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Ukrainian Deputy Minister of Agriculture: 'CAP should be designed in a way that makes the inclusion of Ukraine possible'



Markiyan Dmytrasevych is Ukraine's Deputy Minister of Agriculture. (Pressestelle des ukrainischen Ministeriums für Landwirtschaft und Ernährung)

Markiyan Dmytrasevych reacts with incomprehension to the Agriculture Committee's call for greater restrictions on Ukrainian imports. In an interview with *Julia Dahm*, Ukraine's Deputy Minister of Agriculture also proposes how EU accession can be achieved without breaking the agricultural budget.

Mr. Dmytrasevych, the EU is deciding on extending free trade measures for Ukraine by another year. How significant is this economically for Ukraine?

Seventy percent of Ukraine's exports and foreign currency revenues are agricultural exports. We use these funds for our military resistance to Russia. It is crucial to extend the trade liberalisation measures, which allow our farmers to continue their work.

The extension proposal includes emergency breaks for sugar, poultry, and eggs. Is this a good compromise?

We agreed to this. But to be honest, I am not happy about it. Look at the products in question: For sugar, Ukraine is not the biggest exporter to the EU.

According to the European Commission, Ukrainian sugar imports increased tenfold since the measures started.

They increased, but we are still not the biggest exporter – Brazil is. Our exports make up less than three percent of the EU's internal sugar consumption. For poultry, it is less than two percent, for eggs, less than one. At this scale, the impact on the EU market cannot be that big.

If we look these products' prices in the EU, they are continuously high. If our imports did impact the EU market, the prices should drop – they have not, they even rose in some cases.

'Demining fields can take decades'

Conversely, the agriculture committee calls to extend the safeguards to products like cereals and honey.

This is not acceptable. The Commission decided last autumn to end restrictions on grain exports to the frontline countries. They examined the market and concluded that the imports do not significantly impact it. This means there is no basis for safeguards on grain.

The agriculture committee also proposes to set a lower cutoff for these exports by tying them to the export volumes of 2021 to 2022, rather than 2022 to 2023. In 2021 trade quotas were in place, our trade was limited, we had Avian Influenza, all of Europe was under Covid restrictions. In 2022 Russia started its aggression, for the first few months of it we did not export properly.

What does the situation of Ukrainian farmers look like now?

25 percent of our arable land is occupied, mined, or otherwise contaminated. The Kyiv School of Economics estimates agricultural losses due to the war so far at 80 billion US dollars.

We have constant missile and drone attacks on our port and agriculture infrastructure. Our farmers are fighting at the frontline, so we are short on agricultural workers. We face high input prices for fuel, fertilisers, crop protection products.

These conditions really are very tough. So, while we do understand the situation of EU farmers, the situation of our farmers in Ukraine is much more complicated.

How long will it take to demine Ukraine's arable land?

No one knows, unfortunately. In our forest, we still find unexploded shells from the Second World War. And Russia's ridiculous war of aggression is the biggest war in Europe since then. Based on this, it can take decades.

'CAP should be designed in a way that makes the inclusion of Ukraine possible'

Many EU producers argue Ukrainian products are cheaper because of lower standards. Do they have a point?

We frequently hear arguments about the alleged lower quality of our products, but this has nothing to do with reality. Ukraine signed an association agreement with the EU back in 2014. Since then, we have worked on implementing EU standards, as well as sanitary and phytosanitary (SPS) measures. We cannot export our products to the EU if they do not meet all quality requirements.

It is true that EU farmers have to comply with more environmental rules. But let us put this into perspective: EU farmers are required, for example, to leave four percent of their land fallow. Meanwhile, Ukraine cannot farm one quarter of its land because of the war.

Moreover, in return for fulfilling Green Deal obligations, EU farmers get billions of euros in subsidies. Our farmers have no such support.

To join the EU, Ukraine will have to implement all EU laws. Will Ukrainian farmers accept Green Deal regulations?

In 2021, our farmers received 100 million dollars in state support. Meanwhile, farmers in EU countries get billions from the CAP and other EU funds. If our farmers have the chance to receive such sums in return for implementing the Green Deal, I do not see why they would say no to that.

But many fear that, after accession, Ukraine's large agriculture sector and big farms would eat up most of the CAP budget. What solution do you propose?

With the next reform, the CAP should be designed in a way that makes the inclusion of Ukraine possible.

This could mean more redistribution from big to small farms. 80 percent of CAP funds go to 20 percent of farms. By balancing this out, we can make sure the money goes to farms that really need it. Very large farms are often self-sufficient. At the same time, this would make room to include Ukraine.

'There is no need to export everything to the EU'

Many farmers in the EU oppose Ukraine's accession. They fear they will be crowded out from the European market. How will you get them on board?

We had a very good meeting with EU farmers' association Copa Cogeca this week. We tried to make clear these fears are unfounded. I am sure such myths are also fuelled by Russian propaganda.

Let us bear in mind that we traded agricultural products with the EU already before the full-scale invasion. Germany, for example, has traditionally been a destination for Ukrainian soybeans and rapeseed.

We understand that farmers – in the EU, Ukraine, or elsewhere – are conservative: When things change, fears appear. But we need to keep discussions based on facts and figures – that is the only way to counter myths.

Do you not think Ukraine's accession will have a big impact on EU agricultural markets?

So far, a third of our agriculture exports go to China. When we join the EU, we will still have those markets in Asia, Africa – why would we lose them? There is no need to export everything to the EU. Instead, we can work together to export to third countries.

Within the EU, we can substitute imports from Russia or Belarus with Ukrainian ones. During the droughts in Southern Europe in the past two years, we helped balance markets with our grain. This shows that we should work as partners and fair competitors, not act like enemies or protectionists.



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Von Julia Dahm



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Von Julia Dahm

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Von Julia Dahm

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