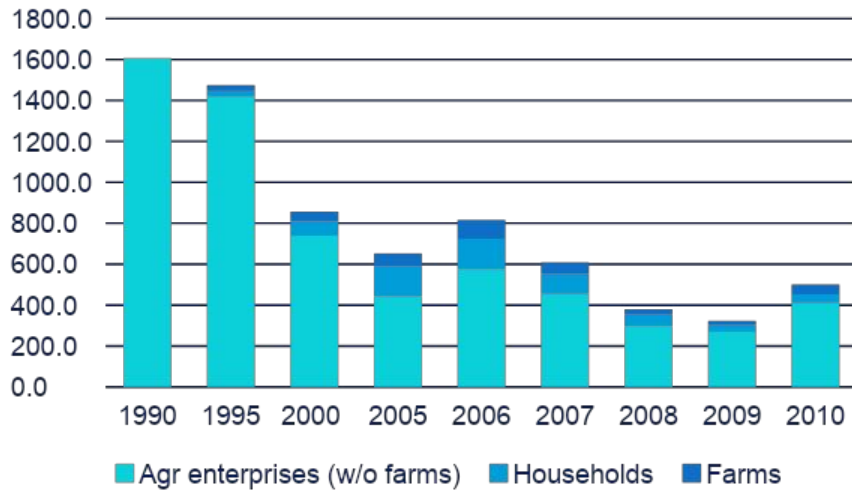


Production, ths. MT

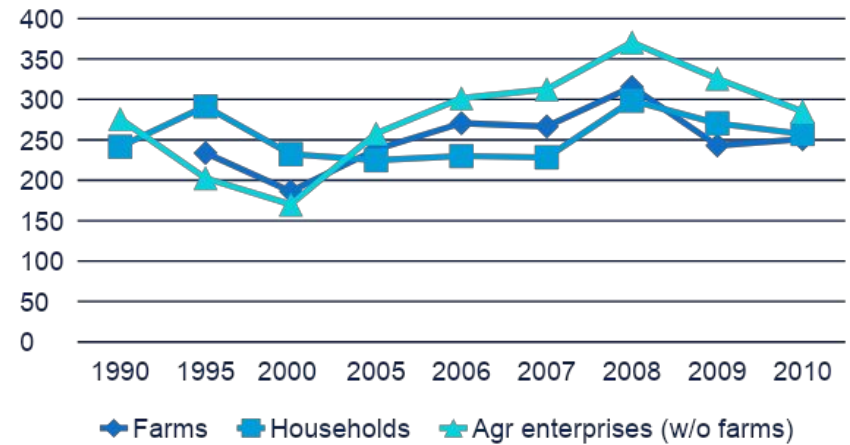


Sugar beet

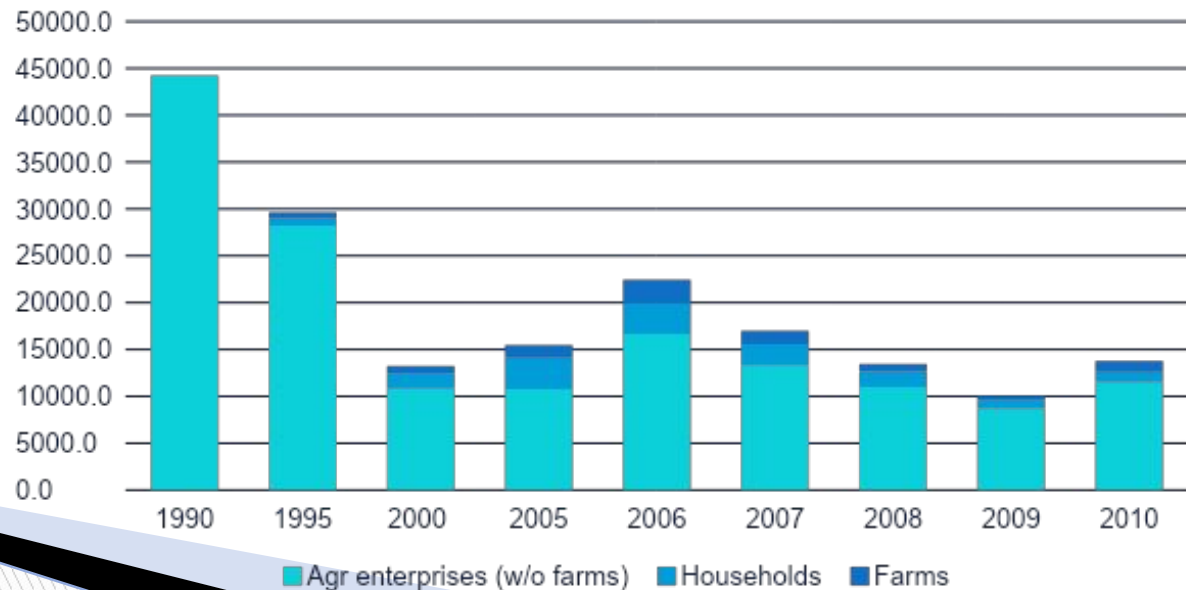
Sown area



