

August 2022

UKRAINE'S WARTIME PARLIAMENT

Taking Action to Respond to Food Crises

HIGHLIGHTS

- Regulation of producers, suppliers and entities selling agricultural products under martial law
- Support program for farmers
- Creating a "green" corridor for the export of Ukrainian rapeseed
- Creating the State Agrarian Register to offer farmers support under martial law
- Grain harvest updates

The Verkhovna Rada of Ukraine continues to respond to the threat of a food crisis brought on by Russia's unprovoked and illegal invasion.

On August 1, Hanna Lichman, MP, chaired a working group meeting of the Subcommittee on Regulatory Policy of the Committee on Economic Development of producers, suppliers and entities selling agricultural products under martial law to discuss regulations and relations.



The systematic dialogue between producers and suppliers and trade networks explored several problematic issues and possible solutions.

As a result, the methodology for calculating losses should be approved shortly. However, additional time is needed for the actual compensation since frozen assets and reparations are the only real mechanism for such payments. Hanna Lichman noted that



international partners discussed the issue of the sale of frozen assets at the OSCE platform and drew attention to the fact that there are currently no legal ways for its implementation. The meeting participants finalized the parties' positions regarding legislative initiatives regulating relations between suppliers and buyers of agricultural products and food products. Also, they agreed to continue addressing the current issues in the sector.

One tool to help wartime farmers is the **5-7-9 credit program**. Thanks to this program, for 2022, 28,428 agricultural producers have received loans for 50,752,000.00 UAH (CAD 1.8 million). Lending is provided to cover agro entrepreneurs' costs for their agricultural activities. In general, the program allows for up to five years to receive from UAH 100,000 to UAH 50,000,000. The interest rates range from 0% to 9%, depending on how many jobs the business creates and its annual revenue. Banks, as a rule, offer special conditions for the loan repayment schedule to agribusinesses.



The Agrarian Committee of the Parliament proposed an initiative to the Government to create **"green" corridors for the export of Ukrainian rapeseed** together with European governments. Thanks to these "green corridors," it will be possible to quickly send rapeseed for export to European countries and get financial resources. Farmers need this financial resource for

sowing winter crops.

On August 12, 2022, the Ministry of Agrarian Policy and the EU support project launched an online platform to support agricultural producers - **the State Agrarian Register**. Ukrainian agricultural producers registered in the State Agrarian Register can apply for all types of support: from the state budget and international grants or technical assistance. The State Agrarian Register is an automated electronic system created for effective and transparent attraction and distribution of all types of support for Ukrainian farmers.

Grain harvest: Measures developed by the Rada and the Government of Ukraine have allowed Ukrainian farmers to collect 17.5 million tons of grain for the first half of the summer of 2022. This season, up to 51.1 million tons of grain are expected to be harvested in Ukraine. Since August, this grain can be exported by sea through three Black Sea ports.

Exporting by sea can solve significant logistical problems because the number of grain warehouses in Ukraine is limited, and the ability to export food products by rail and road transport is also limited. As of August 17, 29 ships have already left the ports, transporting almost 700,000 tons of agricultural products.

This was made possible through agreements with Turkey. They developed a mechanism which provides that Ukrainian ships follow a specific route through the Black Sea, with Turkey ensuring control over the transportation of goods (checks cargo transported by ships).

Background on the weekly update on the activity of Ukraine's Verkhovna Rada

Ukraine's democratically elected officials continue to perform their duties while enduring Russia's unprovoked and horrific invasion. These briefing notes provide the latest information about the legislative activities of the Verkhovna Rada.

Weekly briefing notes are prepared by the Parliamentary Centre and the Agency for Legislative Initiatives under the Parliamentary Accountability for the Security Sector (PASS Ukraine) project, funded by the Peace and Stabilization Operations Program of Global Affairs Canada.

The analysis included in this note is based on media reports and information obtained from the Verkhovna Rada and other legislative bodies.

This note is for information only and is not meant to convey opinions regarding policy decisions in the Verkhovna Rada's sole purview. The contents of this note do not necessarily reflect the views of PASS partners or Global Affairs Canada.

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