

### Ukraine is an important producer of sunflower oil

Since 2005, Ukraine has ranked first in the world in the production and export of sunflower oil. The share of Ukrainian sunflower oil in the global market in the last 2 years was 47%.

During the 2021/2022 season, farmers in Ukraine harvested 16.3 million tons of sunflower seeds, from which 6.5 million tons of sunflower oil were produced by the Ukrainian producers. In total, there are 64 sunflower processing enterprises and 48 oil extraction plants in Ukraine with a base capacity of 1,753,800 tons/month - about 58,000 tons/day [\[link\]](#).

In 2021, sunflower crop areas covered 6.43 million ha of agricultural lands in Ukraine. Kirovohradska, Dnipropetrovska, Kharkivska, Zaporizka and Mykolaivska oblasts became the leading regions in the production of sunflower seeds in the 2021 season, with the production of over 1,000 thousand tones of sunflower seeds on more than 500 ha of sunflower crop areas at each of these oblasts [\[link\]](#). As of 7 April 2022, four out of five of these oblasts had been affected by active hostilities.

In addition in Chernihivska oblast, which had the highest yield capacity of 35.3 centner per hectare [\[link\]](#) in 2021 in Ukraine, 58% of total croplands are located in the conflict zone. In general, 59.6% of total sunflower yield in 2021 came from affected oblast (map on page 2).

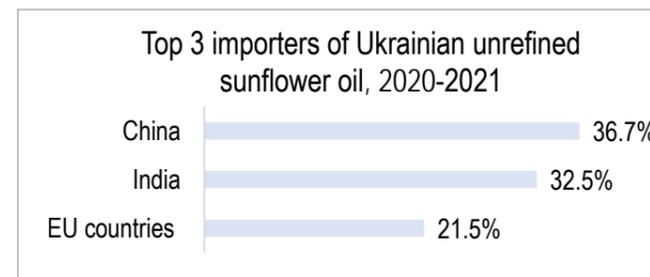
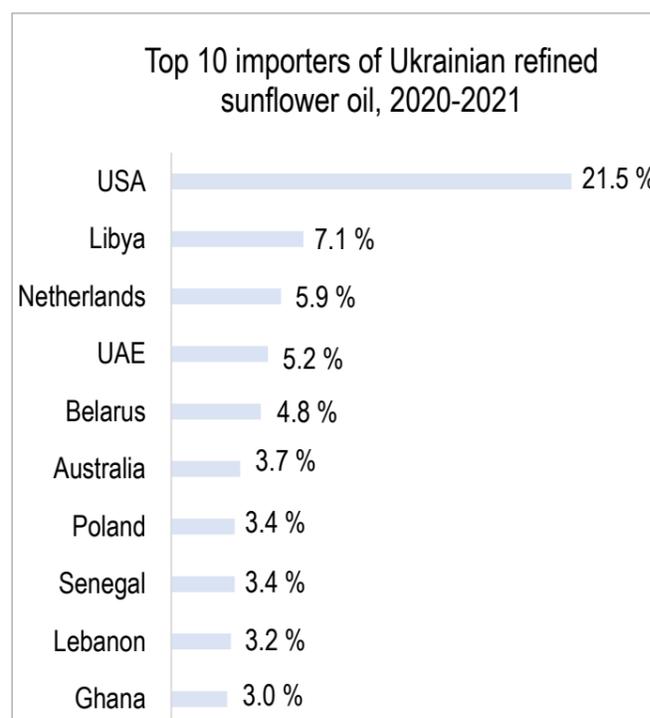
**47% of world's sunflower oil export was produced in Ukraine in 2020-2021**

### Importance of sunflower oil for Ukrainian economy

In 2021 Ukraine exported 5.1 million tons (\$ 6.39 billion worth) of sunflower oil. The main importers of Ukrainian sunflower oil are the EU, China, USA, and then other countries [\[link\]](#).

China (36.7%) and India (32.5%) are the biggest importers of unrefined sunflower oil from Ukraine, while the biggest share (21.5%) of refined oil goes to USA.

Domestic consumption of sunflower oil accounts for 625,000 tons, while the rest - more than 90% - goes for export [\[link\]](#).



**90% of sunflower oil produced in Ukraine goes for export**

### Impacts of the conflict on sunflower processing

On 1 February 2022, twenty-three days prior to the escalation, there were 7.67 million tons of oilseeds awaiting processing in Ukraine. This is notable as since the conflict started, 34 sunflower processing plants in Ukraine have ceased operation. One of them, in Vinnytsya, was destroyed and one, in Mariupol, was reported interrupted [\[link\]](#).