Sugar beet

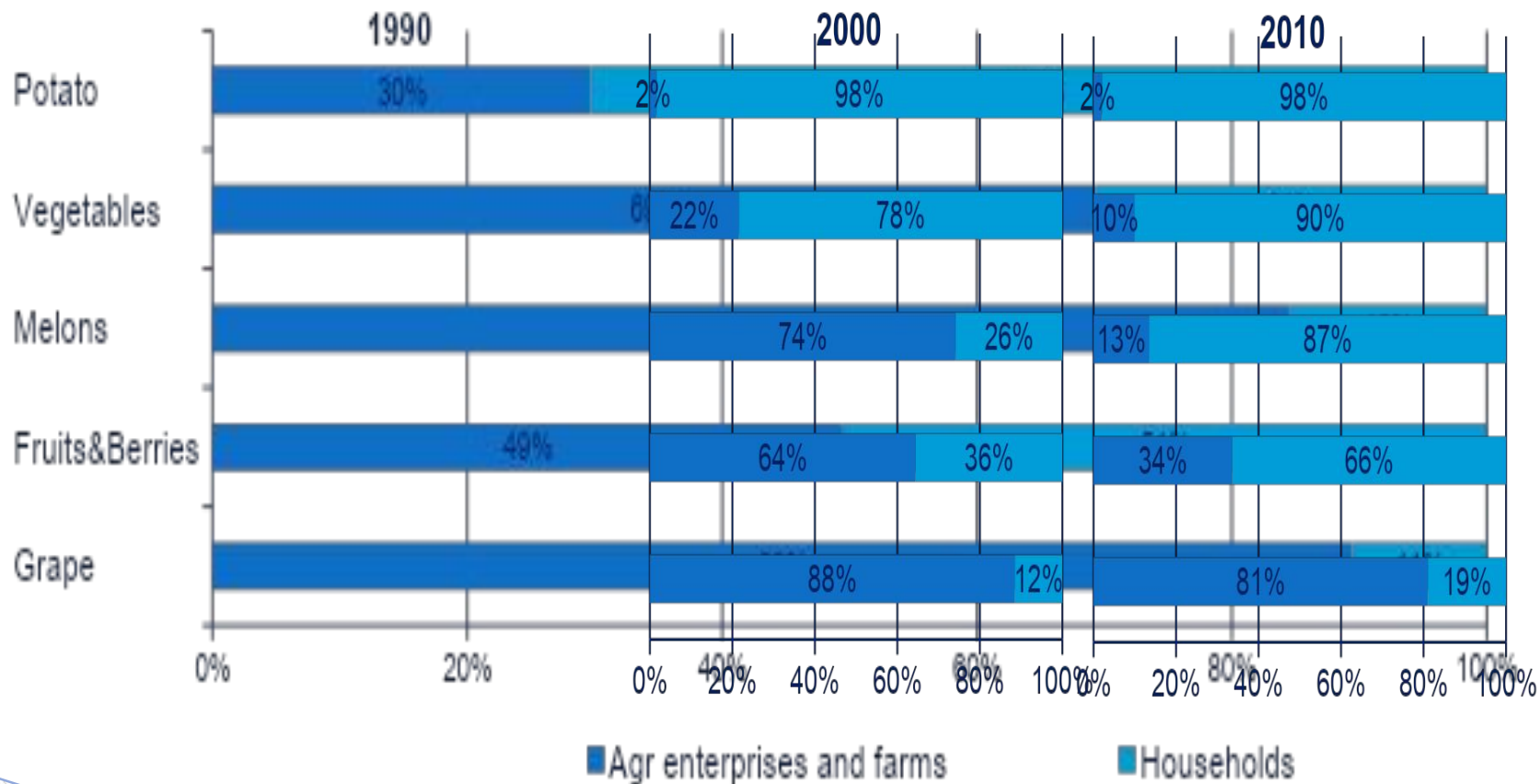


Production, ths. MT

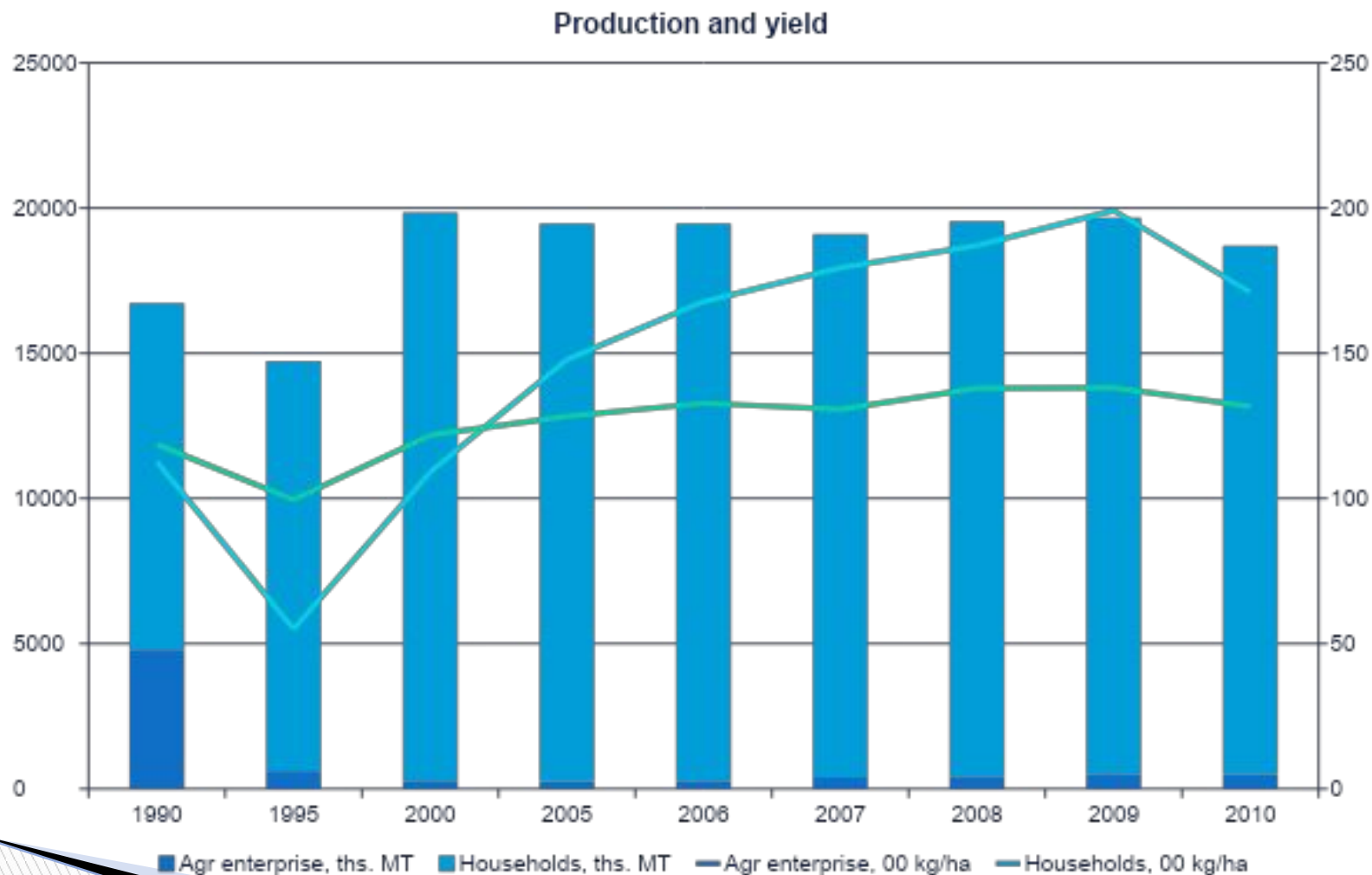


Horticulture

Share in harvested area by producers

