

Ukraine's agri-food sector is the foundation of the country's economic sustainability

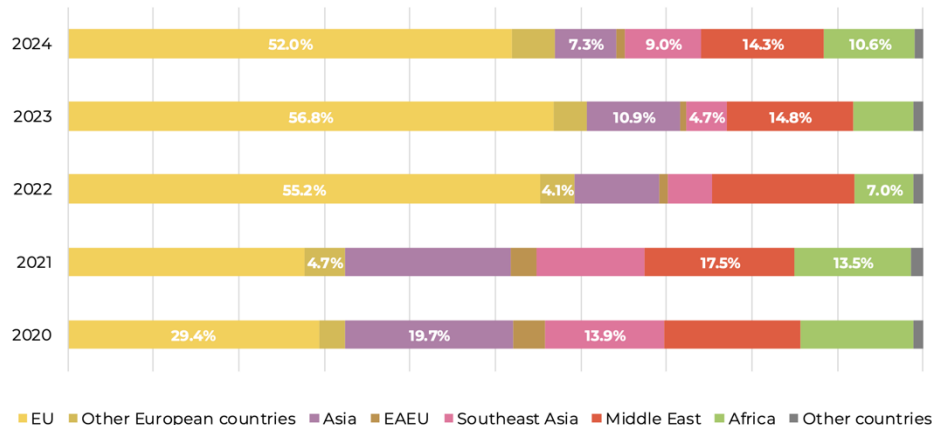
- ◆ **More than 15% of Ukraine's GDP;**
- ◆ **59.3% (\$24.7 bln) of foreign exchange earnings** from Ukraine's exports of goods in 2024 (40.7% or \$27.7 bln in 2021).
- ◆ Ukraine's agri-food sector **is one of the largest taxpayers in the country in 2024:**
 - Local budgets: €1.14 bln; 11% of total tax revenues (compared to €1.03 bln; 9.4% in 2023);
 - State budget: €3 bln; 7.5% of total tax revenues (compared to €2.6 bln; 7.8% in 2023).

The unprecedented impact of the war on Ukraine's agri-food sector:

- ▲ \$80 bln in direct and indirect losses :
 - the total value of destroyed assets is \$10.3 bln;
 - other losses (lost income, increased production costs, etc.) amounted to \$69.8 bln.
- ▲ In 2024, ~181 thous. units of agri machinery and equipment were partially damaged or destroyed.

Ukraine's agri-food sector is critically dependent on the EU market: in 2024, the EU's share in Ukraine's total exports of agri-food products amounted to 51.8% (\$12.8 bln).

EXPORT DESTINATIONS OVER THE YEARS



Source: UCAB Outlook for Ukrainian agricultural market, 2025

- **The EU plays a key role in providing Ukraine with the necessary resources for the agricultural sector:** Ukraine annually imports \$10 bln worth of inputs (pesticides, fertilisers, machinery, etc.) and fuel. **The EU-27 is the leading supplier of inputs, accounting for more than 60% of the total.**
- Given that a significant portion of the necessary high-value-added inputs are purchased in the EU, a drop in production will have a broader economic impact, affecting not only Ukrainian producers but also European suppliers.
- ***The stability and development of the EU manufacturing sector depend on the success of the recovery and further development of the Ukrainian agri-food sector.***

Interdependence between Ukraine and Europe

