

**Ukraine Invest**

YOUR INVESTMENT MATTERS



# INVESTMENT OPPORTUNITY OF AGROPROCESSING SECTOR

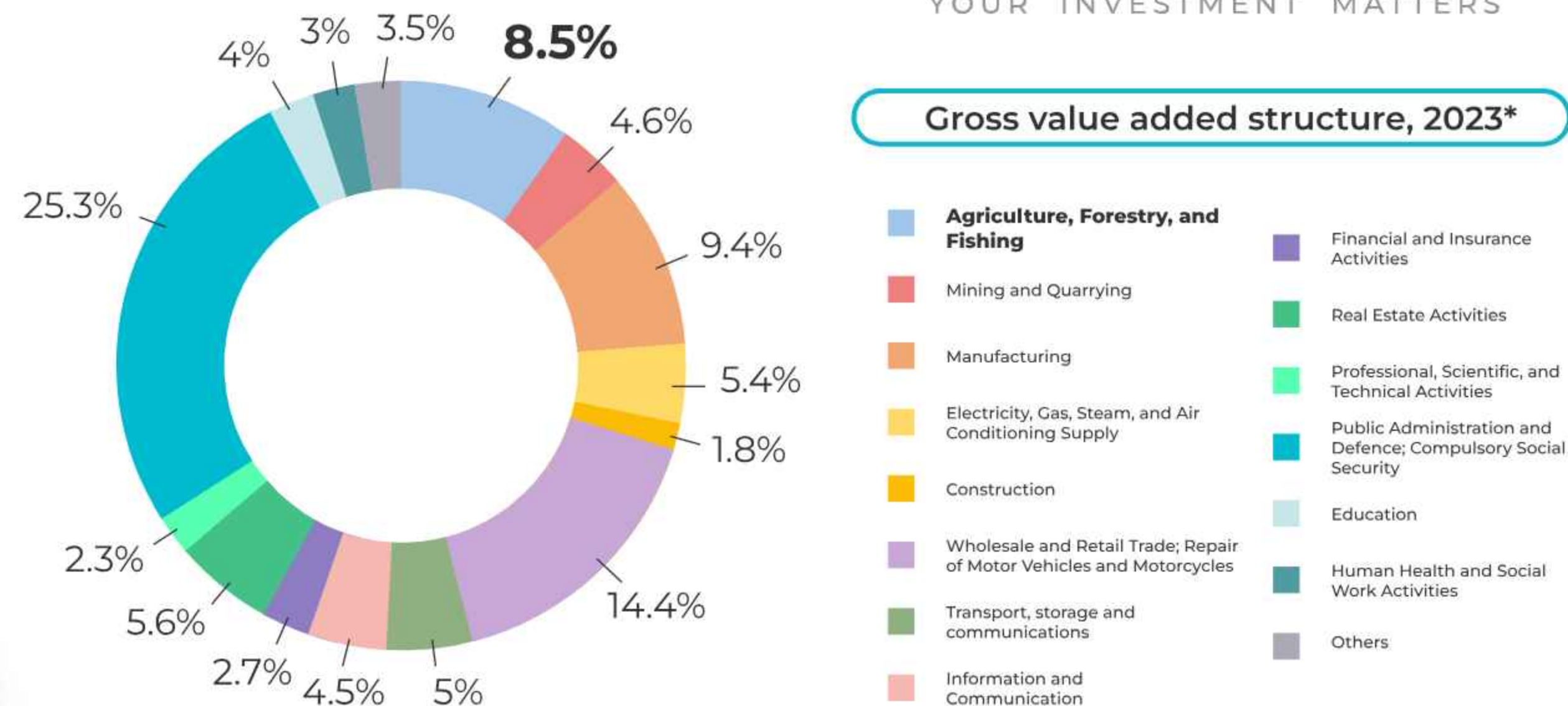
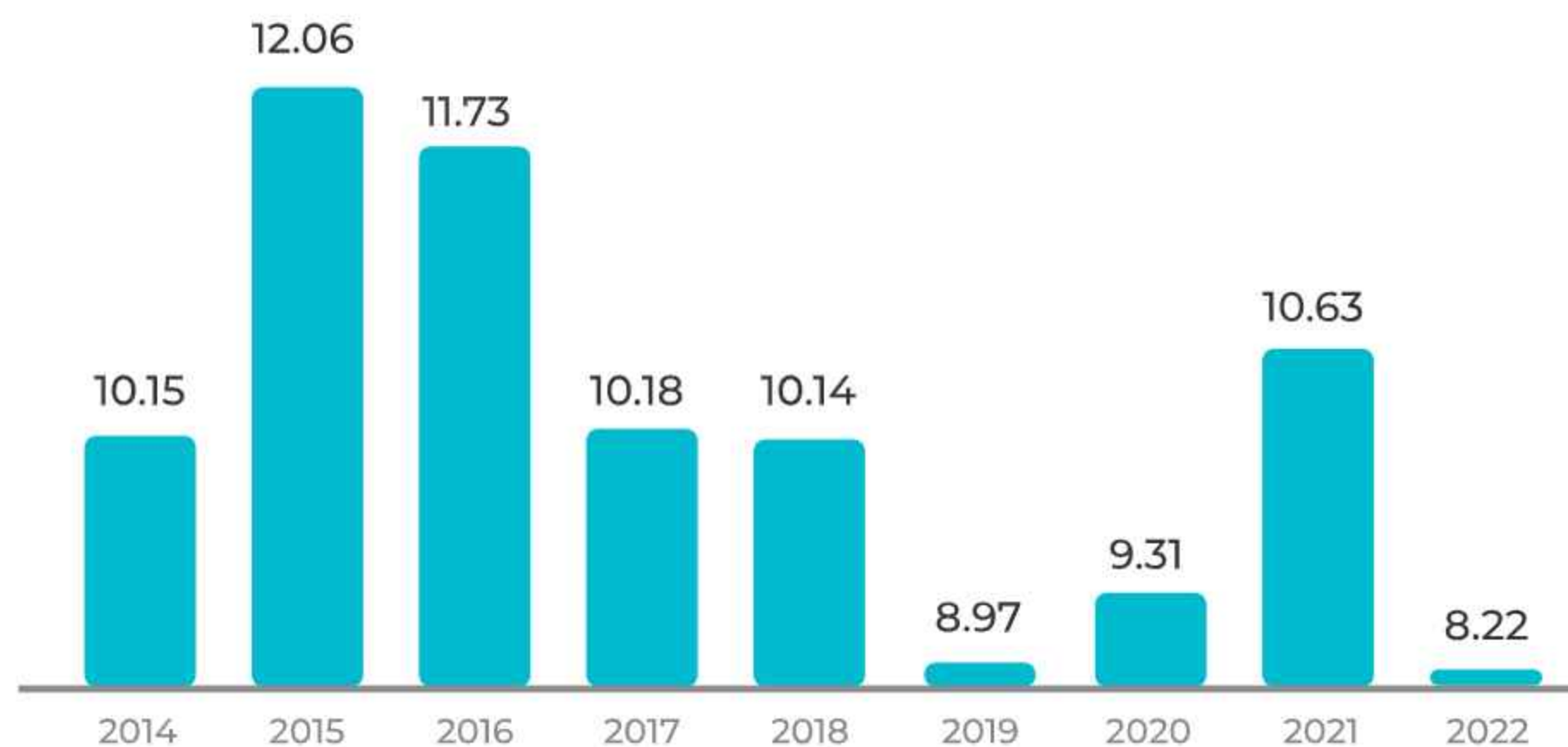


# AGRICULTURAL SECTOR OF UKRAINE

## Macroeconomic overview

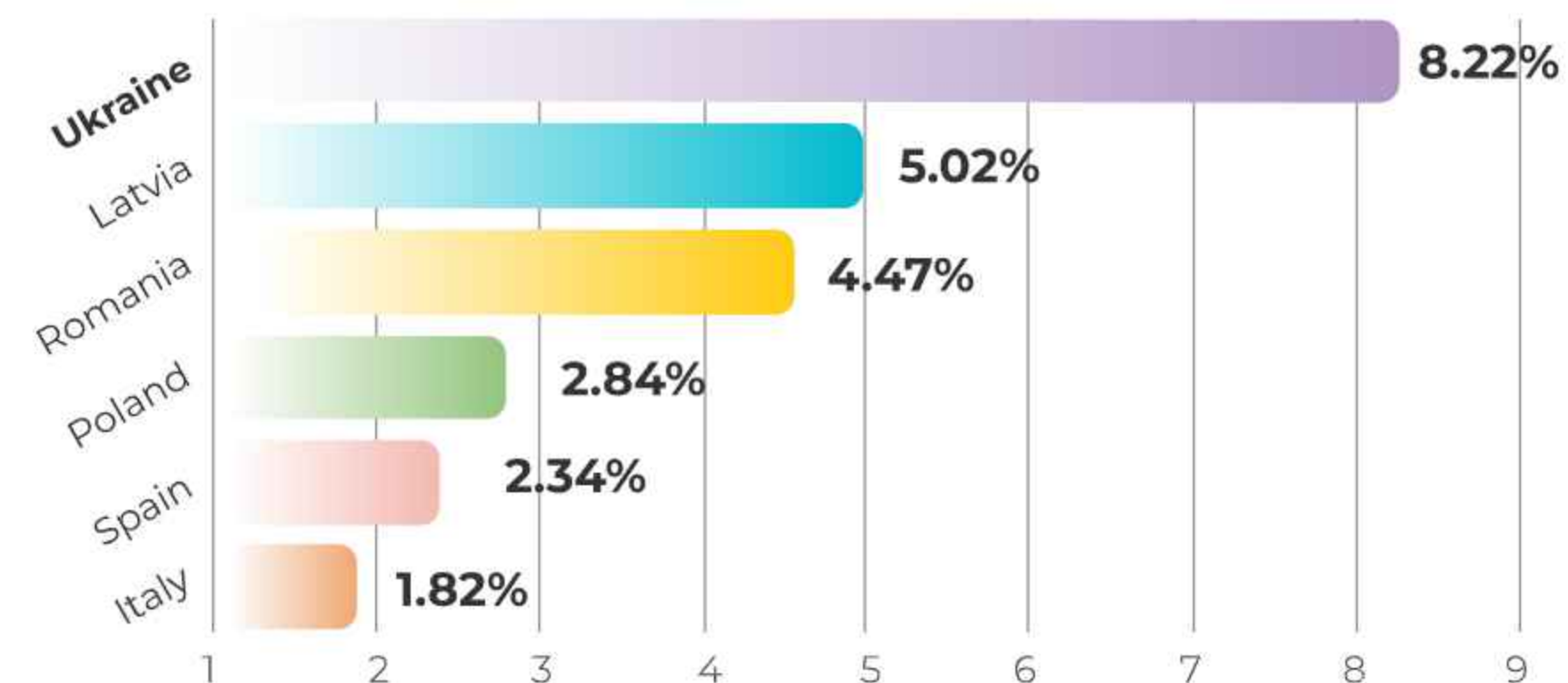
**4%** Agriculture's share in the structure of world GDP