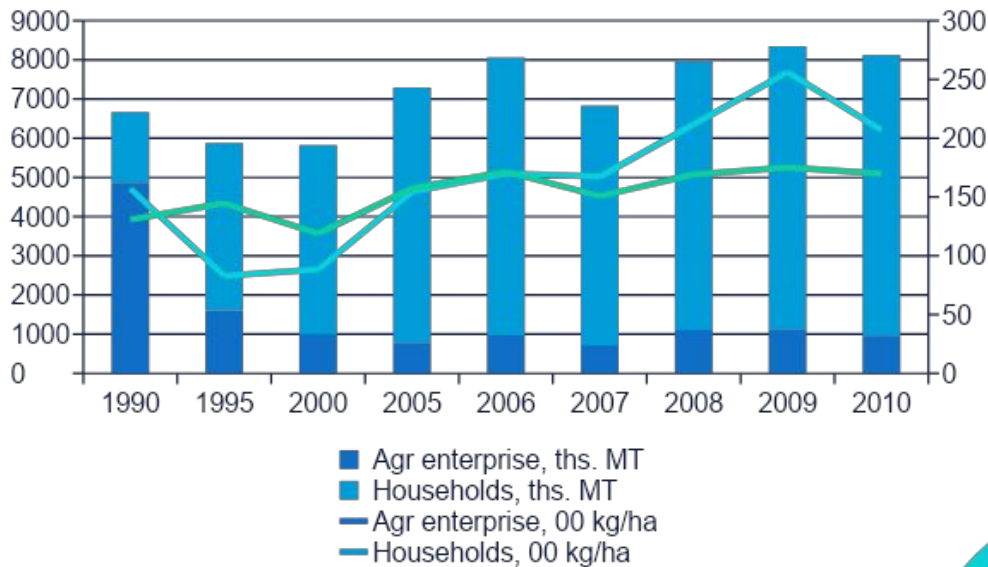


Potato

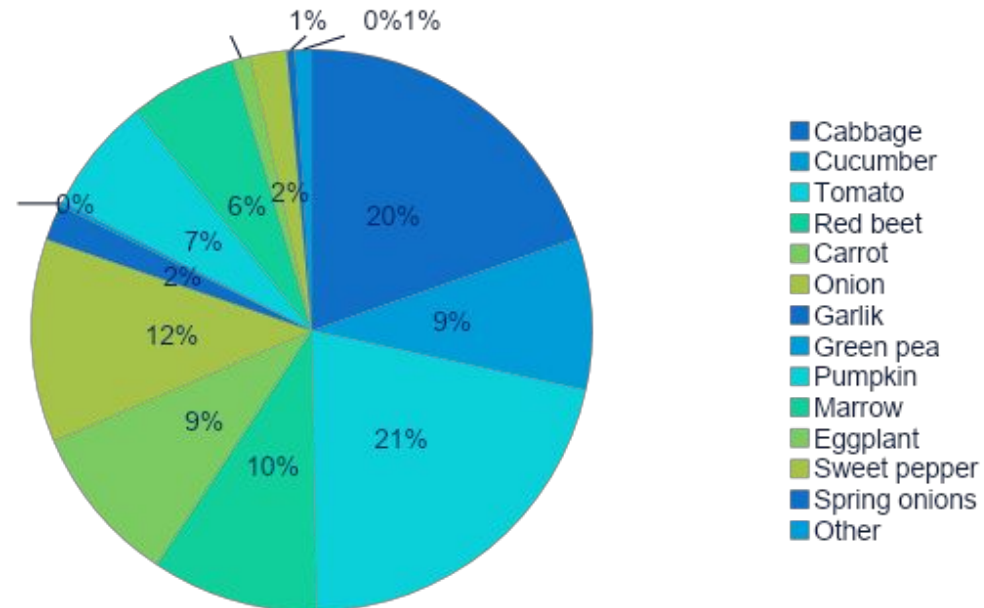


Vegetables

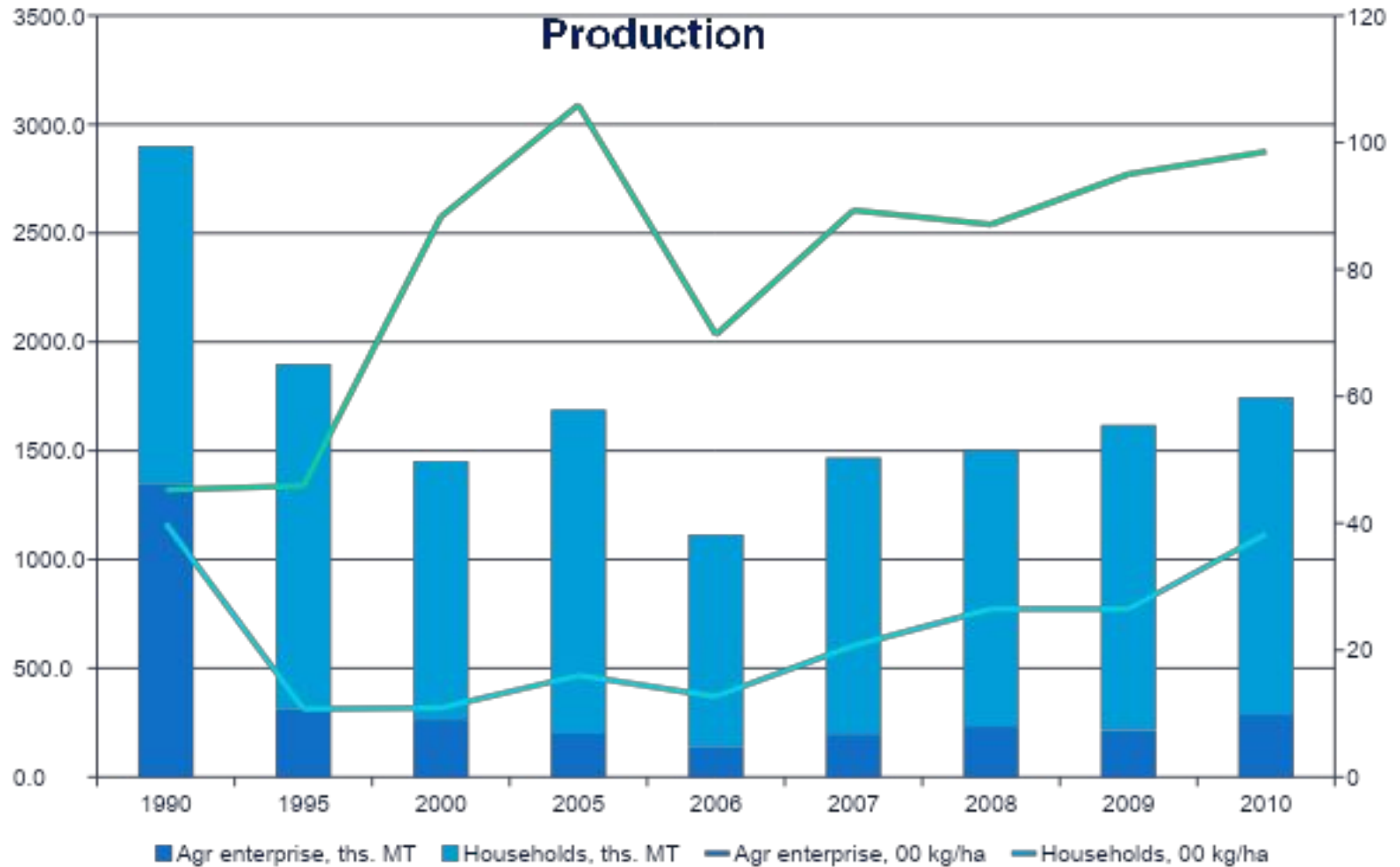
Production



