

October 21, 2022 / Update #9

## Bayer Joins AGRI-Ukraine as Anchor Partner

On October 10, USAID announced a new partnership with Bayer to address the immediate and longer-term demand for corn seed among Ukrainian farmers and other countries that depend on seed from Ukraine. Bayer plans to invest approximately \$34.9 million (35 million euros) to boost the capacity of the company's existing seed processing facility in Pochuiky in Ukraine's Zhytomyr region. Opened by Bayer in 2018, the facility is the largest of its kind in Ukraine, and one of the largest in Europe. It processes high quality corn seed and employs over 100 permanent and 250 seasonal employees. Bayer's investment includes boosting the capacity of their seed dryer, providing additional field equipment, and adding supplemental storage facilities. By increasing the plant's capacity, Bayer will create employment opportunities in the region, in addition to covering the corn seed demand in Ukraine and beyond.

## Implementation Progress

*USAID's Agriculture Growing Rural Opportunities (AGRO), Credit for Agriculture Producers (CAP), and Economic Resilience Activity (ERA) implement AGRI-Ukraine. Highlights of its progress are:*

**Agricultural Inputs: AGRO drives 30 percent increase in potato yield.** AGRO reported that 6,244 farmers in 15 oblasts who received seed potato and technical expertise harvested over 4,200 MT of potatoes. This will feed 35,000 Ukrainians for a year and represents a 30 percent yield increase. This work also increased producers' desire to adopt growing technologies that boost yield long-term.

**Export Logistics and Infrastructure: ERA releases RFP for grain transport bags.** ERA released a request for proposals (RFP) for a local procurement of Mega Big Bags for grain transport in open-top gondola cars. The RFP closes on November first. ERA also released a Request for Information for Transshipment equipment to improve border-crossing efficiency.

**Access to Financing: AGRO-supported apps unlock millions in credit; CAP leverages credit union support for fuel distribution.** AGRO-supported financing applications AgroApp, AgriAnalytica, and Vkursi Zemli, helped 475 farmers obtain loans totaling about \$39 million since Russia's full-scale invasion of Ukraine. On October 20, for International Credit Unions Day, CAP provided free fuel to 163 small farmers that are members of 15 CAP-supported credit unions, just in time to sow their winter crops, leveraging the Worldwide Foundation of Credit Unions' relief program funded by International credit unions. CAP also produced a video highlighting women's empowerment through credit unions.

**Drying, Storage, and Processing: Storage support in place soon.** AGRO signed agreements for 8,000 storage sleeves and 29 grain loading machines and purchased 36 one-MT modular granaries. The sub-awardee storage service companies will arrange for 30 additional modular granaries. AGRO anticipates that the first round of grain storage sleeves and packing machines will arrive in Lviv Oblast on October 26. AGRO is posting live updates on crop volumes, and the number and location of silo bags and storage facilities [online](#).

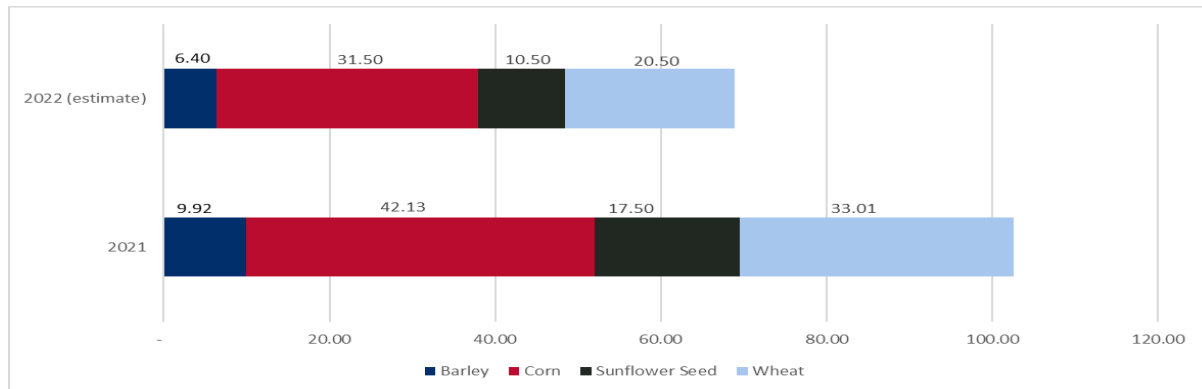
**Profile on Progress from the Field:** Nina Dodukh, from the Poltava Oblast has two children and a small plot for pigs, rabbits, poultry, maize, silage (livestock feed), and vegetables. When the war started, Nina worried about having enough food and money to provide for her family, and decided to use most of her planting area for vegetables. AGRO provided Nina with seeds for zucchini, cucumbers, tomatoes, and other vegetables, yielding plenty of fresh vegetables for the family, their neighbors, and internally displaced people who relocated to the village. Nina also made preserves. “We canned 40 2- and 3-liter jars of cucumber and zucchini preserves. These are hard and unpredictable times. So, we decided to preserve as much as we can from this bountiful harvest. Now we feel more secure,” says Nina. Nina is one of 4,246 farmers in 50 communities that planted vegetable seeds from AGRO.



## Production and Exports

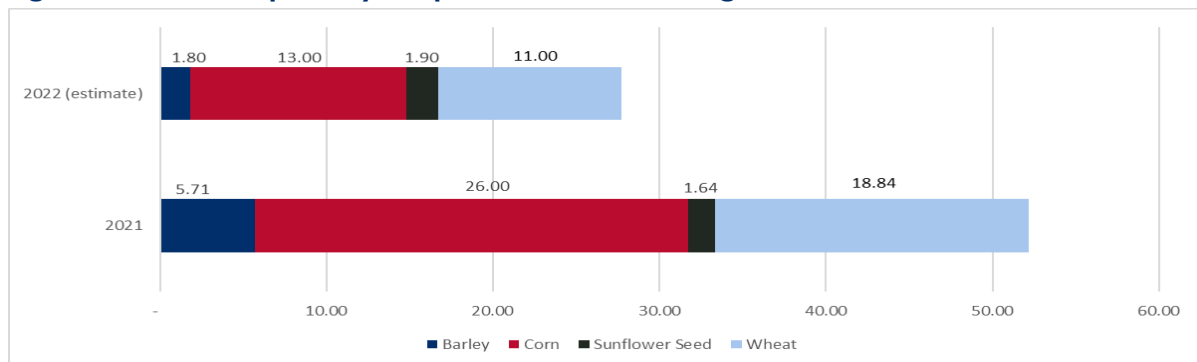
**Production:** Ukraine’s farmers have nearly completed harvesting early grains and are continuing to sow winter crops. **Figure 1** shows USDA’s September data for 2021 and 2022 (estimated) production for four key commodities.<sup>1</sup> USDA estimates 2022 production ranges from 60 to 74 percent of 2021 output per crop.

**Figure 1: Ukraine Production by Crop, MMT, 2021-2022**



**Exports:** Per the Black Sea Initiative Joint Coordinating Centre (JCC), as of 10/20, 363 ships left Ukrainian ports with 8,087,665 MT MT of grains and oilseeds. **Figure 2** shows USDA’s September estimates for exports for key commodities for the 2021 and 2022 marketing years (July-June).

**Figure 2: Ukraine Exports by Crop, 2021-2022 Marketing Years, MMT**



<sup>1</sup> [USDA World Agricultural Supply and Demand Estimates](#). September 12, 2022.