## Share of the agricultural sector in Ukraine's GDP, %



## Gross value added structure, 2023\*

## Agricultural sector share in the country's GDP, 2022





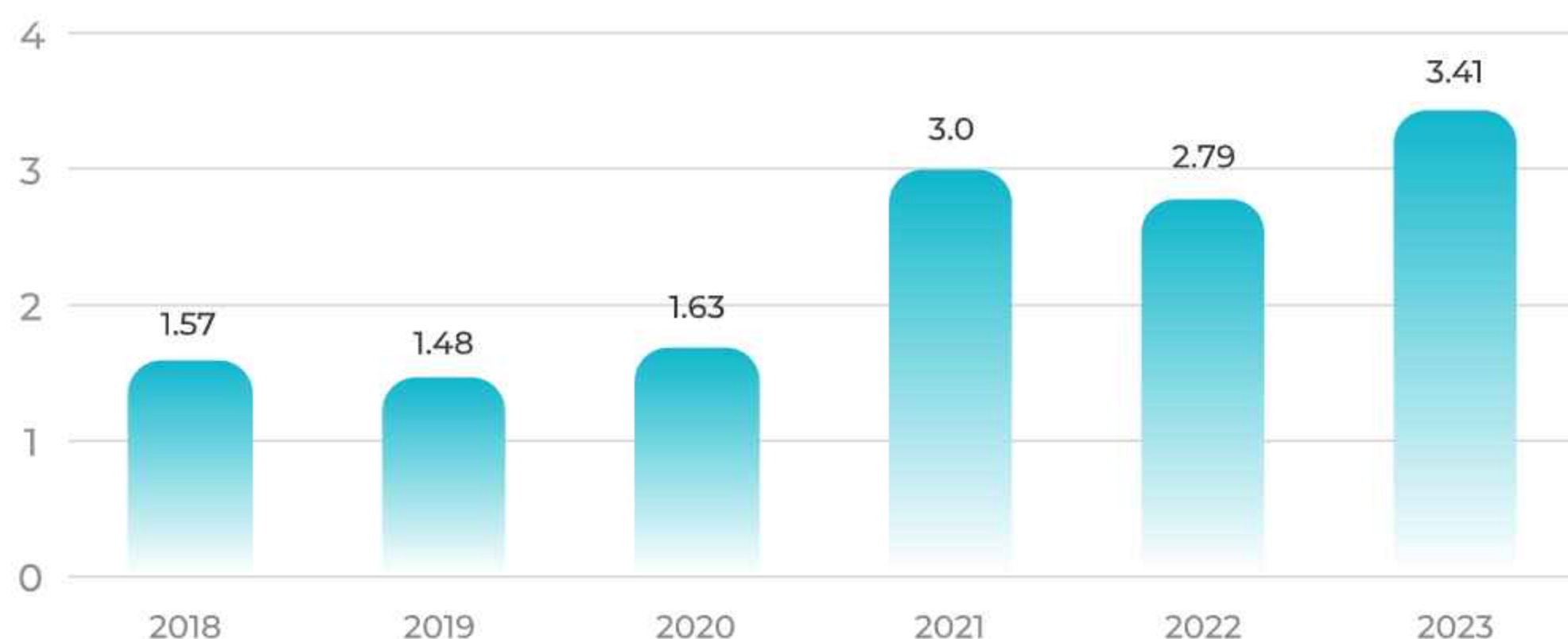
# AGRICULTURAL SECTOR OF UKRAINE

## FDI snapshot

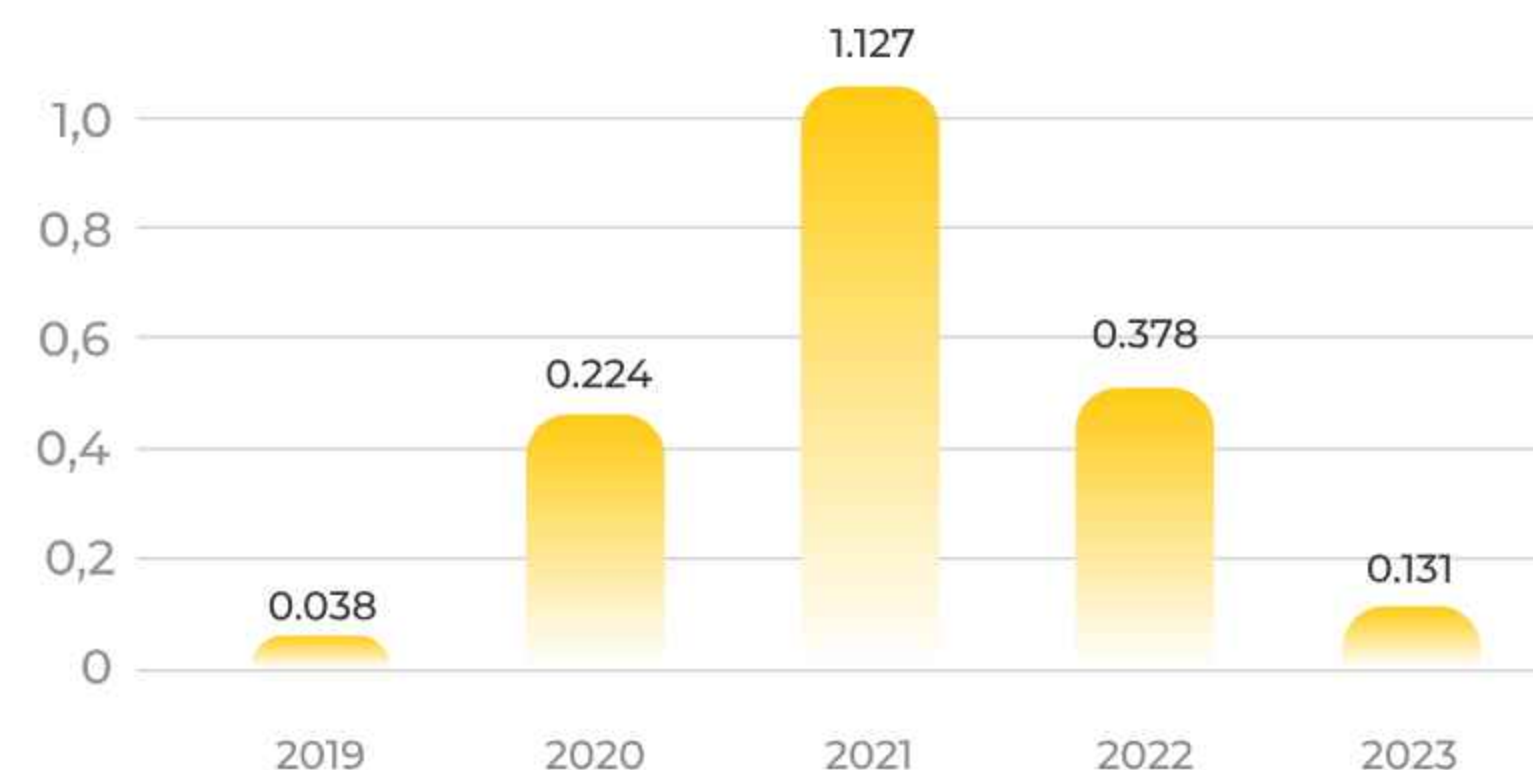
+6%

Increase the number of international private investment projects in the agricultural sector to achieve sustainable development goals in 2021-2022

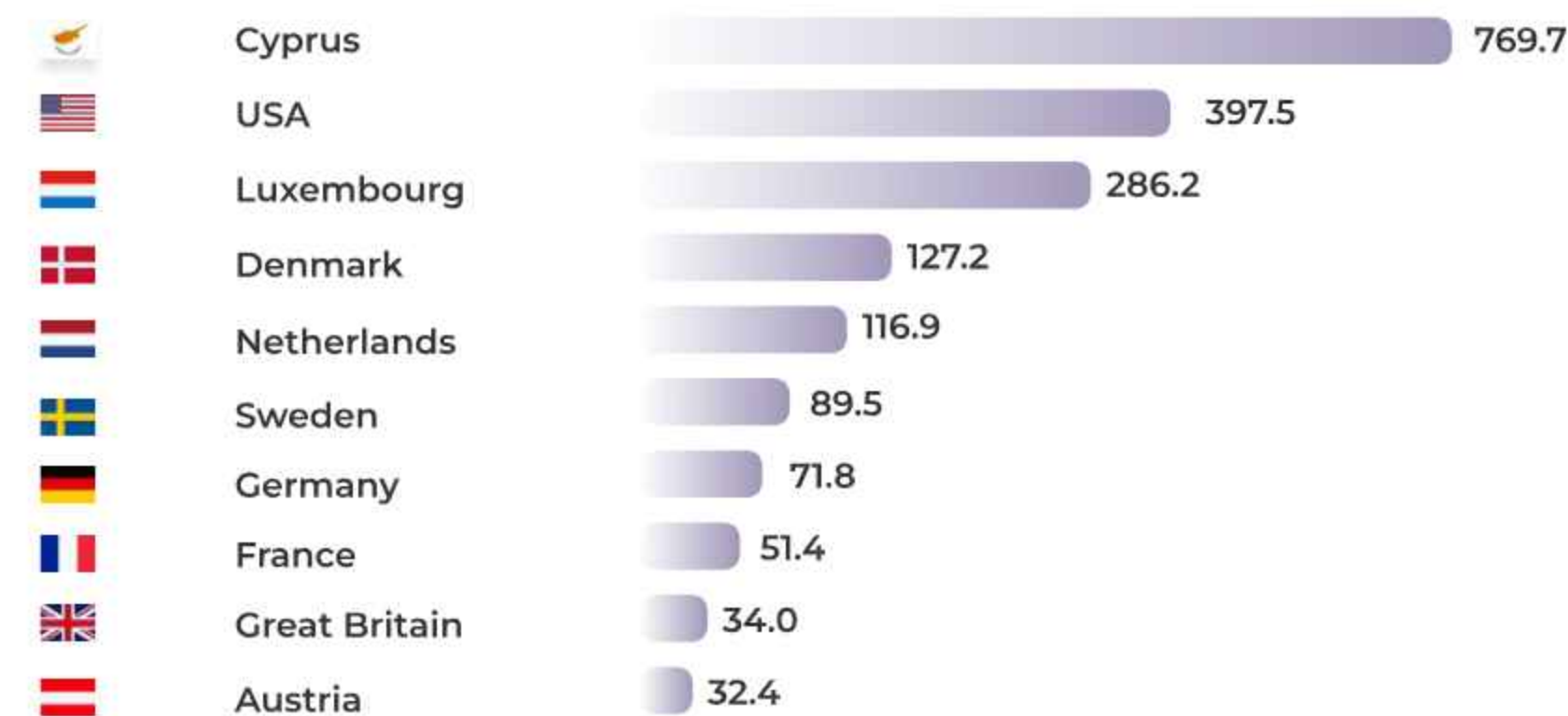
### Total FDI in agriculture, forestry, and fishing, USD bln



### FDI in agriculture, forestry, and fisheries, USD bln



### Countries investing in agriculture, forestry and fisheries of Ukraine, USD mln, 2022



~3%

of FDI in **agriculture, forestry and fisheries** in Ukraine as a share of investment in other economic activities in 2023



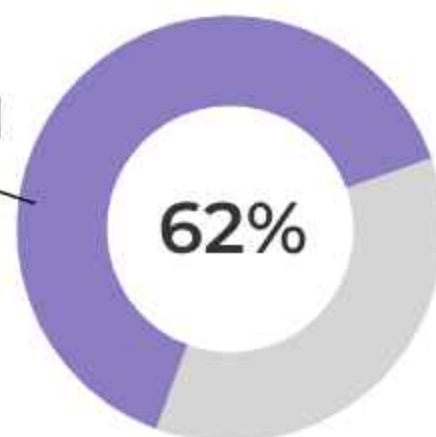
# AGRICULTURAL SECTOR OF UKRAINE

## Turnover of agricultural products



over  
**USD 20 bln**  
Exports of agricultural products, 2023

SHARE OF EXPORTS IN UKRAINE



## Top-10

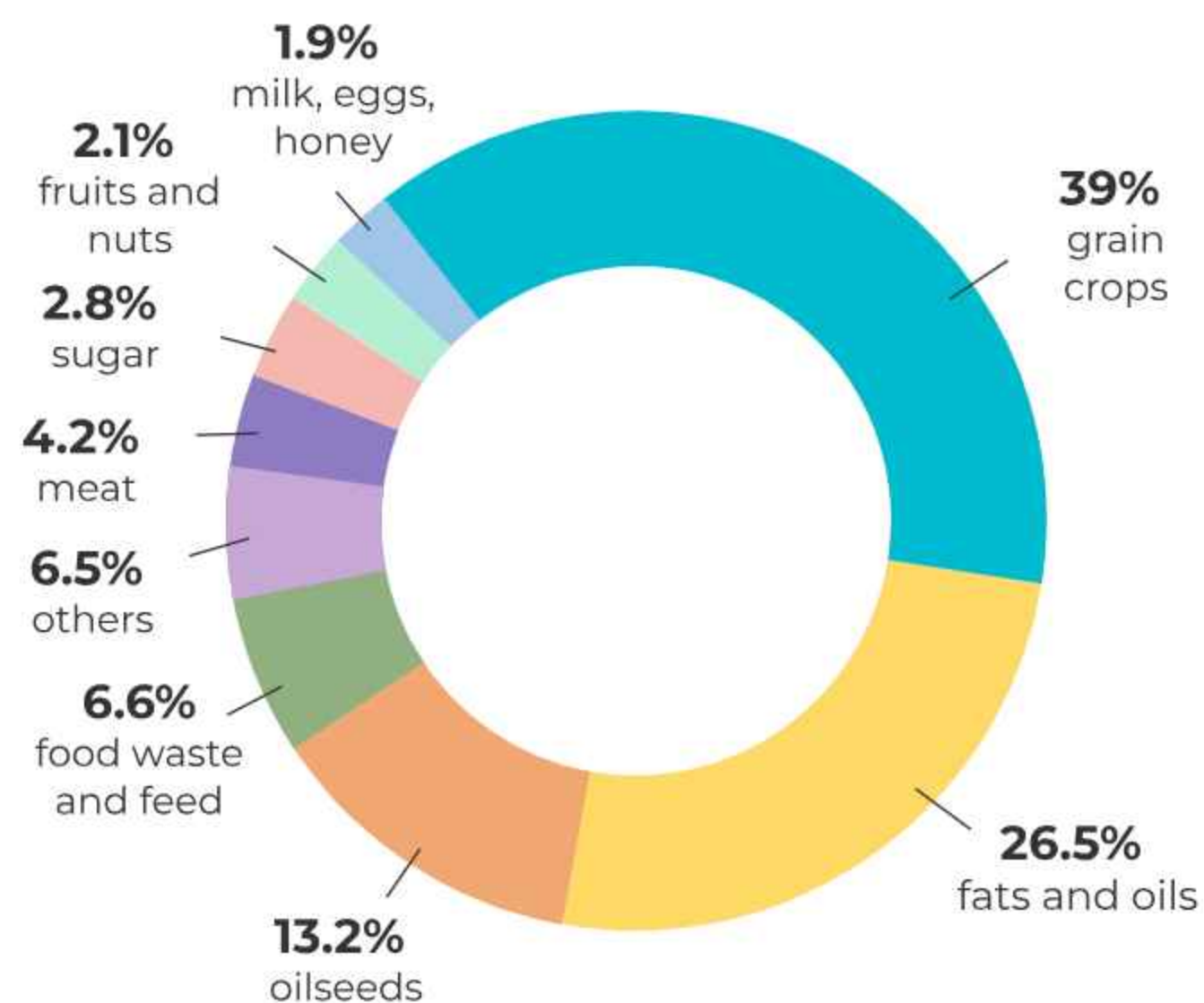
Ukraine's position among the world's grain exporting countries