As of 8 April, 20% of the sunflower processing facilities were located in areas with active hostilities. These enterprises produced 29.3 thousand tons/day (59% of the total country production) [\[link\]](#).

**34 sunflower processing plants have ceased operation**

### Other concerns facing the industry and international trade

As 17% of croplands are currently in conflict-affected areas, there are concerns that sowings may be interrupted by military actions, and that soil may be affected by pollutants emanating from explosive materials. In general, all agricultural industry is experiencing difficulties this growing season due to limited access and availability of critical agricultural inputs including fuel, seeds and fertilizers, as well as disruption of logistics, and infrastructure damage [\[link\]](#). This will change the sowing technology and yield capacity per hectare will decrease [\[link\]](#).

As the result of hostilities in the coastal areas, Ukrainian ports are currently not working with impacts to trade. Before the the ports are closed, most of the manufactured products in Ukraine were exported via the Black Sea and the Sea of Azov. There is, however, a small volume of sunflower oil reportedly transported in small batches by land-based networks to Western countries, as well as through the Danube ports of Izmil and Reni [\[link\]](#).

### Opportunities

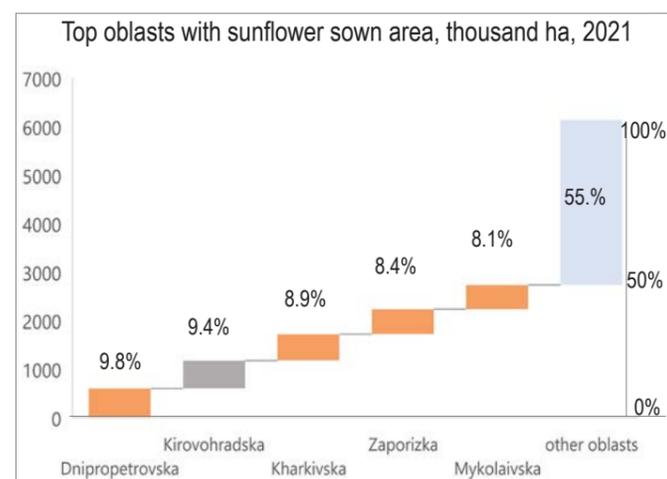
On 24 March 2022, Ukraine adopted a Resolution on removing sunflower oil from the list of goods subject to licensing, which is expected to facilitate an increase in production and export due to ease of access to the market [\[link\]](#).

On 11 April, the Cabinet of Ministers of Ukraine has established a Coordinating Council for the Logistics in Agriculture aiming in ensuring efficient logistics, creating new logistics links, eliminating unnecessary bureaucratization for the movement of goods and vehicles across the border [\[link\]](#). An online platform is developed to improve the logistics routes of farmers [\[link\]](#).

In addition, under the period of martial law, the Ministry of Agrarian Policy and the Government of Ukraine simplified the procedures for the following actions, including seed certification procedures, labeling of imported food and feed, plant health protection measures and procedures. The operation of agricultural machinery without their registration for the period of martial law is allowed [\[link\]](#). The Ministry also launched an online platform to collect the current needs and requests from farmers [\[link\]](#).

As of 12 April, about 2 million hectares have been sown in 23 oblasts in general. The Ministry of Agrarian Policy predicts that at least 70% of agricultural land will be sown in total in Ukraine in 2022, 3.5 million hectares less than last year [\[link\]](#). According to a survey of 3,000 farmers conducted by Latifundist on the sowing plan, Ukrainian farmers this season plan to sow sunflower on the 26.7% of crop areas [\[link\]](#).

