

Organic in Ukraine

TARAS VYSOTSKYI¹, ANDRII REMIZOV² AND NATALIE PROKOPCHUK³

Since the beginning of Russia’s full-scale invasion of Ukraine on 24 February 2022, the Ukrainian organic sector, as the entire agri-food industry, has suffered from Russian aggression. In this article, the current situation of the organic sector in Ukraine is described as well as the effects of the Russian invasion.

Area and operators

The Ministry of Agrarian Policy and Food of Ukraine collected operational monitoring data as of 31 December 2021 from control bodies that certified organic production/circulation in Ukraine according to the European Union’s organic regulation and the United States National Organic Program (NOP): agricultural area (organic and in-conversion), 422’299 hectares (1 percent of total farmland) were under organic management. Of these, 370’110 hectares were fully converted. There were 528 operators; of these 418 were agricultural producers.

Most organic operators in Ukraine are certified according to the EU organic regulation; others are also certified according to the United States’ National Organic Program NOP, the Canadian Organic Regime COR, the Swiss Bio Suisse, Naturland and Bioland from Germany, and KRAV (Sweden).

Export

Organic export has a major share in the Ukrainian organic market. According to the Organic Market Study of Ukraine⁴, in 2021 the total Ukrainian organic export volume was about 261’000 metric tons, which corresponds to 222 million US dollars⁵, 82 percent of which were exported to the EU. In 2021, organic export from Ukraine to Europe reached 189’2390 metric tons, and Ukraine ranked 5th by volume of organic agri-food products imported to the EU.⁶

¹ Taras Vysotskyi, First Deputy Minister, Ministry of Agrarian Policy and Food of Ukraine, <https://minagro.gov.ua/en/tag/organichne-virobnictvo>

² Andrii Remizov, Director, State Institution “Entrepreneurship and Export Promotion Office”, <https://business.diia.gov.ua/en/eepo>

³ Natalie Prokopchuk, Organic Component Coordinator, Swiss-Ukrainian Program “Higher Value-Added Trade from the Organic and Dairy Sector in Ukraine” (QFTP), www.qftp.org

⁴ The Organic Market Study Ukraine 2021 was conducted by the control body Organic Standard (Ukraine) in partnership with OrganicInfo.ua (Ukraine) with the support of Switzerland within the framework of the Swiss-Ukrainian Programs “Higher Value-Added Trade from the Organic and Dairy Sector in Ukraine” (QFTP) and “Organic Trade for Development” (OT4D).

⁵ In 2021, 1.1827 US dollars corresponded to 1 euro, according to the European Central Bank.

⁶ European Commission/TRACES (2022): EU Organic Imports.

https://agriculture.ec.europa.eu/system/files/2022-09/agri-market-brief-19-organic-imports_en.pdf

The largest importing countries of Ukrainian organic products (by volume) in 2021 were the Netherlands, the USA, Lithuania, Germany, Austria, Poland, Switzerland, the UK, Italy and Denmark. Ukraine also exported to some Asian countries and the United Arab Emirates. Ukraine has 18 free trade agreements with 46 countries.¹

The top 10 organic products exported from Ukraine in 2021 were corn, soybean, wheat (including spelt), sunflower cake, rapeseed, sunflower oil, frozen blueberries, sunflower seeds, millet, frozen elderberries. More organic products with a higher added value appeared in Ukraine's export portfolio over the last years, such as organic oil (sunflower and others), various frozen, dried and fresh berries and fruits, tomato paste, sugar and others.

Despite the full-scale war, according to the analysis of Organic Standard based on TRACES, during 2022 Ukraine exported 225'814 metric tons of organic products to the EU and Switzerland, a 13 percent increase compared to 2021 (200'239 metric tons). The volume of organic exports increased for railway and road vehicles, but decreased for vessels.

The state institution "Entrepreneurship and Export Promotion Office" plays a leading role in organic export facilitation and capacity development for Ukrainian organic exporters.

Domestic market

According to the Organic Market Study of Ukraine 2021, domestic sales of Ukrainian organic products reached 9'780 metric tons (about 33 million US dollars) in 2021, which shows an 11 percent increase in volume and 27 percent increase in value compared to the previous year (8'778 metric tons or 26 million US dollars in 2020).