**6%**

of world wheat exports are supplied by Ukraine

## Structure of agricultural exports, 2023



## Ukraine's position in global agricultural exports, 2023

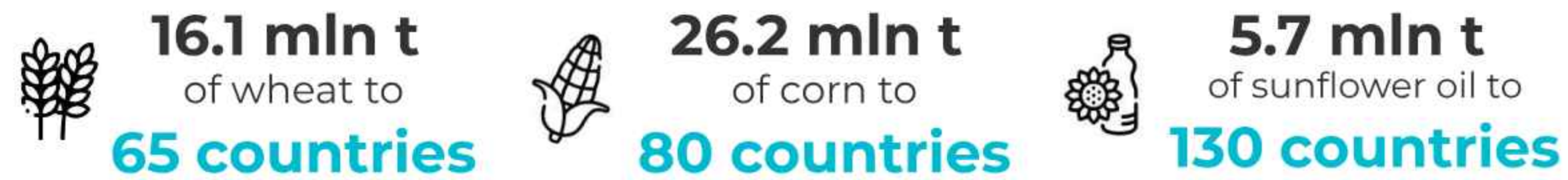
Category	Position	%	USD bln	Category	Position	%	USD bln
Sunflower oil	1	28.5	5	Vegetable products	6	2.8	0.04
Oilcake	3	8.3	0.97	Barley	8	3.5	0.36
Maize or corn	4	9.4	4.9	Poultry	10	2.3	0.79
Rape seeds	4	7.7	1.16	Rapeseed oil	10	2.2	0.31
Soya beans	5	1.4	1.28	Flax seeds	10	1.1	0.01
Natural honey	5	5.7	0.12	Soybean oil	10	2.2	0.25
Sunflower seeds	5	5.3	0.27	Egg products	12	2.1	0.03
Wheat	6	5	2.94	Buckwheat, millet	12	1.9	0.02



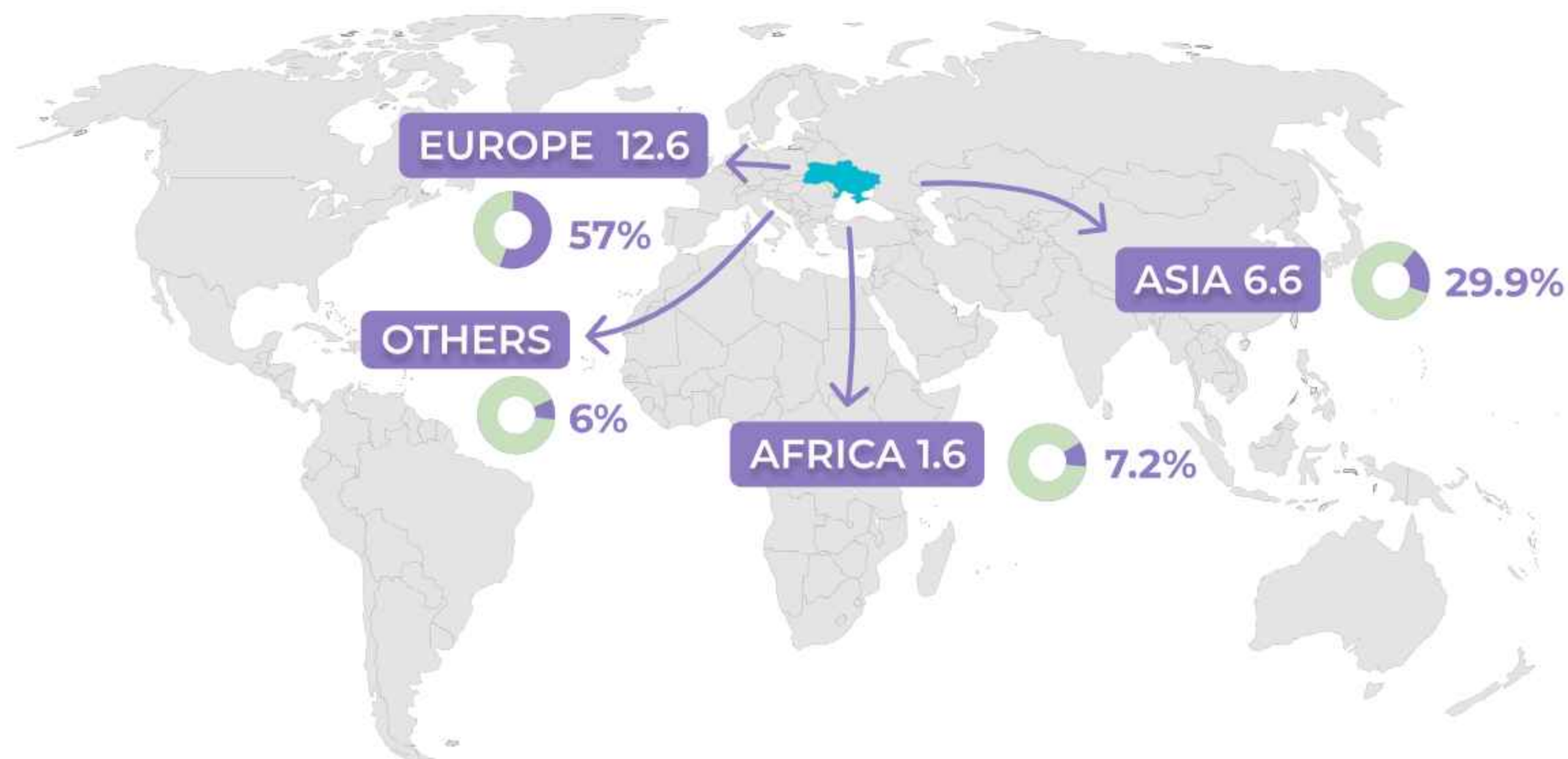
# AGRICULTURAL SECTOR OF UKRAINE

## Agricultural products turnover

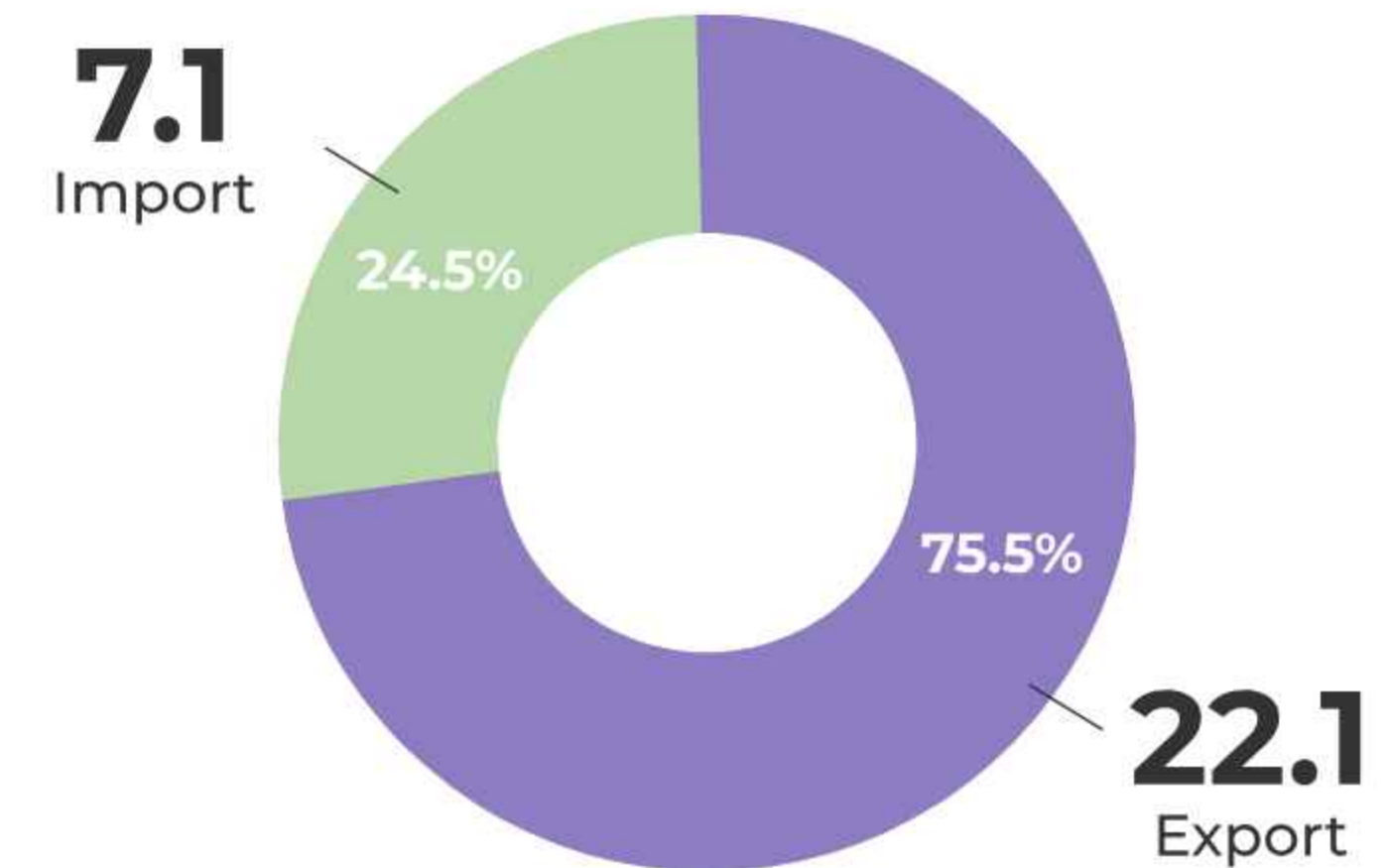
### EXPORTED, 2023



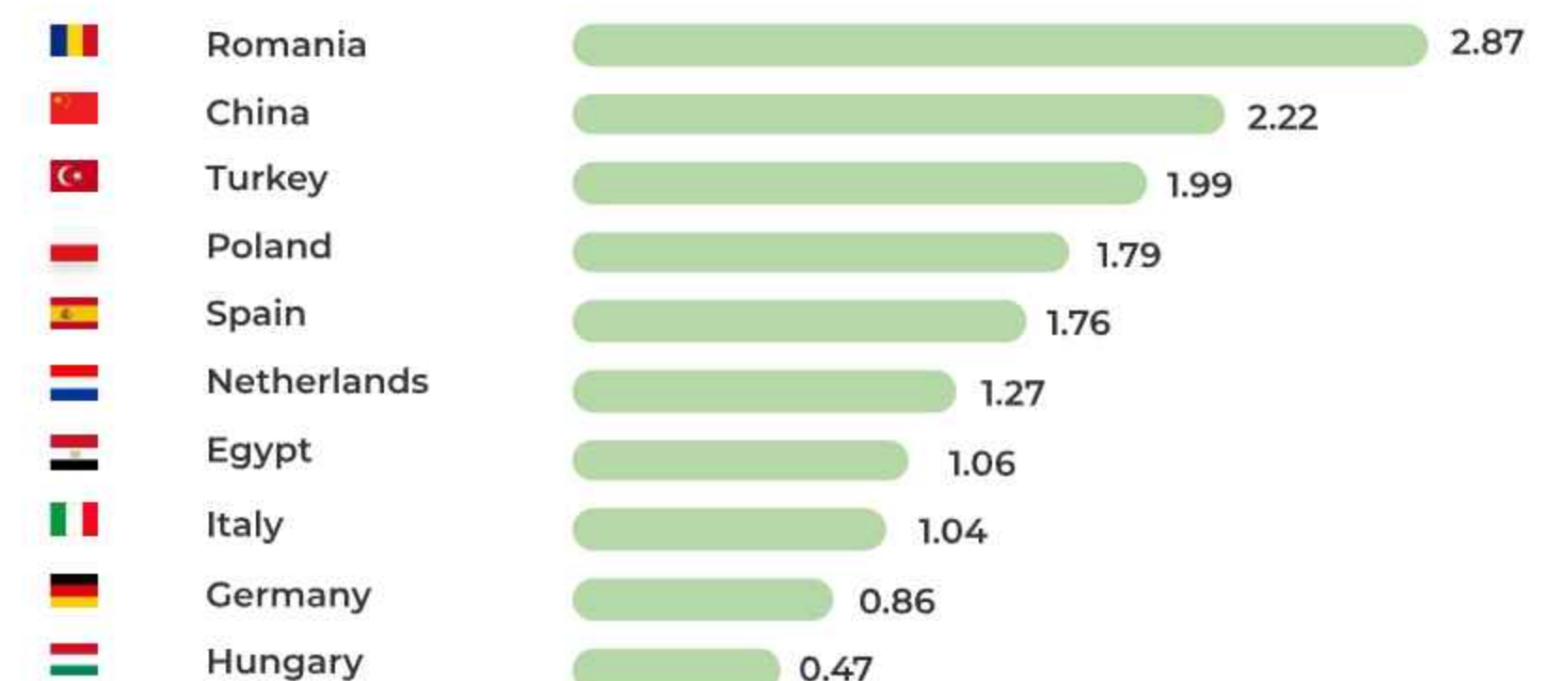
### Main importers of Ukrainian agricultural products, USD bln, 2023



