

Welcome!

Webinar: *Implications of Russia's invasion of Ukraine for the global food markets and policies*

Start: 16:00 h

KSE

Kyiv
School of
Economics

**Center for Food and Land
Use Research (C4FLUR)**

UKRAINE ON FIRE

The role of Ukraine in EU and Middle East food markets

Webinar by Wageningen University & Research (WUR) and Kyiv School of Economics (KSE), 31 March 2022, 'Implications of Russia's invasion of Ukraine for global food markets and food policies'

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KSE C4FLUR

Kyiv, Ukraine

Non-EU markets

	share of wheat import from Ukraine	self-sufficiency in wheat	share of corn import from Ukraine	self-sufficiency in corn	food insecure or below poverty line, millions people
Bangladesh	14.1%	20.4%			40
Egypt	36.7%	48.5%	28.0%	48.8%	33
Indonesia	29.7%	0%			19.4
Israel	22.6%	5.3%			-
Libya	50.3%	14.1%			0.699
Morocco	15.3%	41.1%			-
Saudi Arabia	22.9%	14.8%			-
Tunisia	32.4%	51.2%			-
Turkey	18.3%	94.1%			-
Yemen	26.2%	2.8%			3.5

Non-EU and EU markets

	corn	self-sufficiency in corn	sunflower oil	food insecure or below poverty line, millions people
China	50.3%	93.5%	39.8%	-
Iran (Islamic Republic of)	27.1%	16.7%		-
Netherlands	38.1%	2.9%	61.2%	-
Spain	30.6%	31.6%	62.5%	-
India			62.5%	-
Iraq			45.9%	-
Italy			43.3%	-

Preliminary estimation results

If Ukraine will not be able to harvest from around 30% of its harvesting area (areas with current battles and missile shoots, occupied territories, 50km buffer zone), then it is expected that the production **losses** of wheat, corn and sunflower oil will be, respectively, **26%, 29% and 11%**. With the exports **dropping by 33%** for wheat, **39%** for corn and **12%** for sunflower oil.

Although Ukraine will still suffice its domestic use, the effects on quantities supplied to its main export partners will be large.

Additional effects:

- ✓ The yields of the main crops will not be record-high due to the expected spare use of fertilizers and ppm
- ✓ Although purchase of new machinery will be challenging, the farmers will be able to use what's available

