At the end of IX-th century Ukraine was the breadbasket of Europe. Almost half of the world’s grain was exported from the Black Sea and Danube region (Graph 1).

This period in agriculture for Ukraine was its golden era. Ukraine’s techniques for variety selection and grain production were known and distributed all over the world; including imports into Canada and USA (Graph 2).

Unfortunately, the October Revolution of 1917 destroyed that dominance in the world and for nearly 100 years deprived Ukraine from being a world leader in grain production. Only in the year 2000, after 10 years of intensive reforms, which resulted from Ukraine becoming an independent state, has the world recalled Ukraine’s illustrious past and started looking for answers to the questions: will Ukraine be able to revive its grain leadership positions? Is there a solid foundation to support its revived position? Will this be a stable position or is it temporary?

Many things have been accomplished in Ukraine to provide answers to these questions, with positive results. Within the last two years, Ukraine has achieved solid gross production volumes, and is sixth among the major grain exporters in the world. However, there is still potential to improve those results (Graph 3).

Sunflower is also a very important crop for Ukraine. Extremely favorable climatic conditions promote high yields with good seed quality (Graphs 4 and 5).

Regarding production and export of milk, meat and vegetables, I would venture to say, that Ukraine is ranked among the ten major producers and exporters (Graphs 6 and 7).

What contributed to such a success? First of all, the implementation of land reform, which resulted in land becoming private property. Beginning, August 1, 2005, it will be possible to sell land and to use it as collateral for obtaining long-term credits (Graph 8).

The Presidential Decree “On immediate measures aimed at accelerating the reform of the agrarian sector” as of December 3, 1999 was quite efficient, as it provided for the liquidation of former collective farms and establishment of new private enterprises (Graph 9).

Government distancing from administrative and command management along with significant liberalization of relations among private companies had, also, a great impact.
Recently, the commodity trade exchange has been developed and its importance and use is being accelerated. In May 2003 the trade in agricultural futures will be launched on a newly developed futures exchange. The fundamentals are being established for the introduction of collateral or mortgage banking, and other elements of a market infrastructure are being introduced that are commonly found in developed countries (Graph 10).

Although, it took Ukraine 9 years to implement and establish all of these changes. However, agricultural production decline in Ukraine has ceased, and its revival and a sustained development is being realized (Graph 11).

**Competitiveness of Ukrainian grain**

Ukrainian wheat, barley, and other grains are competitive: in the last three years their profitability rate was 65, 43 and 23% respectively. The 2002 sharp profitability decline was conditioned mainly by unfavorable market conditioned caused by a number of factors, both external and domestic.

Low production costs have traditionally enabled grain traders to offset existing infrastructure inefficiencies, namely high cost of storage, transportation and other expenses.

Agricultural inputs in 2002 were only 1% more expensive as compared to previous years. This suggests that there were no significant changes in production cost. However, soon we may witness an increase in the cost of production, mainly because of the farmers will have to replace the obsolete stock of equipment, pay more for leased land and energy, and encounter new types of expenses, such as crop insurance.

Although added cost may seem substantial, Ukrainian grain will still be competitive and profit-making, provided that the market conditions are at least not worse than in 2001.

Competitiveness will also depend on policy decisions directed at reducing market transaction costs from the farm gate to the ports.

For instance, now a trader would have to pay in average USD32 to export 1 metric ton of grain (that is, to change the price basis from ex-works to FOB). According to some estimates, this is 4 to 5 higher than, for example, in Germany.

This sum includes all tariffs related to railroad transportation, quality standards, veterinary certificates, ecological testing, inspections, elevator handling fees, freight forwarder's margin, and port fees.

Simple comparisons of ex-works and FOB prices prove that these costs are the major factor in the difference between the FOB and farm-gate price.

There already exist good indicators that transaction cost is likely to be decreased. Private companies have been actively investing in grain storage and port handling facilities.

Generally, the long-term competitiveness of Ukrainian grain will be subject to the following factors: (1) pricing; (2) improved or at least same efficiency of production; (3) Government policies that facilitate trade and lower transaction cost.
Taking into consideration Ukraine’s unique endowment of 40% of the world’s highly fertile black soils and favorable climate, it is possible to affirm that increased input use will provide for the growth of grain production.