### Turnover of agricultural products in Ukraine, USD bln, 2023



### Countries importing Ukrainian agricultural products, USD bln, 2023





# AGRICULTURAL SECTOR OF UKRAINE

## Access to regional consumer markets

Nearly 1 bln consumer market can be reached within 2 500 miles

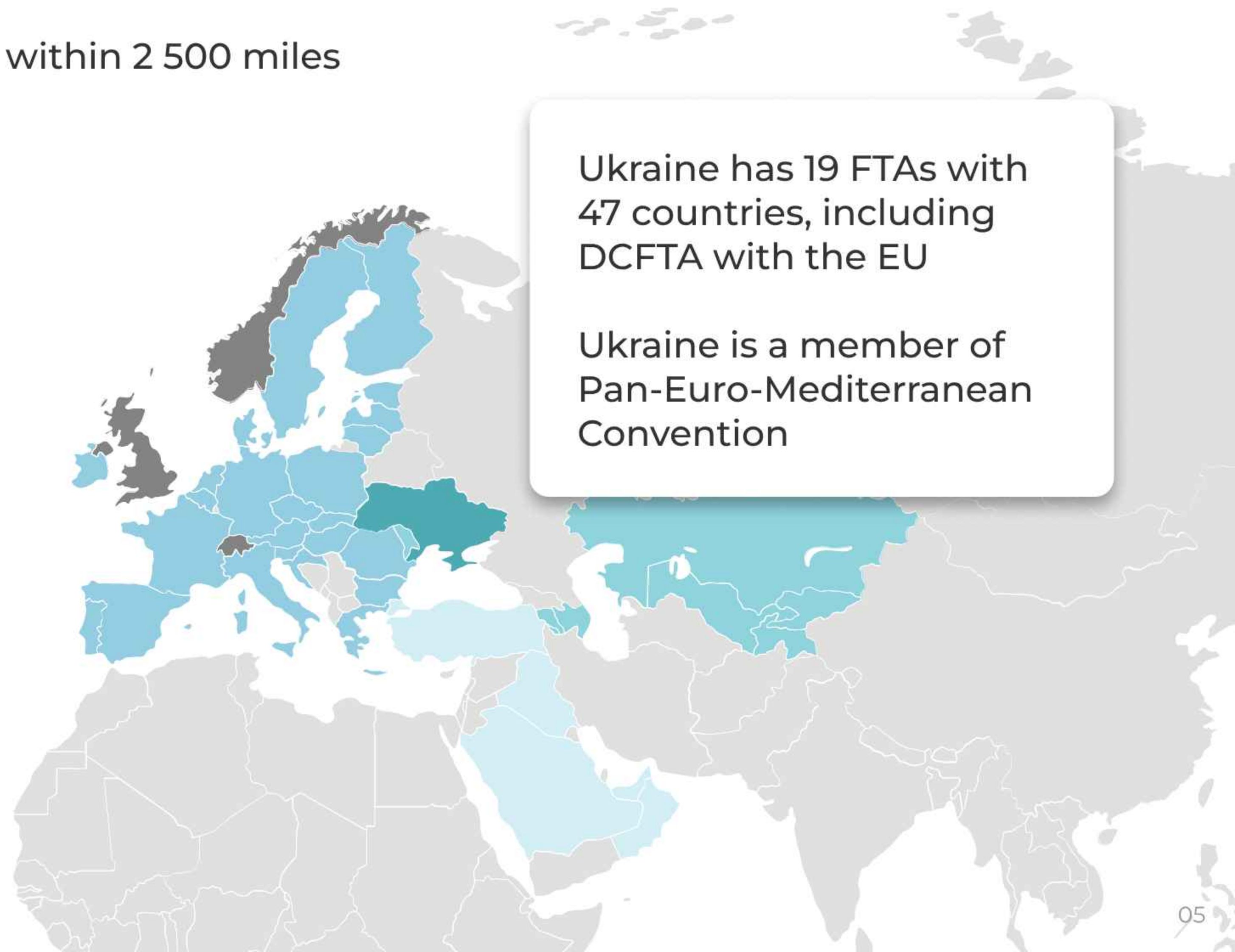
- 448 mln **European Union**
- 100 mln **CIS (selected)**
- 502 mln **Non EU**
- 44 mln **Ukraine**

The EU, the UK and Canada **have suspended import** duties on exports from Ukraine in 2022.

This creates new opportunities for Ukrainian exporters. Trade turnover between Ukraine and these countries is expected to increase, thus, strengthening mutually beneficial partnership.

Ukraine has 19 FTAs with 47 countries, including DCFTA with the EU

Ukraine is a member of Pan-Euro-Mediterranean Convention

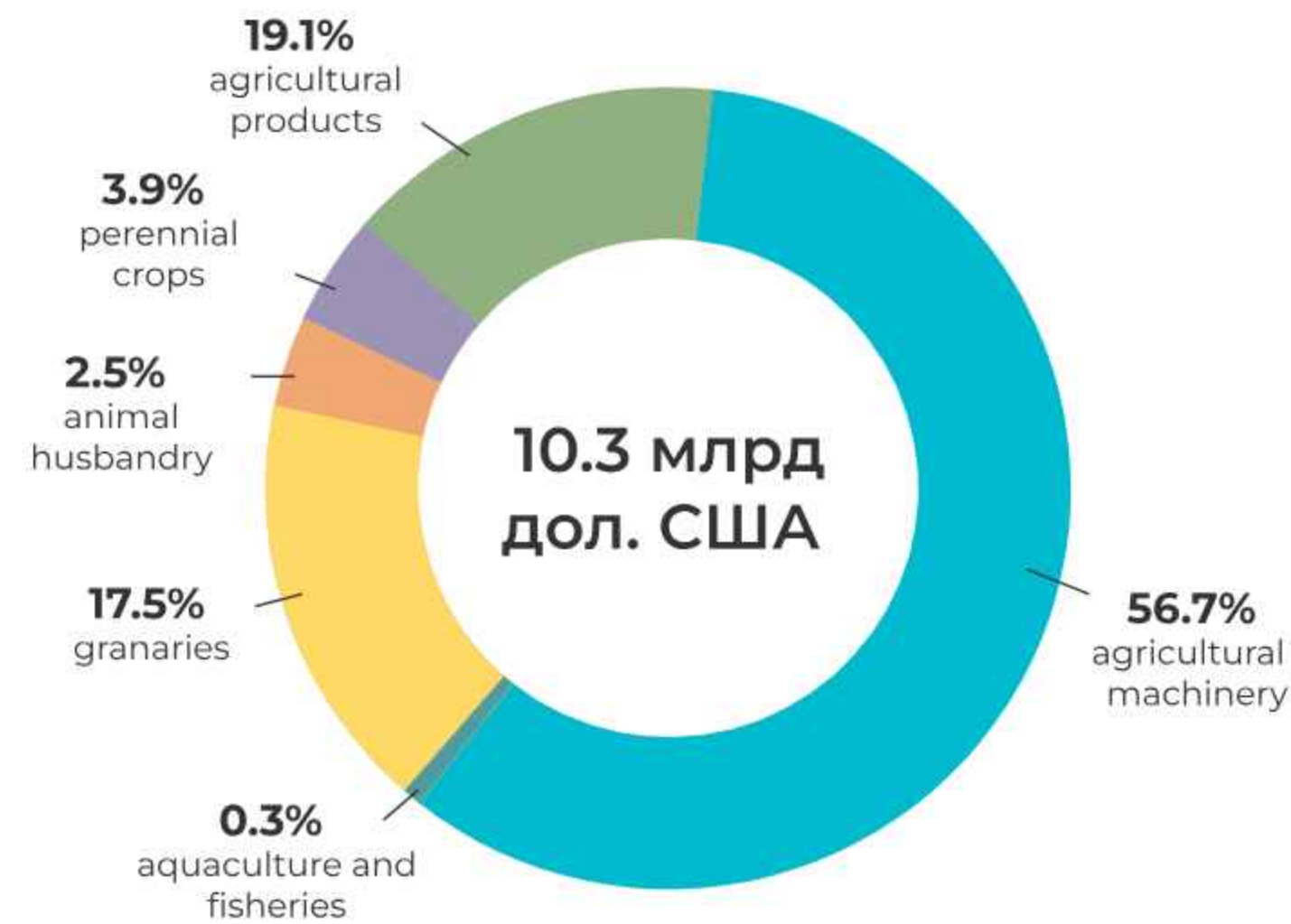




# AGRICULTURAL SECTOR OF UKRAINE

## Losses due to full-scale invasion

Total agricultural losses by category, 2024



**65%**

of the total losses are in Zaporizhzhia, Kherson and Luhansk regions



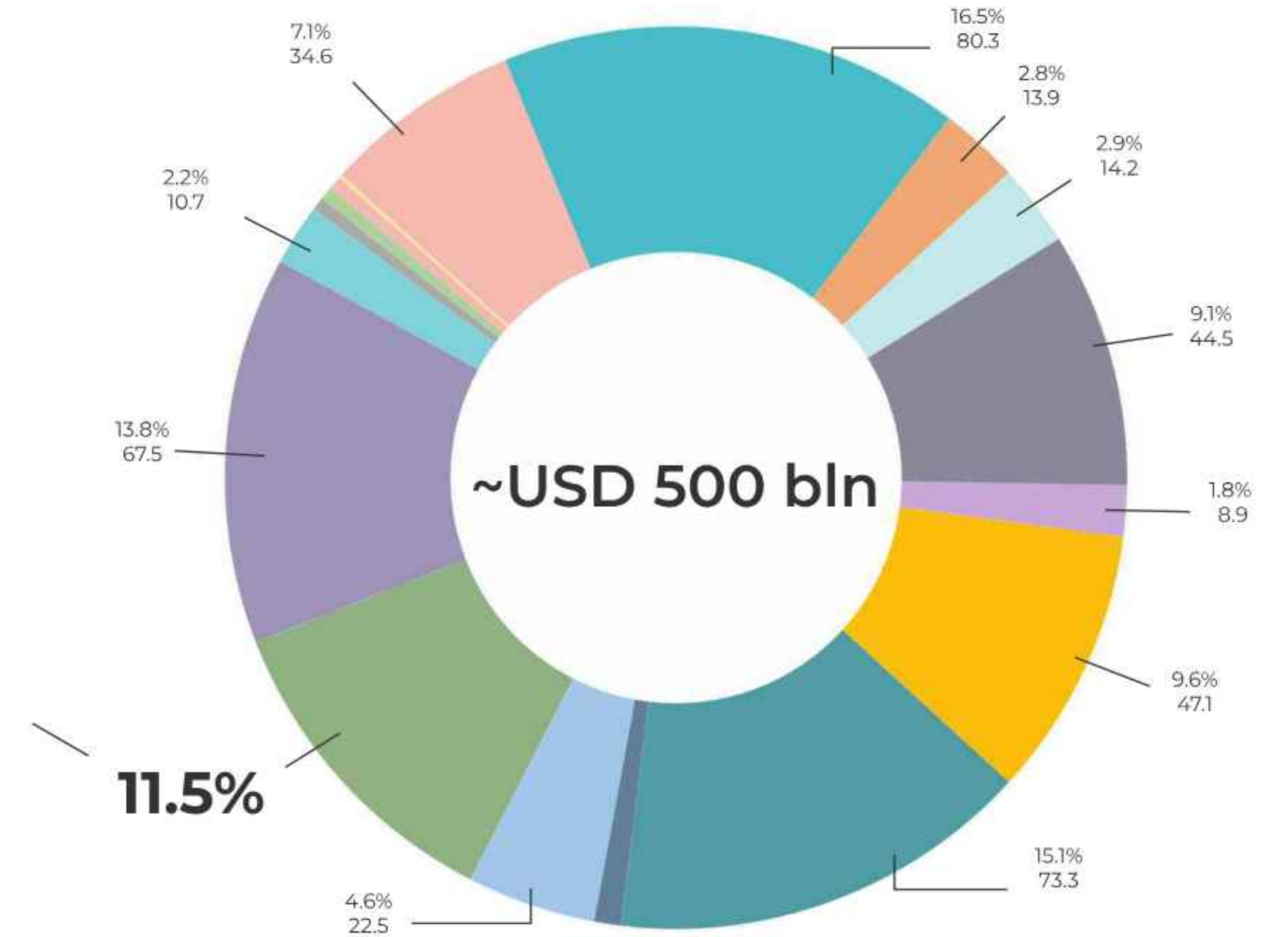
**USD 80 bln** — losses and damages of the Ukrainian agricultural sector as a result of a full-scale invasion as of 2024

Recovery and reconstruction needs, USD bln



**USD 56 mln**

in reconstruction and rehabilitation needs over the next 10 years



- Housing
- Education and science
- Health
- Social protection and livelihoods
- Finance
- Energy
- Transport
- IT
- Culture and tourism
- Agriculture**
- Industry and commerce
- Utilities
- Natural resource management
- Emergency response and explosive hazards management
- Public administration



# AGRICULTURAL SECTOR OF UKRAINE

## Food security



Russia's full-scale invasion has significant implications for **global food security**, as Ukraine is a major supplier of agricultural products, including grain, to the world market.