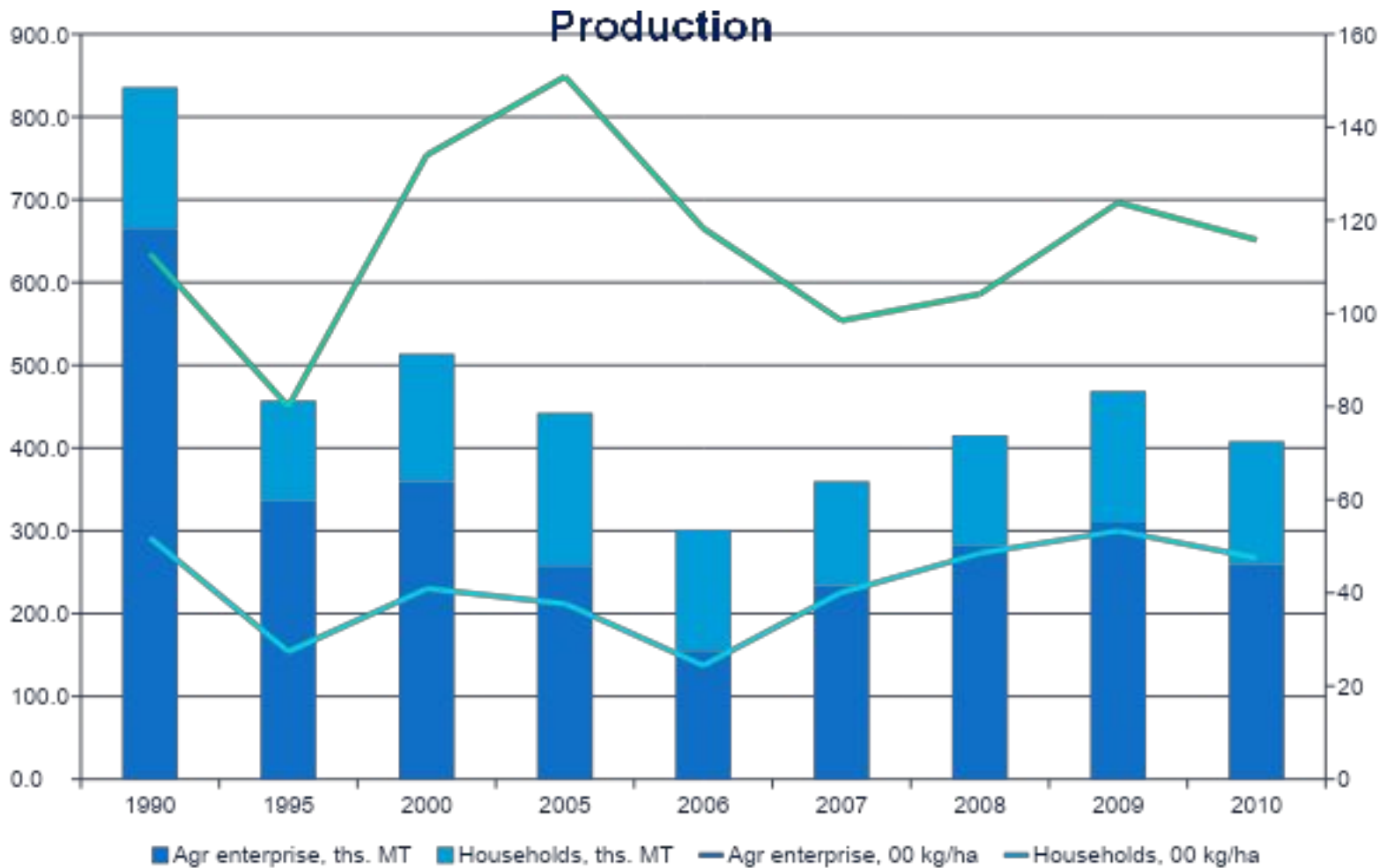
Structure of vegetables production



Fruits&Berries



Grape



Structural change: Agriholding

Agriholdings

