

Ukraine – Europe’s Breadbasket in Peril. What Does this Mean for Non-GM Soya in Europe?

Whilst the world’s attention for the last 2 months has focussed on the humanitarian catastrophe taking place in Ukraine, the spotlight has started to turn to some of the wider potential impacts of the conflict. This includes possible knock-on effects of a lack of certain types of food and feed – such as wheat and soya - which Ukraine, known as “the breadbasket of Europe”, produces in large quantities.

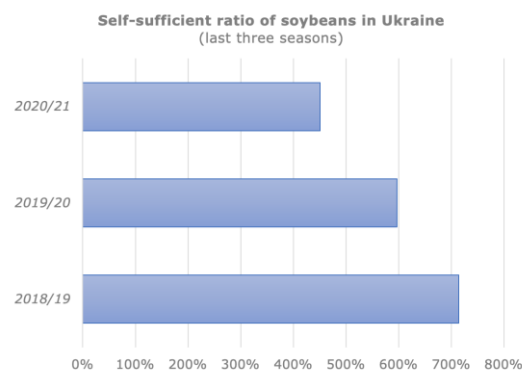
ENGA spoke with its member Donau Soja, the European organisation to support sustainable Non-GMO soya cultivation in Europe for Europe. Donau Soja has significant expertise in the current situation as the organisation has a regional office in Ukraine, supporting the Non-GMO soya producers in the country.

According to **Susanne Fromwald, of Donau Soja’s head office in Vienna**, only a small part of Ukraine’s soya exports currently head to the EU. Contrary to some media reports, there is currently no lack of Non-GMO soya from Ukraine in Europe. In fact, there is huge potential to increase volumes and supply to Europe. “Two thirds of European soya is cultivated outside the EU, big volumes thereof in Ukraine. Ukraine has 400% self-sufficiency in soya, producing 4 times more soya than consumed internally, therefore the Ukrainian soya industry is export-oriented. However, only around one third of Ukraine’s soya is exported to the EU: 412,000 tonnes of soya and 130,000 tonnes of soya meal in 2021. This might be also due to the fact that experts regularly report about illegal GMO cultivation in Ukraine. At present there is no valid approval for any GMO varieties to be cultivated in Ukraine.”

Ukraine is self-sufficient with soybeans



- Ukraine is self-sufficient with soybeans. Ukrainian Soya industry is export oriented.
- Large part of domestically processed soya is exported as soya meal.
- Even after decrease of harvest in last season, the **self-sufficient ratio is around 450%.**



And so, whilst lack of supply is currently not an issue for Ukrainian soya, another aspect becomes crucial: the possibility for physical export to keep the stable volume of soya production, as **Volodymyr Pugachov, from Donau Soja’s Ukraine office points out:** “The war has affected all areas of life and business including agriculture. Ukraine, being a major agricultural exporter, struggles with deliveries via ports due to the Russian occupation of the Southern regions and, therefore, lack of access to cargo ships in the Black Sea. Nearly 4.5 million tonnes of crops monthly were exported from Ukraine via ports. Currently, this volume has to be exported via rail and trucks, causing logistical problems and necessity to investigate new inland routes and possibilities.”

“In 2021, more than 50 % of soybeans were exported by trains and trucks from Ukraine. At the beginning of the war, there were still 1.4 million tonnes of soya available on stocks in Ukraine from the 2021 harvest (according to State Statistical Service) that could be delivered to the EU,” notes Pugachov.

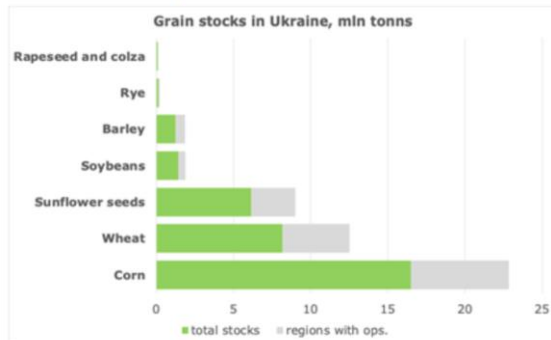
“What we’re observing now are difficulties as a direct consequence of the war – issues with the transport availability and insurance for transport and cargo. Donau Soja is helping its members and partners to solve the issues on spot.”

Stocks in Ukraine – need to strengthen export logistics

Austrian Development Agency



One of the biggest problems at the moment:



Normally Ukraine exports 4-5 mln. tons/month through the ports that are blocked at the moment

Total stocks in Ukraine: 33.8 mln tons
In regions with warfare: 14.7 mln tons

It is necessary to export **13-15** mln tons from harvest 2021

Expected winter harvest from 8.7 mln ha:
wheat - 27 mln tons
barley - 4.2 mln tons
rapeseed - 2 mln tons

Official stock figures are from 1st of Feb.
In March 2022 no significant exports were possible due to the war and the blockade of the ports in the Black Sea.
At the moment export logistic capacities are estimated for around 0,5 mln tons per month.

Soya cultivation has, so far, not been as badly impacted by the war as some other crops. Volodymyr Pugachov explains: “Soya areas are located mostly in the western and southern-western regions of Ukraine and are so far, less badly affected than Eastern parts of the country. The shift in crop rotation towards oilseeds including soya is foreseen in Ukraine in the 2022 season. Therefore, analysts forecast only a slight decrease in the soya areas 2022 – to 1.2 million ha (down 11% compared to 2021), despite the bigger decrease in the sowing areas due to the war (- 30%).” They are confident that the sowing season will take place (due to the current weather conditions) around the end of April/beginning of May.

“Overall it is certainly not the end of Non-GMO soya from Ukraine” says Volodymyr Pugachov. GMO-free soya beans and meal are currently available in sufficient quantities. And the Ukrainian government is doing all it can to support agriculture, including the approval for imports necessary for sowing like fuel, fertilisers, and soya seeds. Meanwhile Ukrainians themselves are standing up, both in the war effort but also in the effort to keep their country, and their agriculture, going.

The wider European picture is rather sunny when it comes to soya; according to Donau Soja, 2022 is likely to go down in history as a record year for the EU in terms of soy cultivation. Cultivation will increase by 10-15% this year, and the new volumes can compensate for any shortfalls in Ukraine and Russia. One key reason being that from the farmers' point of view, a switch to soya, which does not need nitrogen-based fertiliser whose cost sky-rocketed, from other arable crops which do require such fertiliser makes total sense. Susanne Fromwald points out: “At the moment there is no shortage in Non-GMO soya. But farmers in Germany and across Europe need sales markets for their soya products that are regional, sustainable and Non-GMO and that compensate for the additional costs of sustainable production in Europe.”

Donau Soja sees two main threats to Non-GMO soya in Europe, in terms of the Ukraine crisis. The first is immediate and requires joint urgent action from EU countries to overcome the bottle neck for logistics in order to export Ukrainian products. Being oriented on the crop export, producing several times more than necessary for the internal consumption, the volumes of possible crop export influence the farmers decision on sowing.

The second is more existential: The war is also being used as a pretext to water down sustainability requirements which are to be strengthened by the EU's Green Deal and Farm to Fork Strategy, effectively playing off one crisis (the war in Ukraine) versus another (the climate crisis). Instead, this conflict could, in fact, be used as a way to shine a spotlight on Ukrainian agriculture and raise awareness of the possibilities of further trade of Non-GMO soya between Ukraine and the EU, whilst continuing and increasing climate and sustainability commitments.

For more information see: <https://www.donausoja.eu/>