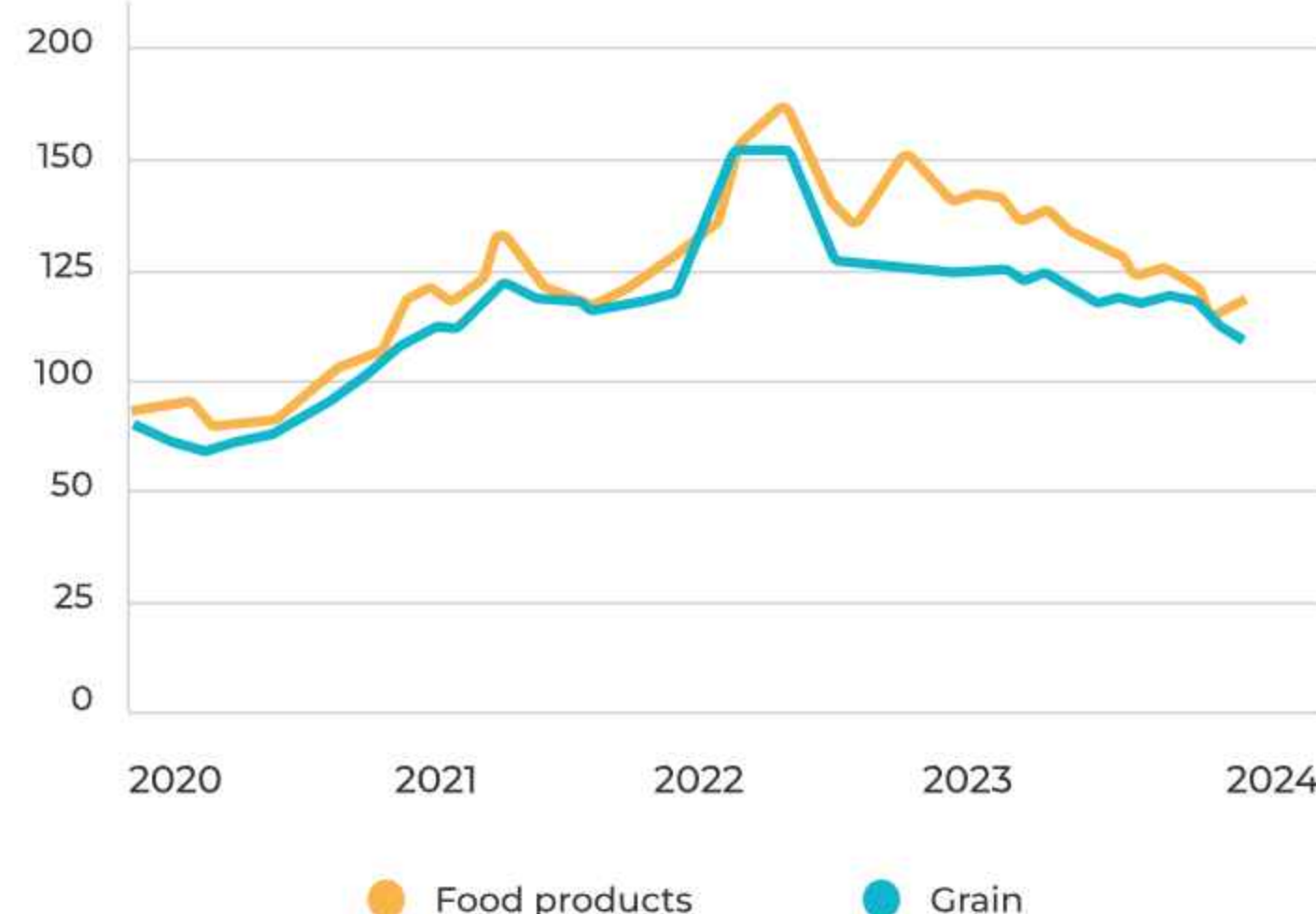
**733 mln**

people in the world  
faced with hunger  
in 2023

**12-13%**

percentage increase in global  
food and grain prices at the end  
of 2023 compared to the level of  
December 2020

Commodity price indices 2020-2024



**Black Sea Grain Initiative** is an agreement signed on 22 July 2022 between **Turkey, Ukraine** and **russia** with the support of the **UN**, establishing sea corridors for the export of Ukrainian grain through three ports. **russia** withdrew from the agreement a year after it was signed

The **blockade of ports** on the Black Sea has led to significant difficulties in exporting grain to world markets, resulting in **lower revenues** and increased stocks of **unsold grain** in Ukraine

In more than  
**60% is 167**

countries, food inflation is higher than  
general inflation as of 2024 due to  
global crises, including the full-scale  
invasion of Ukraine

In 2024, the Government of Ukraine approved the **Food Security Strategy of Ukraine** until 2027

The strategy aims to stimulate the development of agricultural production, fill the food market and ensure the availability of food for all groups of the population





# AGRICULTURAL SECTOR OF UKRAINE

## Agricultural potential

THE SHARE OF OF BLACK SOIL IN UKRAINE



**57%**  
34.2 mln ha of Ukraine's territory

UKRAINE IS RANKED BY THE AMOUNT OF BLACK SOIL

**6th position**

in the world top

AGRICULTURAL POTENTIAL OF THE LAND



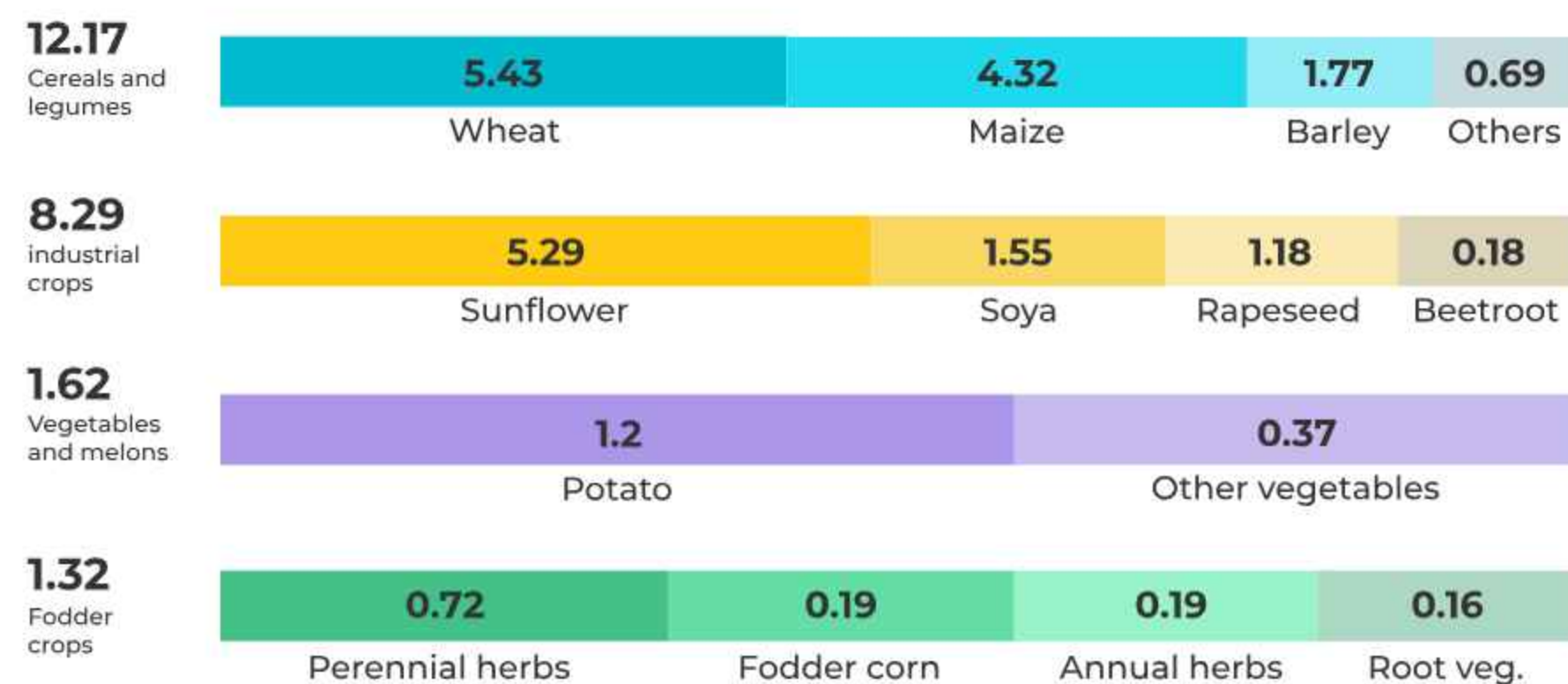
**41.5 mln ha**  
of which **20.6 mln ha** of agricultural land

SHARE OF AGRICULTURAL LAND

**68.7%**

of the total amount of land in Ukraine

Sown areas of major crops, million ha, 2022



Soil suitability for organic farming





# AGRICULTURAL SECTOR OF UKRAINE

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## Agricultural potential

FOOD  
SUPPLY  
POTENTIAL



**0.6 bln**  
people Ukraine  
can feed

HARVEST OF  
GRAINS AND  
OILSEEDS



over  
**80 mln t**  
in 2023

AGRI-  
CULTURAL  
EMPLOYEES



**2.8 mln**  
people in 2023

AVERAGE  
SALARY



**USD 400**  
per month

**5 380**

Total number of graduates with a **bachelor's** degree in **Agricultural Sciences and Food Technologies 2022/2023**

**1 050**

Total number of graduates with a **master's** degree in **Agricultural Sciences and Food Technologies 2022/2023**



over  
**50** Total number  
of agricultural  
universities

- National University of Life and Environmental Sciences of Ukraine
- State Biotechnological University
- Sumy National Agrarian University
- Stepan Gzhytskyi National University of Veterinary Medicine and Biotechnology of Lviv
- Bila Tserkva National Agrarian University
- Dmytro Motornyi Tavria State Agrotechnological University
- Mykolayiv National Agrarian University
- Vinnytsia National Agrarian University
- Lviv National University of Nature Management
- Polissia National University



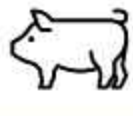






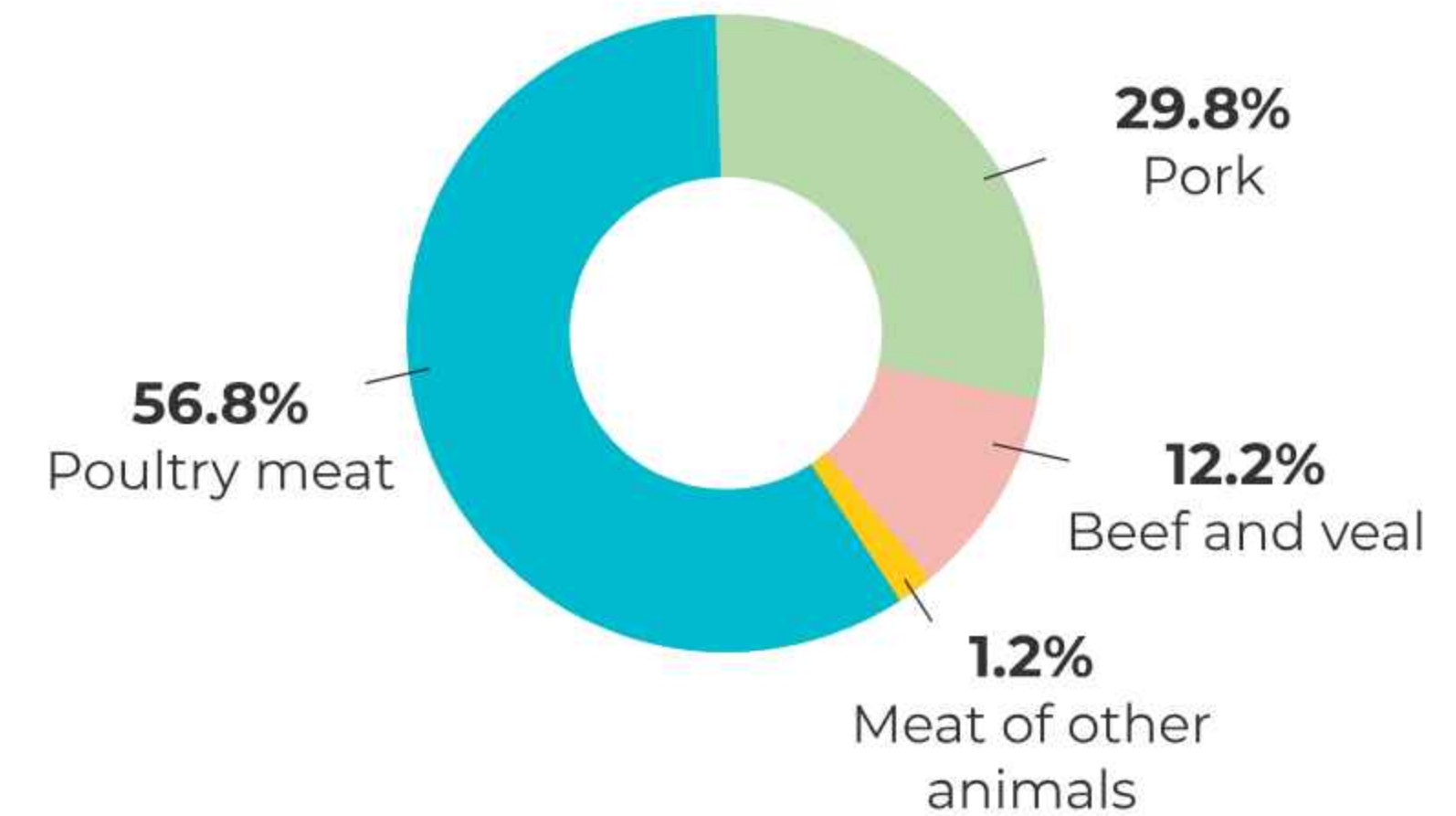
# AGRICULTURAL SECTOR OF UKRAINE

## Animal husbandry

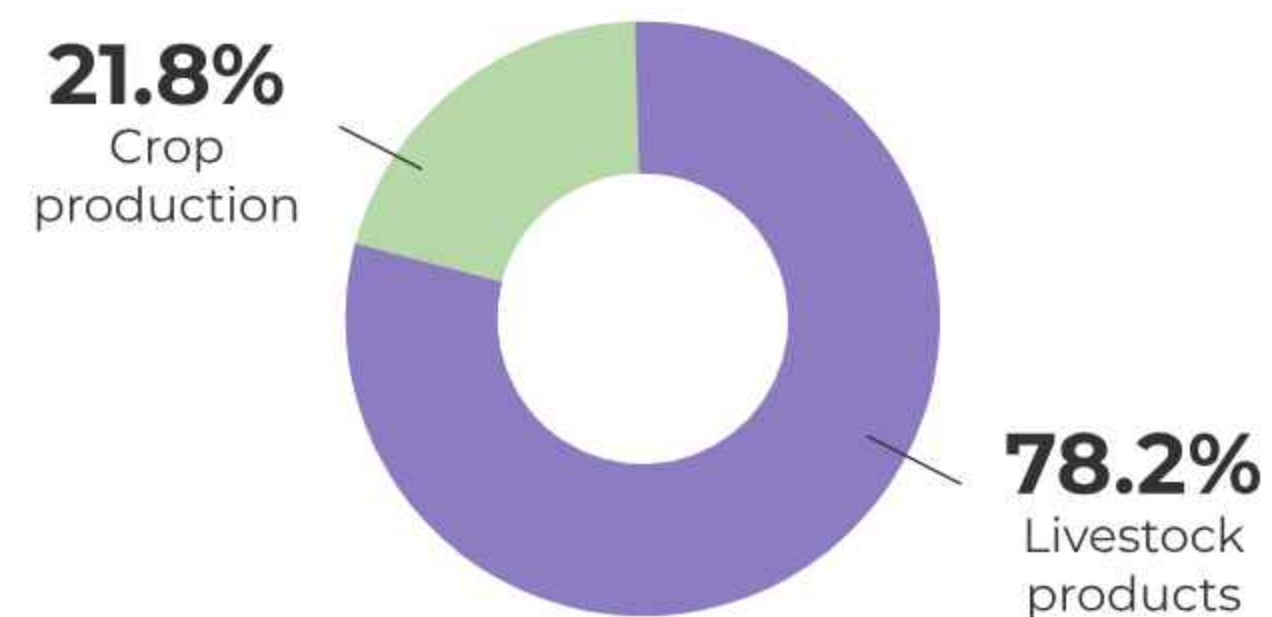
### Amount of farm animals, mln. heads\*