Now, in Ukraine the application of mineral fertilizers to one hectare of arable land is 4-5 times less than in Germany or France. The difference in pesticide application is even higher. As a result, in Ukraine the average yield of wheat from one hectare is twice as less as in Germany and France.

Within 3-5 years the gradual growth of production and export of animal products will lead to the 5-6% annual increase in grain sale in the domestic market. At the same time provided there is a respective government policy it would be possible to purchase cheap forage grain from Russia for feedstuff production along with the rise of high quality milling wheat exports from Ukraine.

One of the factors hindering the sharp increase in grain export will be the augmentation of grain processing into bio-ethanol to be used for the production of petrol, both in Ukraine and other European countries. Thus, according to the plan approved by the Government, the capacities for the monthly production of 15 thousand tons of ethanol will be created during the next two years. The existing capacities could provide only for the production of about 3.6 thousand tons monthly.

So, the maximum rise of Ukrainian grain exports up to 15 million tons could be forecasted for the next 3-5 years. And there are factors indicating that the quality of grain exported from Ukraine will be improved (Graph 12).

The realization of that forecast may fail provided the Government or multinational traders, that control about 80% of the grain exports from Ukraine, undertake unpredictable actions (Graph 13).

Regarding the production of sunflower and rape, and the exports of those crops and products of their processing, I would say that insignificant, though stable, growth could be expected (Graphs 14 and 15). According to the results of the last year, sunflower seed output increased by half compared to the year 2001. And the tendency of the production volume augmentation and the quality improvement will continue.

Ukraine is becoming a sound food producer, and our major task is to learn how to improve rules of the game so as to make them suitable for our partners and being in conformity with the current policy of the food provision globalization.
London Corn Trade Association,
2, LIME STREET SQUARE,
LONDON, E.C.
M. J. CRADOCK, SECRETARY.
1888.
FORMS OF CONTRACTS IN FORCE.

1. EAST INDIAN,
2. AUSTRALIAN,
3. CALIFORNIAN,
4. CHILLIAN,
5. AMERICAN,
6. LA PLATA,
7. ",
8. ",
9. ",
10. ",
11. EGYPTIAN,
12. BLACK SEA AND DANUBIAN,
13. ",
14. ",
15. ",
16. ",
17. ",
18. ",
19. ",
20. ",
21. ",
22. ",
23. ",
24. ",
25. ",
26. ",
27. ",
28. ",
29. ST. PETERSBURG & BALTIC,
30. ".

No. 1 Cargoes or Parcels (London Terms).
No. 2 Cargoes or Parcels (Indian Terms).
No. 3 Cargoes (For Orders).
No. 4 Parcels (Direct Port).
No. 5 Cargoes (For Shipment, Prompt, unexpired).
No. 6 Cargoes (Prompt, Expired or Arrived).
No. 7 Parcels (Direct Port).
Cargoes or Parcels.
No. 1 Cargoes (For Orders).
No. 2 Parcels (Direct Port).
No. 3 Cargoes (For Orders, telegraphic).
No. 4 Parcels (Direct Port, telegraphic).
No. 5 Cargoes (For Orders, Direct Port).
No. 6 Parcels (Direct Port, Ete Terminals).
No. 7 Cargoes (For Orders, Shipment, Direct Port).
No. 8 Cargoes (For Orders, on Passage).
No. 9 Parcels (Direct Port).
No. 10 Cargoes (For Orders, for Shipment, S/D).
No. 11 Parcels (Direct Port).
No. 12 Cargoes (For Orders).
No. 13 Parcels (Direct Port).
No. 14 Cargoes.
No. 15 Parcels.
No. 16 Cargoes (For Orders, for Shipment, S/D).
No. 17 Parcels.
No. 18 Cargoes (For Orders).
No. 19 Parcels.
No. 20 Cargoes.
No. 21 Parcels.
No. 22 Cargoes (For Orders).
No. 23 Parcels.
No. 24 Cargoes.
No. 25 Parcels.
No. 26 Cargoes (For Orders).
No. 27 Parcels.
No. 28 Cargoes (Direct Port).
No. 29 Parcels.
No. 30 Cargoes (Direct Port).