Organic products on the Ukrainian domestic market include dairy products, vegetables, fruits, and mushrooms; cereals, groats, flour, and seeds; juices, drinks, puree, canned products; eggs; meat products; oils in assortment; herbs and spices, sugar; bakery products; dumplings, honey, tea, etc. The largest sales channels for organic products are supermarkets in the big cities of Ukraine.

Stakeholders

There are active organic stakeholders in Ukraine: Organic Initiative (stakeholder platform), Organic Standard (certification body), Organic Ukraine (NGO), Organic Federation of Ukraine, Information centre "Green Dossier", Organic Business School, Ecoterra NGO, Ukrainian Berries Association and others.

International support

Ukraine has been receiving international support for organic market development through the technical assistance projects financed by Switzerland (SECO), Germany (BMEL), the EU and USA (USAID).

¹ <https://ukraine.ua/invest-trade/trade-with-ukraine/>

Policy

The Law of Ukraine on organic¹ has been applied since 2 August 2019. All corresponding bylaws were approved.

On 3 March 2021, the Ukrainian government approved the National Economic Strategy with two organic indicators:

- The organic area should increase to up to three percent of the total agricultural land, and
- organic exports should increase up to one billion US dollars by 2030.

Ukraine set “organic agriculture development” as an indicator to show Ukraine’s progress towards achieving the Sustainable Development Goals (SDGs).

Following the path of European integration, Ukraine celebrated and launched 23 September as the Organic Day in Ukraine², the same day as in the EU. Ukraine is on the European Organic Map.³

Organic remains one of the priorities for the development of the agri-food sector at the state level aiming at full implementation of the Ukrainian organic legislation and its adaptation with the new EU organic regulation.

The organic sector during the war

Since the beginning of Russia’s full-scale invasion of Ukraine on 24 February 2022, the Ukrainian organic sector, as the entire agri-food industry, has been suffering from the Russian aggression. According to a survey⁴ conducted by the Organic Initiative and the NGO Organic Ukraine, the most significant negative impact on the production processes include the overall safety situation (74 percent), access to financial resources (72 percent), destroyed infrastructure (65 percent), lack of fuel and lubricants (79 percent).

Many organic operators have experienced direct losses because of occupation and direct hits, seaports blockade, destruction of infrastructure facilities and supply chains, and a significant increase in prices of inputs, fuel and logistics. The main problems of the domestic organic market are the disrupted supply chains, migration of many

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- › Ukrainian organic legislation at the Ukrainian Parliament’s website: <https://zakon.rada.gov.ua/laws/show/2496-19?lang=en#Text>
- › Scheme of Ukrainian organic legislation (EN): https://organicinfo.ua/wp-content/uploads/2022/05/Scheme_Organic-Law-UA_31_05_2022_EN.pdf
- › Ukrainian organic legislation overview (list of by-laws): https://organicinfo.ua/UA_By-laws_list-UA_EN.pdf

² Website of the Ministry of Agrarian Policy and Food of Ukraine: Ukraine and EU together celebrate the Organic Day; available at <https://minagro.gov.ua/en/news/ukraine-and-eu-together-celebrate-organic-day>

³ Website of IFOAM Organics Europe :European Organic Day; available at <https://www.organicseurope.bio/get-involved/european-organic-day/>

⁴ OrganicInfo website: Situation in the Ukrainian organic sector after 5 months of Russia’s full-fledged invasion; available at <https://organicinfo.ua/en/news/statement-july2022/>

organic consumers to other regions and abroad, decreased purchasing power and, therefore, reduced demand for organic.

Massive hits on energy infrastructure facilities caused power cuts and emergency blackouts in the majority of regions in Ukraine. Lack of light, water, heating, internet and mobile connection have become a part of the new life and work conditions for Ukrainians.

Most of the Oblast state administrations in Ukraine, used to support organic producers in their regions. However, due to martial law in the country, regional support for organic producers was suspended. The organic digital communication campaign, which was launched by the Organic Initiative, targeting consumers in 2021, was postponed, as well as the introduction of organic products into public procurement for schools and kindergartens in Ukraine due to the full-scale war.

Despite the difficult situation, the Ukrainian organic sector and policymakers continue to work hard for recovery and further organic market development. It is very important to support them.¹

More information

More about organic in Ukraine: www.organicinfo.ua

¹ Grant Program "Support of organic sector in Ukraine «of the Organic Initiative: <https://organicinitiative.org.ua/en/special-project/organic-sector-support/>