Cattle,		2.3
incl. cows		1.35
Pigs		4.94
Sheep and goats		0.94
Poultry		180.5

### Meat production structure\*



### Output structure by product type\*



### Production of main types of livestock products\*

Meat (in slaughter weight)	2207 thsd t
Milk	7768 thsd t
Eggs	11922 mln units
Wool	1237 t



# AGRICULTURAL SECTOR OF UKRAINE

## Agroprocessing



**USD 8.4 bln**

Export of processed agricultural products\*



**~300 thsd**

agro-processing industry employees\*



The Law on State Support of Investment Projects with Significant Investments in Ukraine classifies **agroprocessing** as a **priority industry** and state support is envisaged of 30% of CAPEX

## Food processing industry's share in the agricultural sector



**22,7%**

in the structure of gross value added\*

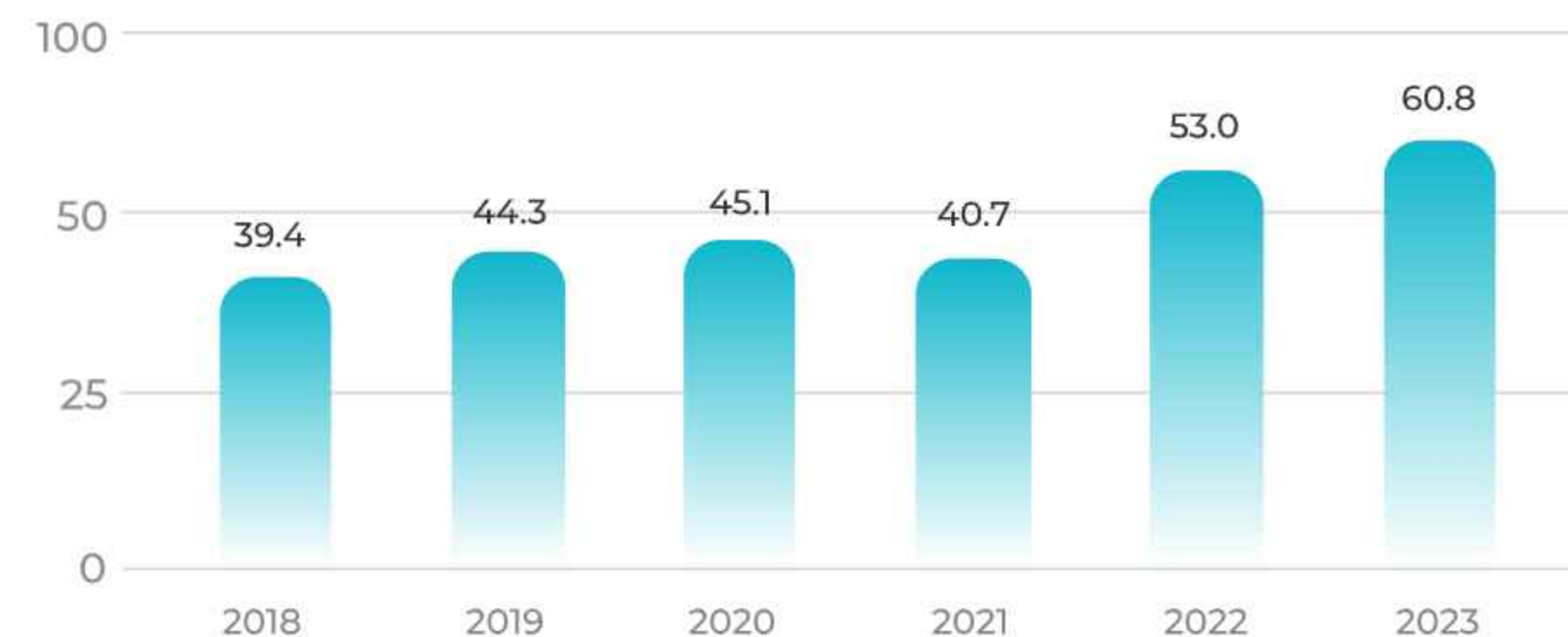


**37,2%**

in the structure of total exports\*

**Raw materials** and **semi-finished products** accounted for **2/3** of Ukraine's total exports\*

Food industry products and processing of agricultural raw materials, % in exports of agricultural products (1-24 UCG FEA)



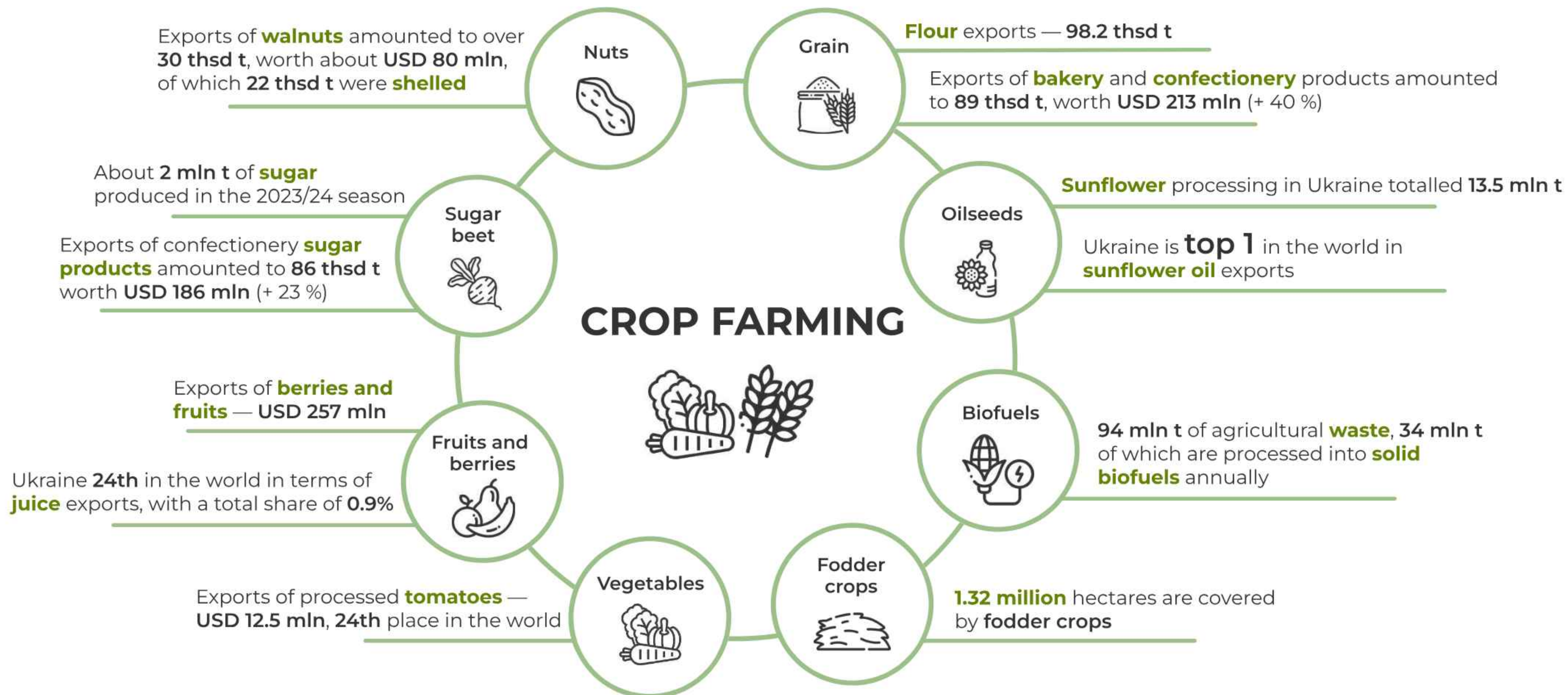
Raw materials		Increase in product costs	Processed products	
Category	Cost, 1 t/ USD thsd		Category	Cost, 1 t/ USD thsd
Meat	2.2	<ul style="list-style-type: none"> <li>45%</li> <li>217%</li> <li>40%</li> <li>200%</li> <li>160%</li> <li>150%</li> </ul>	Meat products	3.2
Milk, whey	1.7		Butter, cheeses	5.4
Vegetables, fruits, nuts	1.0		Fruit & Veg products	1.4
Grains	0.2		Flour	0.6
Oil plants	0.5		Oils	1.3
Sugar	0.8		Sugar products	2.0



# AGRICULTURAL SECTOR OF UKRAINE

## Exports of agroprocessed products: crop production

## Processing of plant raw materials in Ukraine, 2023

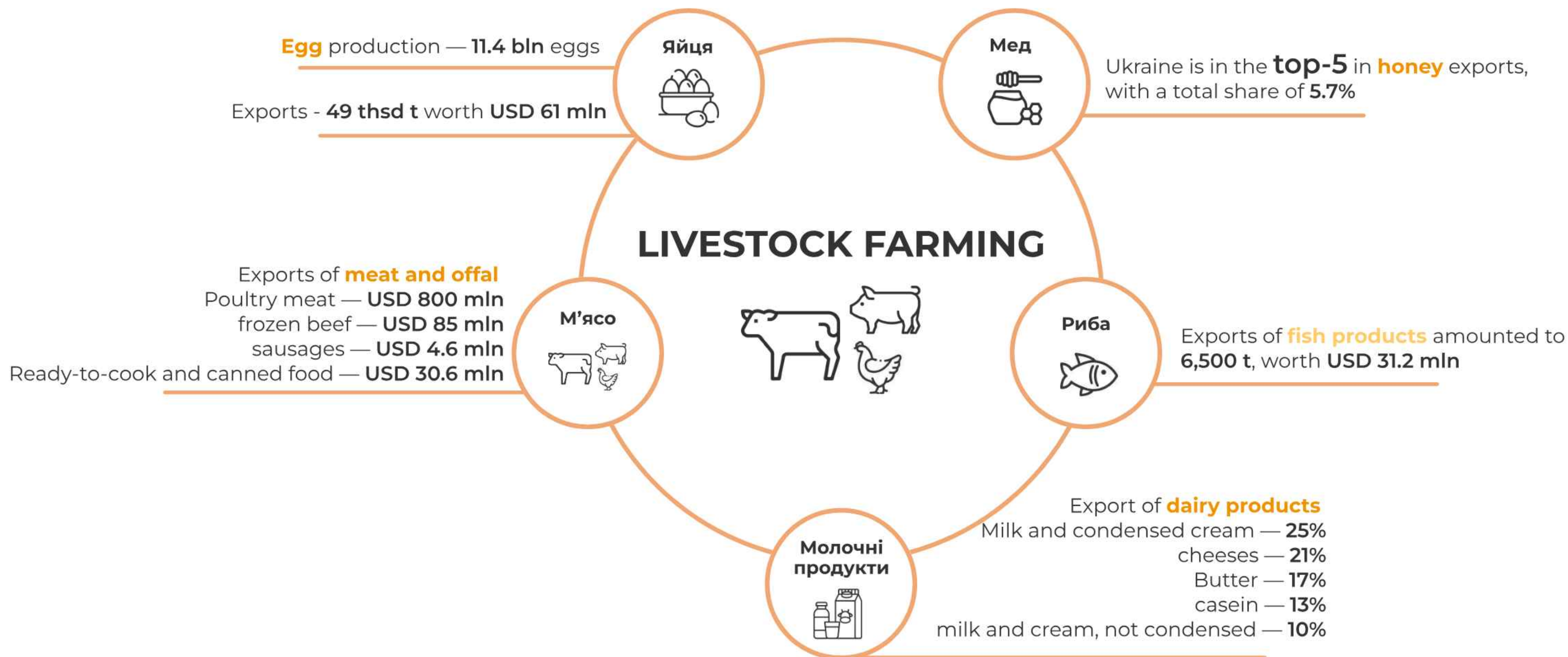




# AGRICULTURAL SECTOR OF UKRAINE

## Exports of agro-processed products: livestock

### Processing of animal raw materials in Ukraine, 2023





# AGRICULTURAL SECTOR OF UKRAINE

## Start-ups and innovations










**USD 15.6 bln** attracted to agricultural technology start-ups in the world in 2023, which is **5.5%** of global technology venture capital investment



**AgriTech** is one of the priority sectors of innovation in Ukraine according to the official state strategy of the **Global Innovation Vision of Ukraine 2030**

### Innovative technologies of the Ukrainian agricultural sector

-  electronic field maps
-  heading indicators/ autopilots
-  GPS monitoring (trackers) and fuel control sensors
-  satellite maps
-  drones (sprayers, deminers, unmanned harvesters)
-  weather stations and soil moisture sensors
-  forecasting programs (pests, diseases), and farm management systems

**+3% to GDP**

Economic efficiency of the AgriTech sector  
(up to 11.7% in 2022)

**Top 1 or 40%**

share of the Ukrainian market of spraying drones in Europe in 2012

 **3.1 mln ha**

was processed using agrodrones in 2021-2023

### Using Agrodrones in Ukraine 2021-2023

-  reduced the amount of **fuel** used by **17.05 mln l**
-  reduced **carbon** emissions by **43.4 thsd t**
-  increased the **harvest** by **486.7 thsd t**
-  reduced water consumption by **620 thsd t**