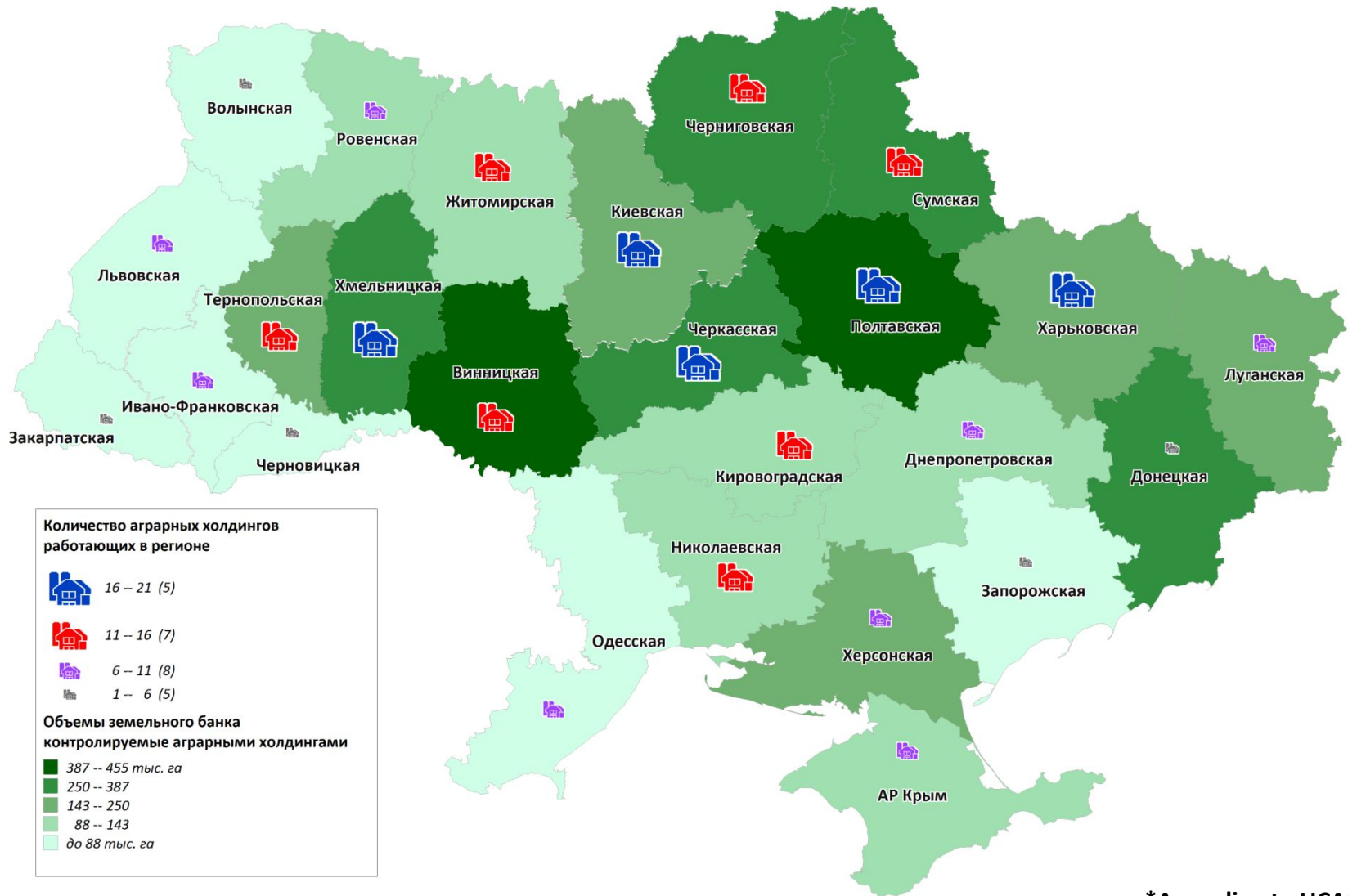
On June 2010	
Number	58
Land bank, ths ha	4005
Average size, ths ha	69

- 15 agriholding made IPO or private placement at International Stock Exchanges
- In January their total market capitalization reached \$5 bln



*According to UCAB study on
“Ukrainian Super-large Farms: efficiency and competitiveness”, 2010