THANK YOU FOR YOUR ATTENTION



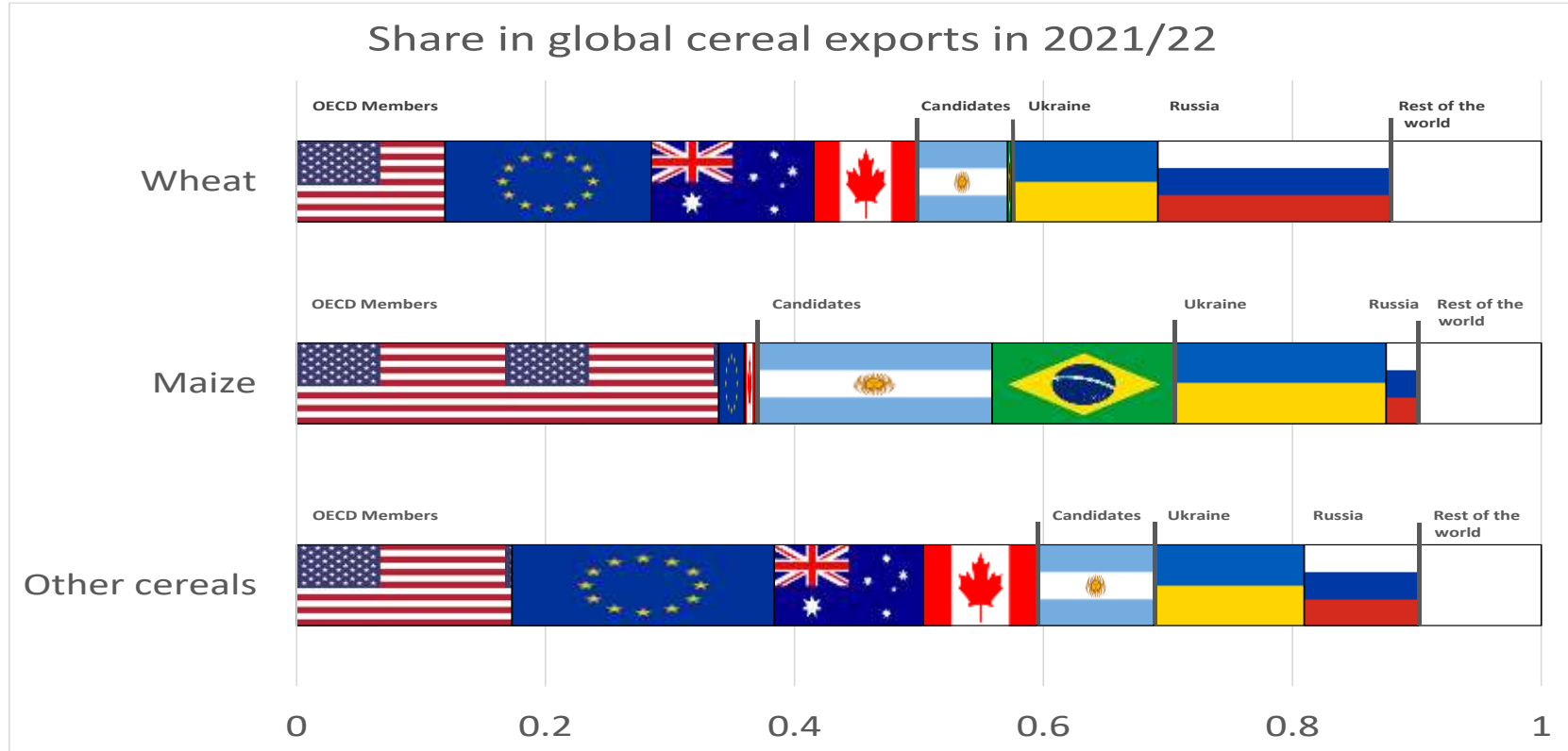
Implications for OECD countries' food trade and policies

Stephan Hubertus Gay, OECD

Implications of Russia's invasion of Ukraine for global food markets
and food policies
31 March 2022