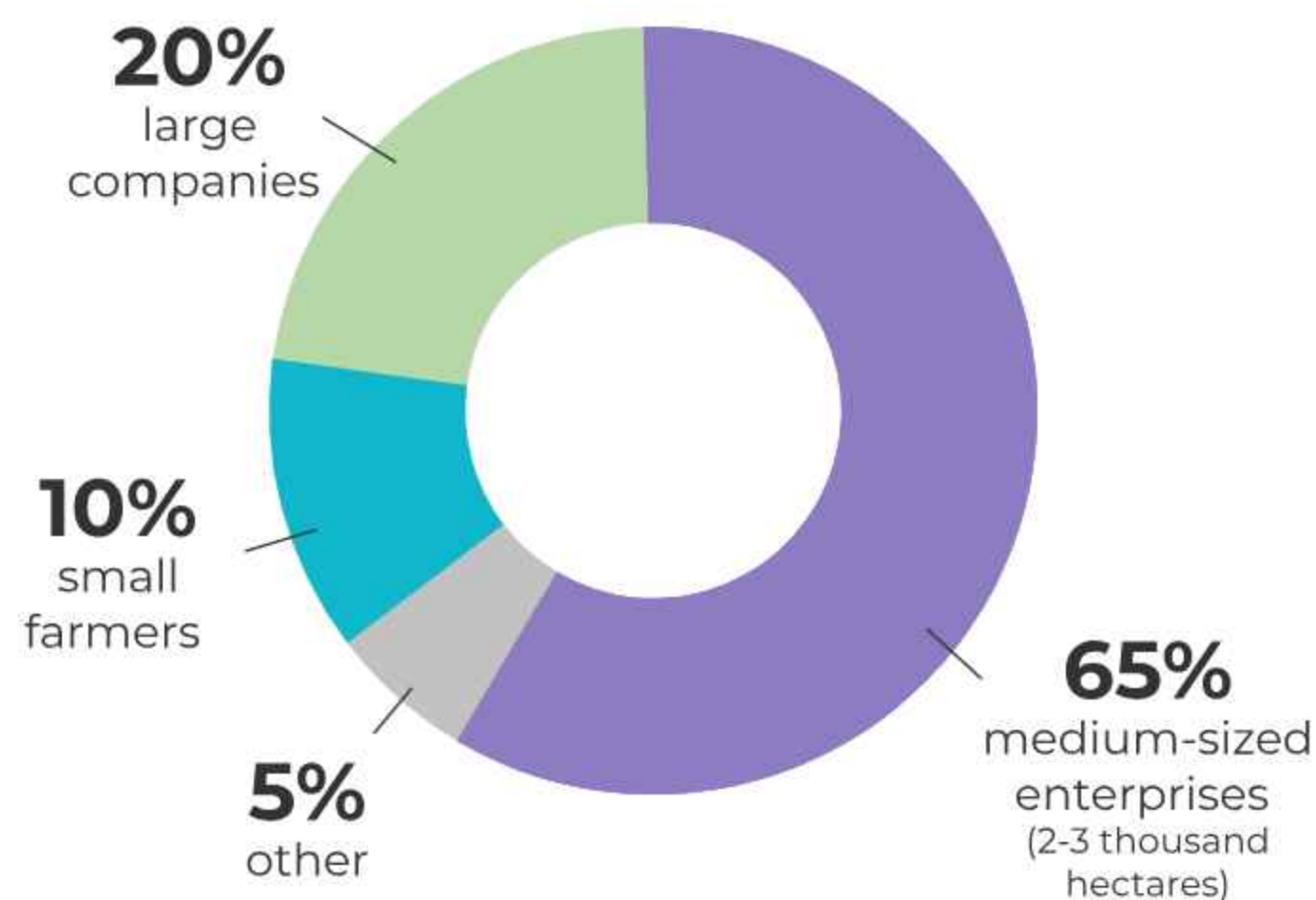
# AGRICULTURAL SECTOR OF UKRAINE

## Land management structure

In 2021, Ukraine launched an agricultural **land market** for the free sale and purchase of land plots

- for individuals who are **citizens of Ukraine** in the amount of no more than 100 ha per person
- since 2024, as part of the second stage of the land reform, also for **legal entities**, and the permitted area has increased to **10 thsd ha** of land (legal entities account for 20% of all land market participants\*)

## Distribution structure of the state farm land in Ukraine by type of farm



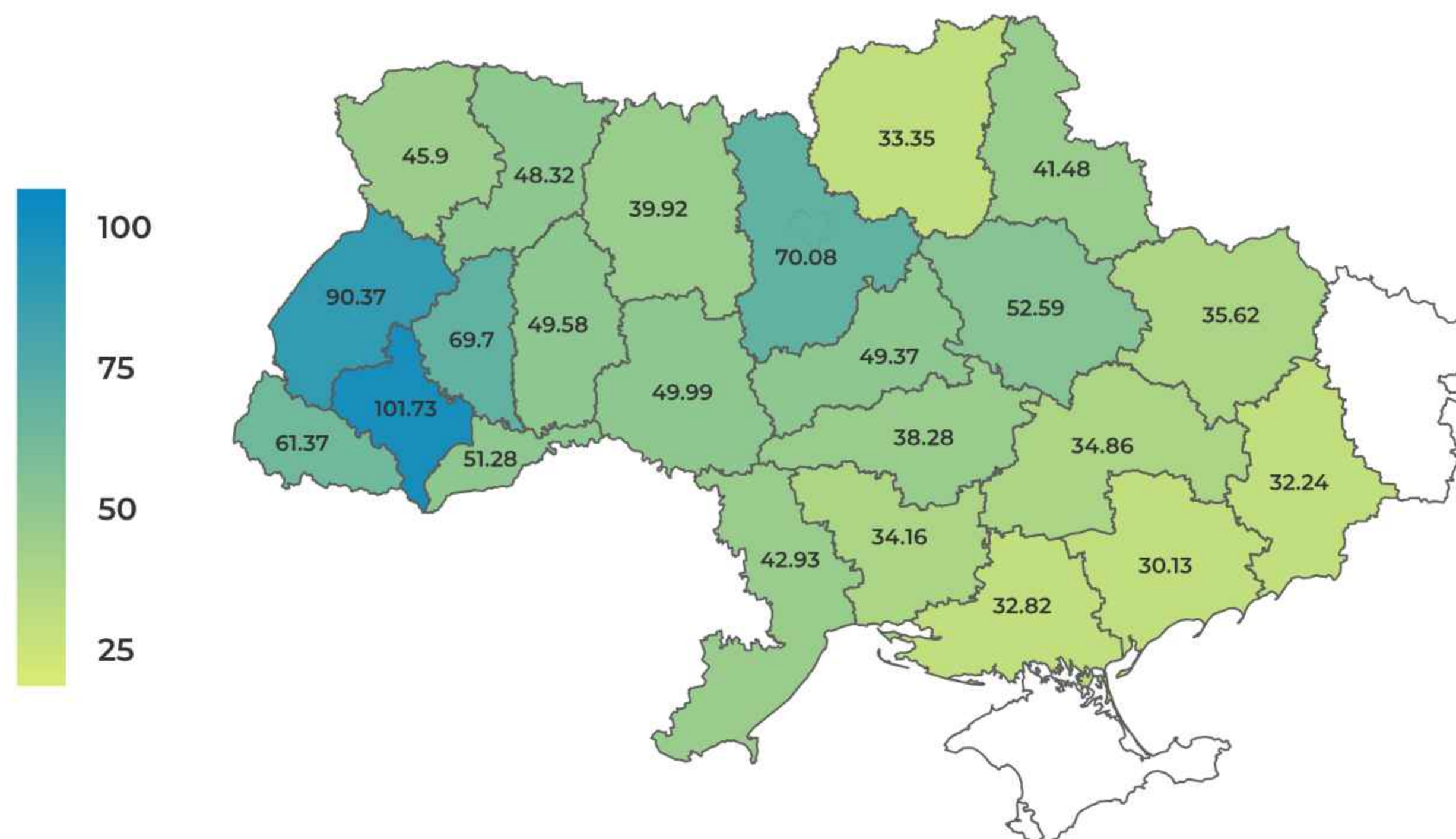
## Agricultural land market statistics

**227,5**  
thsd transactions  
land trade\*

**510,8**  
thsd ha  
area\*

**1.24%**  
total amount of agricultural  
land in Ukraine\*.

## Cost of agricultural land, thsd UAH, 2024





# AGRICULTURAL SECTOR OF UKRAINE

## Investment climate\*

### Top-5 Ukrainian companies in the agricultural sector\*

**KERNEL**

**Kernel**

Oilseed crop cultivation and processing  
Number of employees: over 10 thsd

**МХП**

**МХП**

Chicken meat production, grain cultivation  
Number of employees: over 30 thsd

**UkrLandFarming**  
Public Limited Company

**UkrLandFarming**

Grain and oilseed cultivation, livestock farming  
Number of employees: over 10 thsd

**ЕРІДОН**  
СПІВПРАЦЯ, ЯКА ГАРАНТУЄ УСПІХ

**Eridon**

Distribution of plant protection products,  
seeds, fertilizers  
Number of employees: over 500

**АСТАРТА-КИЇВ**  
агропромхолдинг

**Astarta**

Oilseeds processing  
Number of employees: over 7 thsd

### Top-5 Ukrainian food companies\*

**ROSHEN**  
SINCE 1996

**Roshen**

Confectionery production  
Number of employees: over 10 thsd

**ОБОЛОНЬ**

**Obolon**

Beer and non-alcoholic beverages  
production  
Number of employees: over 2 thsd

**МОЛОЧНИЙ АЛЬЯНС**  
ІНТЕРНАЦІОНАЛЬНА КОМПАНІЯ

**Milk Alliance**

Dairy products production  
Number of employees: over 2 thsd

**INTERSTARCH**

**Interstarch**

Production of processed products from  
corn and wheat  
Number of employees: over 100

**ЩЕДРО**

**Shedro**

Oil, fats, sauces production, etc.  
Number of employees: over 1 thsd



# INVESTMENT INCENTIVES

## State support

### Forms of state support:

- special budgetary subsidies
- partial reimbursement of borrowed funds

### State program 'Affordable Loans 5-7-9'

- simplified conditions for obtaining loans from banks for small and medium-sized businesses
- Loans of up to **UAH 90 mln** at an interest rate of **5-9%** per annum

### Types of state support by direction



special budget subsidy for existing **bee** colonies



partial reimbursement of the cost of breeding **animals** purchased for further reproduction



partial reimbursement of the cost of construction and/or reconstruction of **livestock farms and complexes**, fish farms, milking parlours, and agricultural processing enterprises



partial reimbursement of the cost of construction and/or reconstruction of **grain storage and processing** facilities



special budgetary subsidy for keeping **goats** and **sheep**



special budget subsidy for **cow** growth



repayment of **budgetary payables** under the programme 'State support for the development of livestock and agricultural processing'



25% compensation for agrarians for **agricultural machinery** and **equipment** of Ukrainian production, the share of localisation of which exceeds 60%



# INVESTMENT INCENTIVES

Significant investments

## REQUIREMENTS FOR INVESTMENT PROJECT



**12+ EUR mln**  
of investment



**10+**  
of new jobs



**up to 5 years\*\*\***  
of project  
implementation



**construction,  
modernization,**

technical and/or  
technological  
reequipment of  
objects

## FORMS OF SUPPORT



**CIT exemption\***  
(for 5 years by choice)



**Exemption from VAT**  
for importing new  
equipment and  
components to it \*\*



Exemption from **import  
duties** for new equipment  
and components to it \*\*



Construction/compensation  
for built **engineering and  
transport infrastructure**  
(highways, communication  
lines, utilities, etc.).



Lease of **state or  
communal land plots**  
without land auctions



Compensation for **costs  
of connection to  
engineering and  
transport networks**



**Land tax exemption/  
reduced land tax rates**



Exemption from  
compensation **for  
losses of forestry  
production**

## AMOUNT OF SUPPORT

**up to 30% CAPEX**

\* Not applicable to projects in the field of extraction for the purpose of further processing and/or enrichment of natural resources.

\*\* List and volume of equipment is approved by the CMU for each project.