Agriholding



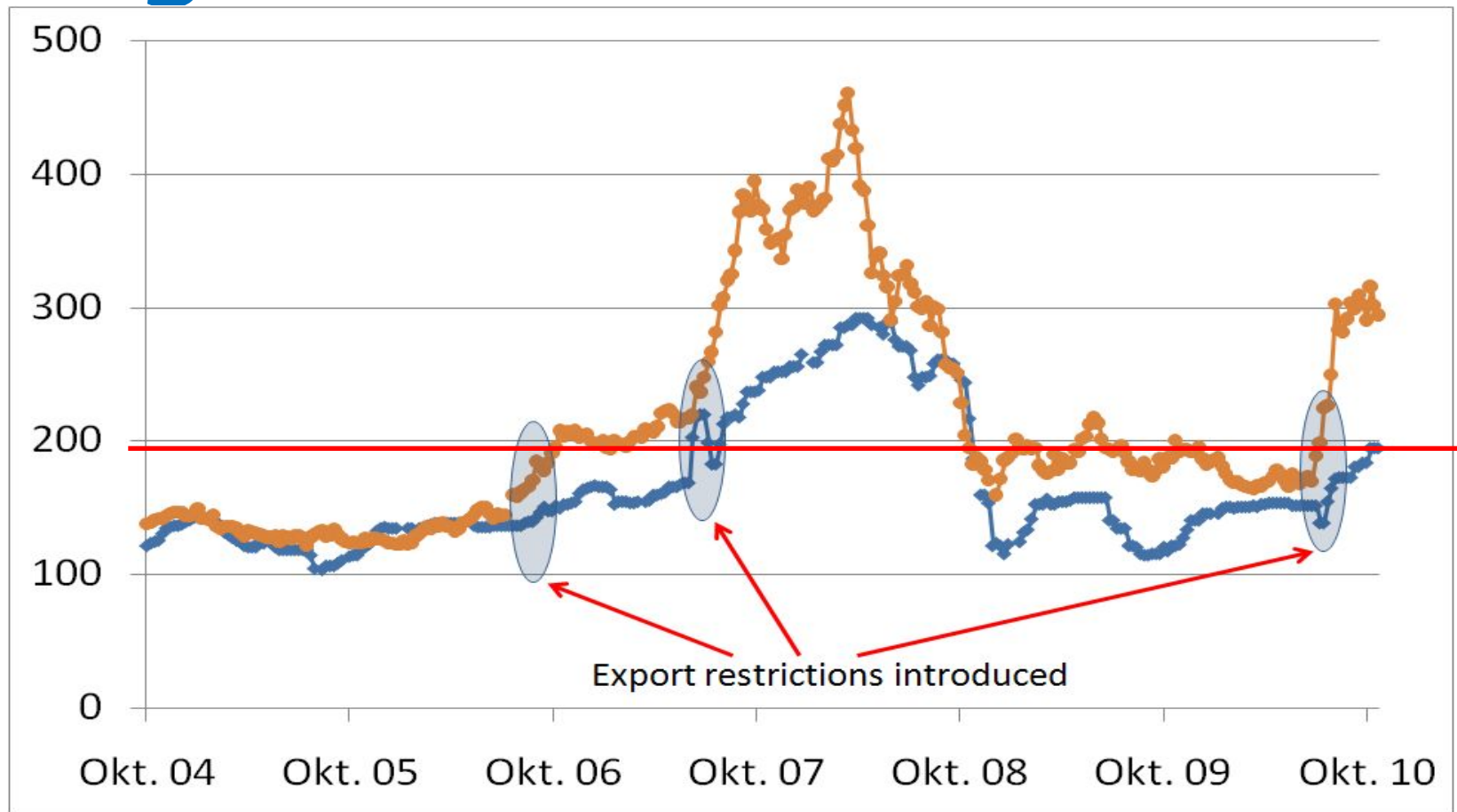
*According to UCAB study on

"Ukrainian Super-large Farms: efficiency and competitiveness", 2010

60 agriholdings produce*

- 22% wheat
- 35% corn
- 13% sunflower
- 55% sugar beet
- 27% soybean
- 30% rapeseed
- 64% poultry
- 20% pork
- 18% milk

Regulations



Land market: price of arable land in Ukraine

Average rent income in 2006-2010, \$/ha

Enterprise type	2006	2007	2008	2009	2010	Average 2006-10
All, sampled	22	82	45	70	97	63
15% of the most profitable	99	199	180	166	204	170
Profitable enterprises	67	144	137	124	145	123