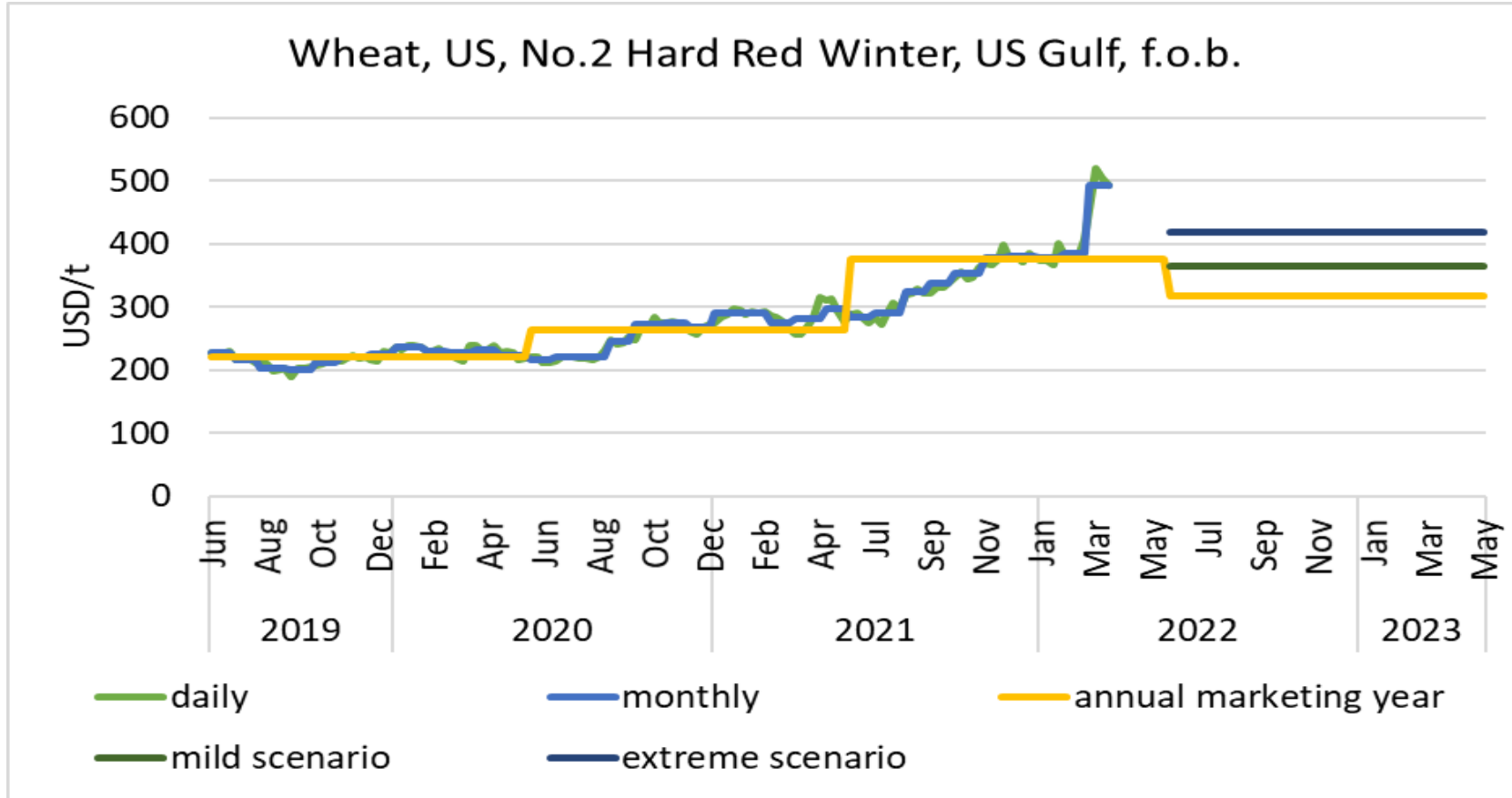
Ukraine and Russia are major net exporters of cereals - but OECD countries are even more important net exporters



Source: OECD FAO Outlook 2022-2031, preliminary data



Scenarios for global wheat prices



Source: Aglink-Cosimo Scenarios based on the preliminary OECD-FAO Agricultural Outlook 2022-2031

Implications for policies

- Flexible responses by OECD countries' are required but in the framework of international cooperation and responsibility.
- Rely on the rules-based international trading system, especially avoiding export restriction and exchange of information in systems like AMIS
- Ongoing discussion about how food and agricultural policy addresses the triple challenge
 - ensuring food security and nutrition for all,
 - providing livelihoods to farmers and others along the food chain,
 - and using natural resources sustainably while reducing greenhouse gas emissions
- What is the consequence of Russia's invasion of Ukraine on the objectives of food policy?

Speakers' propositions

Mariia Bogonos (KSE): Reduction in agricultural production and exports in Ukraine will put food security in vulnerable countries at high risk.

Oleg Nivievskiy (KSE): The agri-food sector generates more than 40% of foreign exchange revenues and about 22% of Ukraine's GDP. Current exports termination and gloomy crop forecast will knock-down Ukraine's economy.

Hubertus Gay (OECD): Flexible responses by OECD countries are required but in the framework of international cooperation and responsibility.

Roel Jongeneel (WUR): The EU should not only revise its defense strategy, but also needs to reconsider its food security strategy within the Farm to Fork strategy.

Jacob Waslander (MFA): The EU must make sure that global trade in important food stocks can carry-on to make sure that production and distribution is efficient and to avoid unsustainable production practices.