\*\*\* The applicant, not earlier than 18 months before the date of submission of the application to the authorized body, may make investments in investment facilities in the amount not exceeding 30% of the total amount of significant investments required for the implementation of an investment project with significant investments



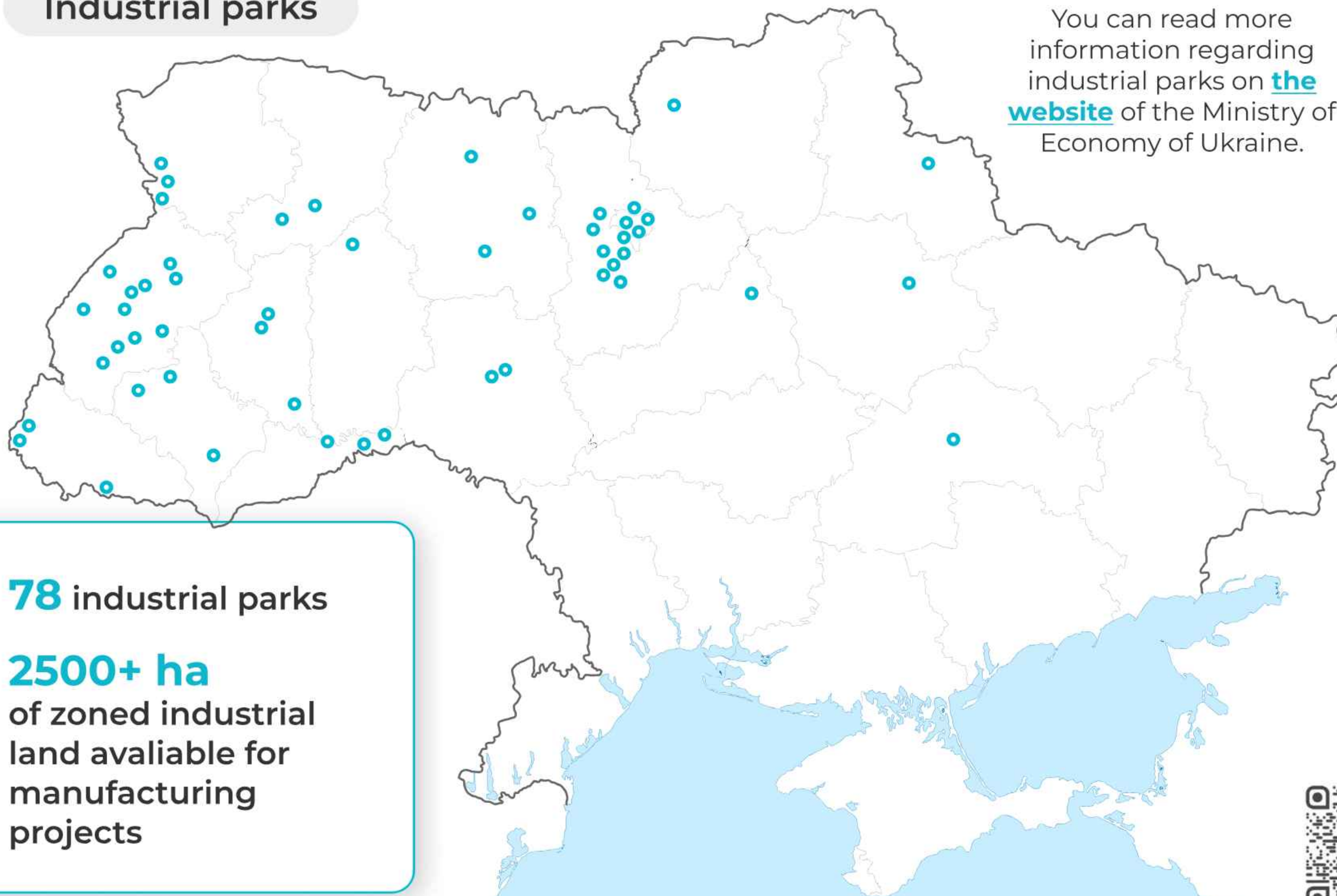
**For more detailed information, we recommend to draw  
attention to the following regulations**





# INVESTMENT INCENTIVES

## Industrial parks



You can read more information regarding industrial parks on [the website](#) of the Ministry of Economy of Ukraine.

**78** industrial parks  
**2500+ ha** of zoned industrial land available for manufacturing projects



10-year **corporate income tax exemption**



compensation for **connecting to engineering grids**



**VAT exemption** for importing new equipment



exemption from **import duties** for new equipment



**full or partial** compensation of interest rates on loans for arranging an industrial park, carrying out economic activity



**Guide:** State support for Industrial Parks

Source: Cabinet of Ministers of Ukraine



# PROJECTS SEEKING INVESTMENTS

Development of agro food tech cluster

## KEY PROJECT HIGHLIGHTS

The establishment of Ukraine's unique center of breakthrough technologies synergy in the field of the agro-food industry.

## FORMAT

Industrial technopark equipped with production and technological equipment, near

- Lviv (Hrushiv) – production and logistic
- Ivano-Frankivsk – corn cluster
- Vinnytsia – innovation and production

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**150** TOTAL INVESTMENT  
AMOUNT, USD MLN

**7** years PAYBACK PERIOD

**4** years PROJECT  
IMPLEMENTATION  
PERIOD

Type of required investment: **loan/equity/mixed**



# PROJECTS SEEKING INVESTMENTS

## Construction of feed soy protein concentrate plant

### KEY PROJECT HIGHLIGHTS

- Currently, the plant produces high-protein toasted meal, soybean oil and pelletised hulls.
- The project is aimed at expanding the range of higher value-added products by further processing soybean meal into feed grade SPC (soy protein concentrate).
- The technology is innovative for Ukraine. Soy protein concentrate is produced by water-alcohol extraction from non-granulated soybean meal.
- SPC is a soy protein concentrate, i.e. a purified protein product with a protein content of 60-70% for human consumption and feed.

### FINANCIAL DETAILS

- IRR – 35%
- NPV – USD 51 mln

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**62** AMOUNT OF OWN INVESTMENT IN THE PROJECT, USD MLN

**9** years PAYBACK PERIOD

**2** years PROJECT IMPLEMENTATION PERIOD (time to launch of operations)

Type of required investment: **loan/equity/mixed**



# PROJECTS SEEKING INVESTMENTS

Tomato processing recovery

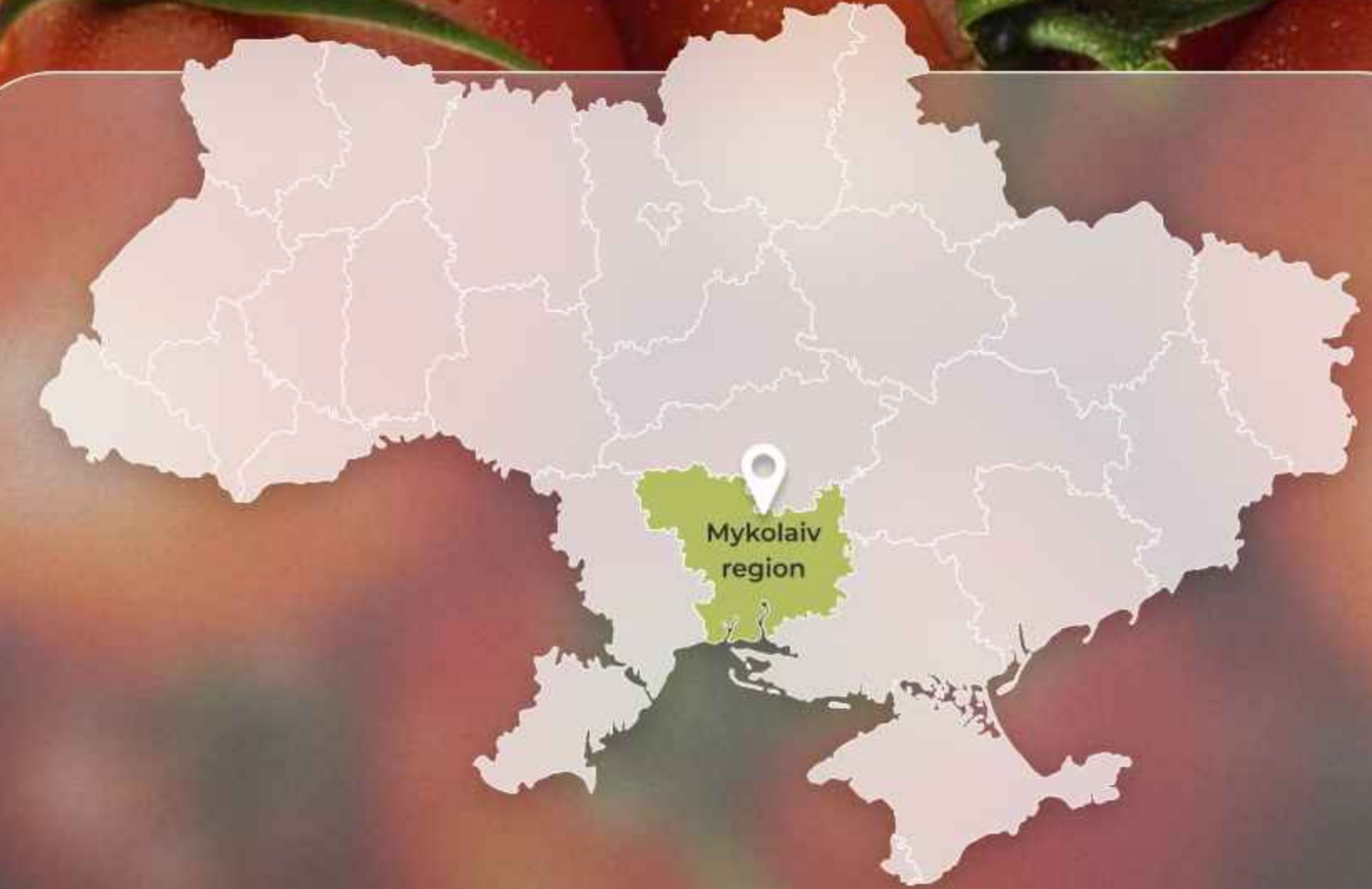
## KEY PROJECT HIGHLIGHTS

Restoration of the Ukrainian tomato industry after the de-occupation of the territories through the introduction of industrial production of high quality tomato paste and the supply of high quality raw materials to the food industry and processing industries of Ukraine.

## FINANCIAL DETAILS

• RR – 47.2% • NPV – USD 1.4 mln • EBITDA – USD 11.6 mln

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**26.7** AMOUNT OF OWN INVESTMENT IN THE PROJECT, USD MLN

**3** years PAYBACK PERIOD

**1** year PROJECT IMPLEMENTATION PERIOD (time to launch of operations)

Type of required investment: **loan**



# PROJECTS SEEKING INVESTMENTS

## Development of a honey production facility

### KEY PROJECT HIGHLIGHTS

The project provides for development of a facility for production of honey and other bee products.

The investment project aims to establish an innovative enterprise focused on high value-added and deep processing of honey. The potential production includes soufflé honey, cream honey, natural honey, tea concentrates, beverages, jams and other food and pharmaceutical products.

Objectives:

- Implementation of modern technologies and innovations in honey production,
- Introduction of new types of honey products into domestic retail chains,
- Processing of honey and its export to the EU and the USA (HACCP certificate for production is available).

### FINANCIAL DETAILS

- projected gross revenue per year – USD 19.4 mln
- EBITDA – USD 4.8 mln

PROVIDED BY DNIPROPETROVSK INVESTMENT AGENCY

For more information about other projects by the Ministry of Agrarian Policy and Food of Ukraine: <https://minagro.gov.ua/investoram/prezentatsiia-stratehiia-rozvytku-ahropromyslovoho-kompleksu>

FOR MORE INFORMATION  
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5.8

TOTAL INVESTMENT  
AMOUNT, USD MLN

6 years

PAYBACK PERIOD

24 months

PROJECT  
IMPLEMENTATION PERIOD  
(time to launch of operations)

Type of required investment: loan



# PROJECTS AFTER 24.02.22



\* - the company continues to cooperate with russia and pay taxes to the terrorist country



# INVESTMENT INSURANCE



A formalized agreement on the implementation of the investment insurance mechanism for foreign investments: **2022**  
Annual rate: **2-3%**  
Insurance period: **10 years**  
Coverage of the amount of losses: **up to 90%**  
**Sure Trust Fund:** USD 110 mln, goal - USD 330 mln



Law No. 9015 "On Amendments to the Law of Ukraine "On financial mechanisms for stimulating export activity" regarding insurance of investments in Ukraine against military risks": **2023**  
Annual rate: **0.49% - 8.05%**  
Insurance amount: **UAH 200 mln**  
Insured for 5 months in 2024: **UAH 2.93 bln**



Property insurance against war risks: **2024**  
Implemented cases: **Grain elevators**



Ship insurance in the Black Sea: **2023**  
Containers with grain, iron ore, and steel, electrical equipment, fodder  
Annual rate: **0.75%**  
Coverage amount: **USD 50 mln**

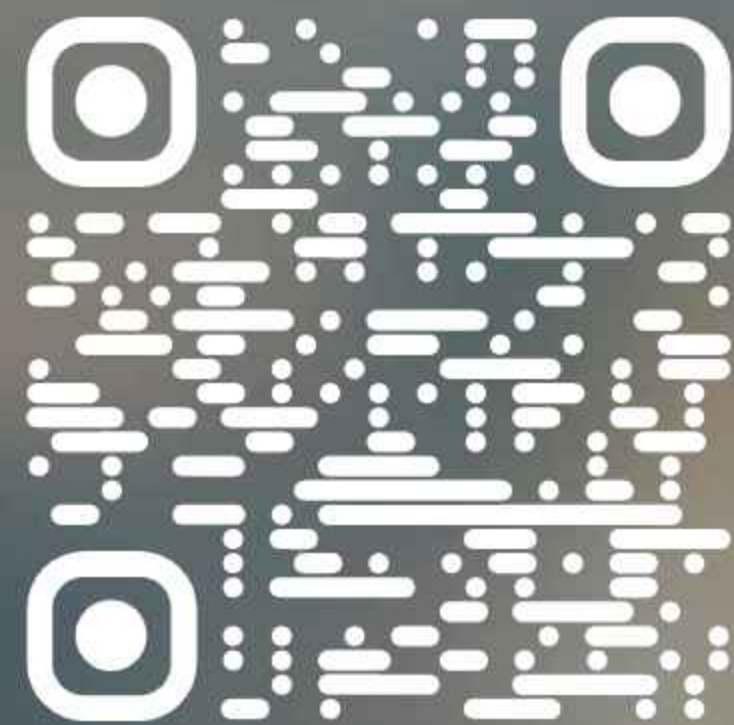


Memorandum on coverage of American, international and Ukrainian investments in Ukraine: **2023**  
Coverage of the amount of losses: **up to 85%**  
Insurance for SMEs: **USD 50 mln**  
Insurance of the agricultural sector, manufacture: **USD 300 mln**



**22 export-import agencies:** Germany, WB, USA, Japan, Canada, Italy, Poland, Norway, Slovakia, France, Bulgaria, Estonia, Latvia, Lithuania, Czech Republic, Austria, UAE, Portugal, Spain, Sweden, Finland, Denmark  
Volume of the collected fund: **EUR 1 bln**





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