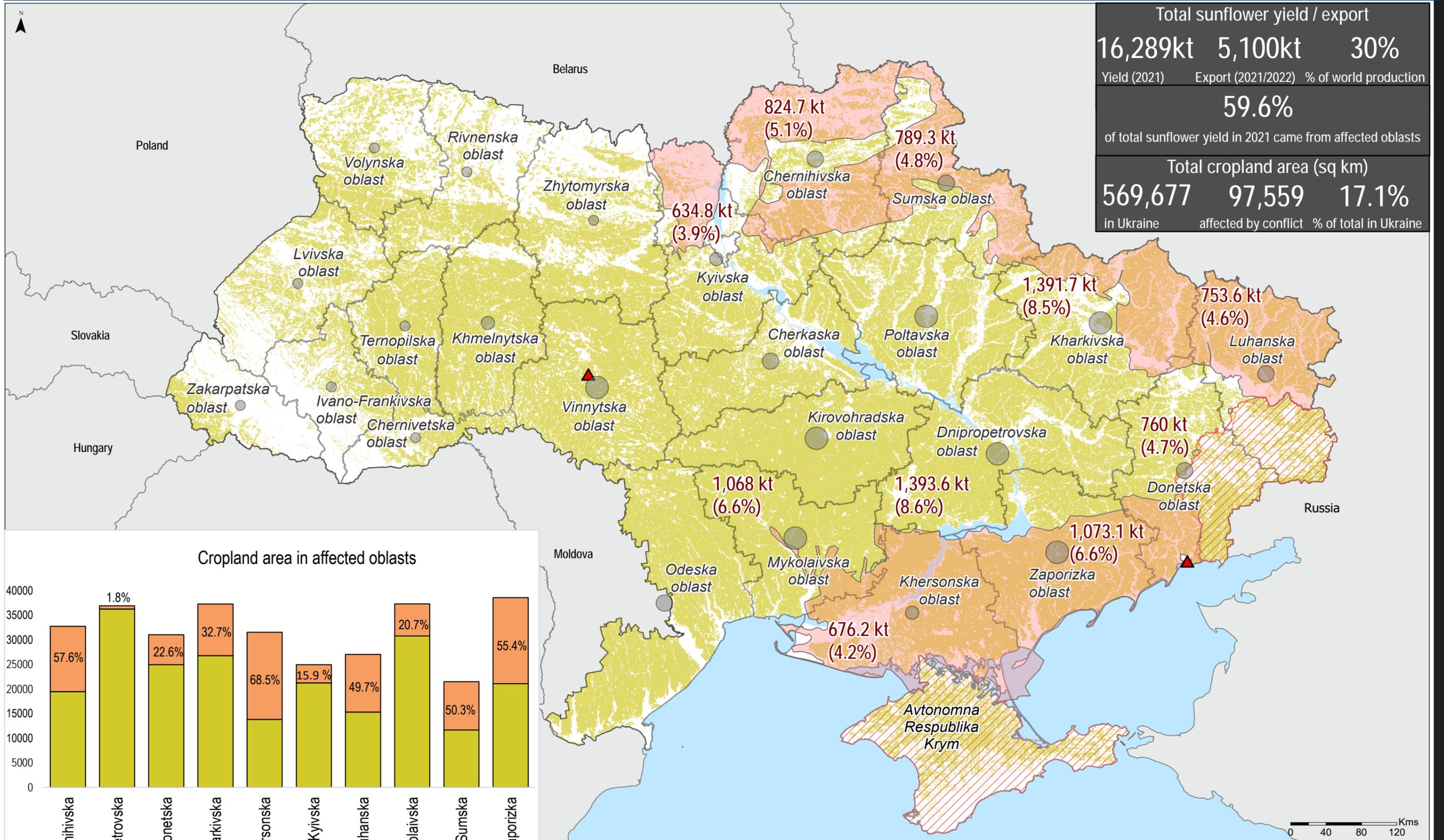
Entrepreneurs' access to credit is one of the preconditions for economic recovery after the shock. The Ministry of Economy and banks have approved a loan program, providing an opportunity to obtain a loan of up to UAH 60 million to any Ukrainian company at 0%. Since the beginning of the escalation, loans from state-owned banks have been issued for a total of UAH 1.1 billion, with 42% of loans coming from the agricultural sector. As of April 6, 12,000 farms have already taken advantage of them [\[link\]](#).



# UKRAINE

## Agrarian sector in proximity to conflict - 22 Feb. to 12 Apr. 2022: sunflower production risk

For humanitarian purposes only  
Production date: 15 April 2022



**Legend**

- Agricultural lands
- Water bodies
- ▲ Sunflower oil processing facilities, reported damaged
- Conflict Areas between 24 Feb-7 Apr.

**Sunflower yields (kt), 2021**

- <350
- 351-750
- 751-1,000
- 1,001-1,560

**760 kt** Sunflower yields produced by oblast (kt)  
**(4.7%)** Percentage of total sunflower production in Ukraine

Data sources: Administrative boundaries: OCHA  
Conflict areas: liveuamap.com  
Agricultural lands: Copernicus Proba-V (2019)