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# PERSPECTIVES OF INTERNATIONAL TRADE AND COOPERATION WITH UKRAINE



MINISTRY OF AGRICULTURE  
OF THE CZECH REPUBLIC

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## BRIEF CHARACTERISTIC OF THE COUNTRY

- Area: 603 628 km<sup>2</sup>
- Population: 45 millions
- Gross domestic product: 119 bil. U.S. dollars
  - thereof agriculture: 1231,45 Million U.S. dollars
- Inflation rate: 11.03 percent from 2010 until 2018
- Currency + exchange rate: UAH
  - 1 USD = 27.2 UAH, 1 EUR=31,40 UAH
  - 1 CZK=1,22 UAH
- Agri and food production: With 41.5 million hectares of agricultural land covering 70 percent of the country, agriculture is Ukraine's largest export industry and generates 12 percent of GDP
- Labor force - by occupation: agriculture: 5.8%
- industry: 26.5%
- services: 67.8%:

The total land area of Ukraine is 60 million hectares and about 42 million hectares belong to the agricultural land with the gardens, cultivated land, vineyards and pastures.

Ukraine owned 32 million hectares of black soil before the beginning of the war actions in 2014. 32 million hectares made the third part of the Europe's arable lands.





## IMPORT AND EXPORT – COMMODITIES AND PARTNERS

- MAIN IMPORT AGRICULTURAL COMMODITIES ARE: alcohol and non-alcohol beverages, seafood and fish, seeding material, food products, vegetable conservated products, meat products, tea, coffee and other food products, pests and fertilisers, machinery and equipment, live animals and genetic materials.

The best imported origin is China (\$ 4.21 billion), Germany (\$ 4.06 billion), Poland (\$ 3.76 billion) and Belarus (\$ 2.83 billion).

- MAIN EXPORTS FROM UKRAINE ARE sunflower oil – 24,8%, corn – 18%, wheat and mix of wheat and rye – 14,45%, soybean – 4,84%, barley – 4,6% rape seeds – 4,6%.

The best export destinations are Turkey (\$ 2.28 billion), China (\$ 2.2 billion), Italy (\$ 2.05 billion) and Germany (\$ 1.92 billion).

- Ukraine borders on land Belarus, Hungary, Moldova, Poland, Romania, Russia and Slovakia and Georgia and Turkey by sea.
- Agriculture is main field in the economy of Ukraine due to its climate and demographic reasons (the density of population in the rural areas in Ukraine is quite high). Ukraine occupies the third place in the world in the corn export, fifth place in the wheat export.



# TRADE COOPERATION WITH THE CZECH REPUBLIC

Ukraine imports from Czech Republic was US\$836.72 Million during 2017.

## EXPORT to CR:

- Honey
- Frozen fruits and nuts
- Crops and cereals, buckwheat, hops, seeds
- Mineral fuels, oils, distillation products, other oils
- Alcohol
- Animal food
- Confectionary
- Poultry meat

## IMPORT to CR:

- Machinery, nuclear reactors, boilers
- Alcohol (beer, hard liquor, wine)
- Chocolate
- Animal food
- Jams, coffee and tea extracts, juices, ice-creams
- Processed tobacco
- Bovine
- Cheese and Eggs
- Poultry

Main perspective goods for export from the Czech Republic to Ukraine are:

- Livestock and genetic(semen, laboratories, services), Poultry and eggs
- Technology and equipment(chilling, storing, sorting, drying lines, brewing, separating equipment)
- Fertilisers (organic and non-organic)
- Seeding material(fruit, vegetables, hop)
- Food products, alcohol and non-alcohol beverages





## STATE SUBSIDIES IN AGRICULTURE AND FOOD INDUSTRY IN UKRAINE

- Programs for livestock 140 million U.S. dollars. 34.8 million dollars to help grain growers buy modern farming equipment.
- The government compensates 25% of the cost of Ukrainian agricultural machinery for enterprises, and 40% - for farmers.
- Agriculture is one of the key sectors in the Ukrainian economy. In 2017, Ukraine's agricultural exports reached 17.9 billion dollars, the highest level since 2012.
- The gardeners receive 80% of the cost of young plant. Farmers get 100% of the cost of seeds.





## TRADE BARRIERS IN UKRAINE

- Low payment abilities
- Absence of Government support, or supporting big players
- Unacceptable percentage of banking investments and credits
- Unstable political situation
- Risks of cheating or fake companies
- Court corruption and all level corruption
- Contrafact products on market





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# THANK YOU!

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