Average arable land price

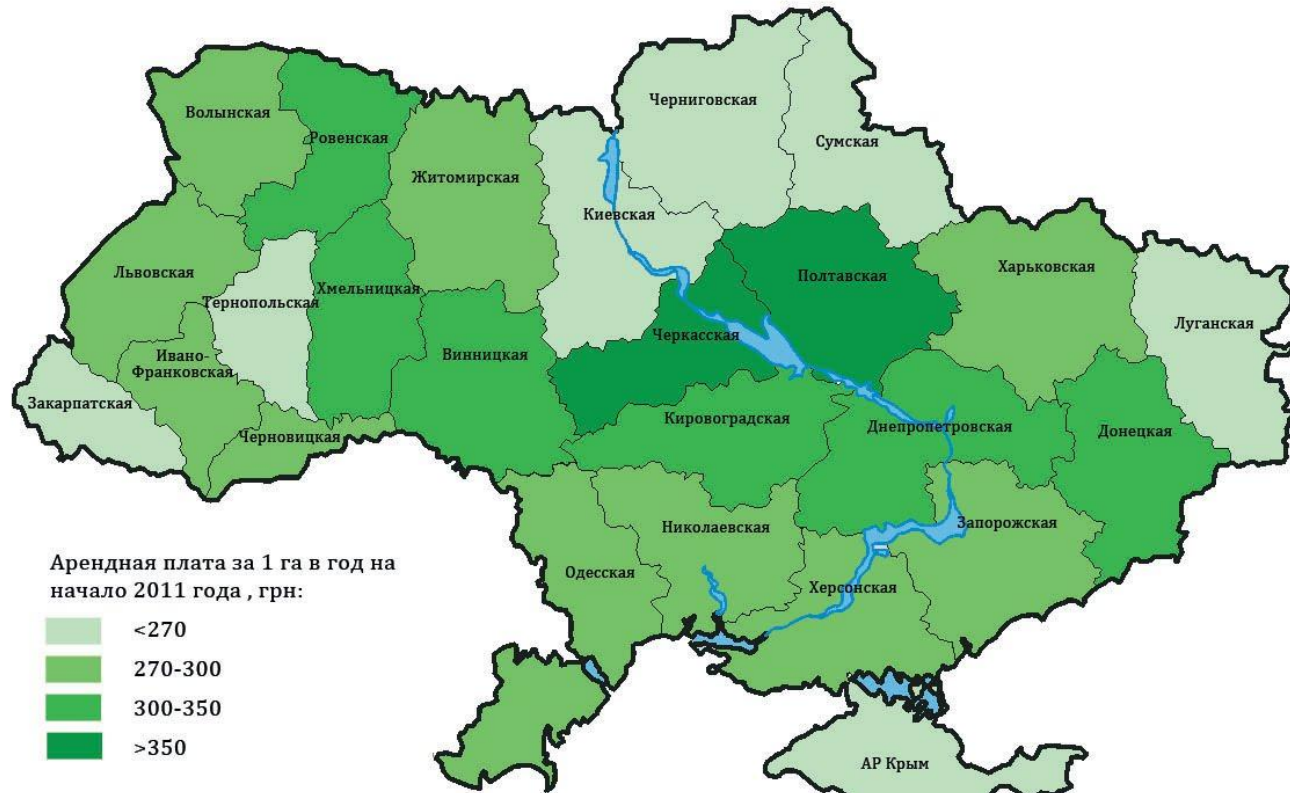
$$L = \frac{R}{r} = \frac{\$63}{0.10} = \$630$$

Arable land price for profitable enterprises

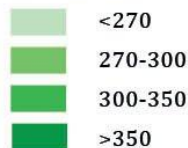
$$L = \frac{R}{r} = \frac{\$123}{0.10} = \$1230$$

Arable land price for 15% of most profitable

$$L = \frac{R}{r} = \frac{\$170}{0.10} = \$1700$$



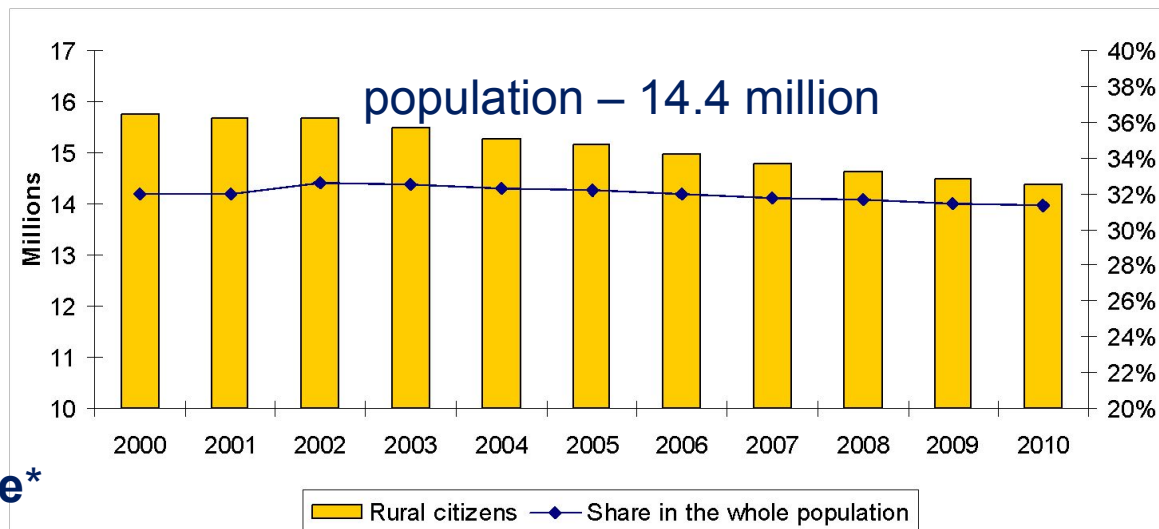
Арендная плата за 1 га в год на начало 2011 года, грн:



По данным исследования УКАБ
«Оценка рыночной стоимости пахотных земель в Украине»

Rural population: socio-economic situation

- Current rural
- Main social group – **pensioner (33.2%)***
- Main problem – **unemployment***
- Main worry – **continuous price increase***
- 14.8% of peasants have obtained higher education*
- 69.0% of peasants aren't willing to leave their living place*
- 75.0% of peasants aren't using Internet*
- 71.4% of grown products isn't sold*



*According to survey results conducted by Gorshenin Institute, 2011