31. RULES FOR SAMPLING BARLEY IN BULK.

N.B. The above Forms of Contracts are registered at Stationers' Hall.
Members and others are cautioned against any infringement of copyright.

BOOK OF CONTRACTS.
Price to Members  3s. Od.
Non-Members  6s. Od.
Steve Symko Receives Canada Council Grant

The world of agricultural research can be a daunting place, with more than 200 million people working on it around the globe. However, despite the challenges, there are still opportunities for researchers to make a difference. One such researcher is Steve Symko, who has received a Canada Council Grant to support his work in agricultural research.

Symko is a key player in the world of agricultural research, and his work has been recognized by his peers. The Canada Council Grant will enable him to continue his important work, and to make a lasting impact on the field of agriculture.

An agronomist bids his babies' goodbye

Ottawa, June 1999

Steve Symko is retiring today, and it's a sad day for agricultural research in Canada.

The outbreak of foot-and-mouth disease in Europe has led to a significant decrease in the demand for pork in Canada, and Symko feels that his work has not been fully acknowledged. However, he is confident that his research will continue to have an impact on the agricultural industry.

Symko's research has focused on developing new strategies for preventing and controlling diseases in livestock. He has also worked on improving methods for breeding resistant strains of crops, which could help to increase food production and reduce the risk of outbreaks.

Symko has been a leader in the agricultural research community, and his contributions will be deeply missed. However, with his retirement, there are new opportunities for younger researchers to take on the challenges of agricultural research and make a difference in the world.
World Major Grain Exporters

Year: 1998/99, 1999/00, 2000/01, 2001/02, 2002/03

Million Tons

- Australia
- Argentina
- Canada
- EU
- USA
- Ukraine

1998/99: Australia (6 million tons), Argentina (9 million tons), Canada (2 million tons), EU (3 million tons), USA (3 million tons), Ukraine (12 million tons)
1999/00: Australia (10 million tons), Argentina (9 million tons), Canada (3 million tons), EU (3 million tons), USA (3 million tons), Ukraine (12 million tons)
2000/01: Australia (10 million tons), Argentina (9 million tons), Canada (2 million tons), EU (3 million tons), USA (3 million tons), Ukraine (12 million tons)
2001/02: Australia (10 million tons), Argentina (9 million tons), Canada (2 million tons), EU (3 million tons), USA (3 million tons), Ukraine (12 million tons)
2002/03: Australia (10 million tons), Argentina (9 million tons), Canada (2 million tons), EU (3 million tons), USA (3 million tons), Ukraine (12 million tons)
World Major Sunflower Seeds and Sunflower Oil Exporters, thou. ton

**Sunflower seeds**
- Ukraine: 583 thou. ton
- France: 556 thou. ton
- Russian Federation: 252 thou. ton
- Hungary: 200 thou. ton
- United States of America: 169 thou. ton

**Sunflower Oil**
- Argentina: 989 thou. ton
- Ukraine: 473 thou. ton
- France: 287 thou. ton
- United States of America: 258 thou. ton
Leading Producers of MILK, mln. ton

**World**
- India: 86
- USA: 75
- Pakistan: 34
- Russia: 33
- Germany: 28
- France: 26
- Brazil: 23
- UK: 15
- China: 15
- Ukraine: 14
- New Zealand: 14

**Europe**
- Russian Federation: 33
- Germany: 28
- France: 26
- United Kingdom: 15
- Ukraine: 14
- Poland: 12

**Europe**
- Russian Federation: 33
- Germany: 28
- France: 26
- United Kingdom: 15
- Ukraine: 14
- Poland: 12
Evolution of Issuance of Land Certificates and Land Titles

- **01.12.99**
  - Certificates issued: 6000
  - Land Titles issued: 51

- **01.01.01**
  - Certificates issued: 6483
  - Land Titles issued: 436

- **01.12.2002**
  - Certificates issued: 6707
  - Land Titles issued: 2916
Structure of Registered Agricultural Enterprises Established in the Process of Agrarian Reform in Ukraine

- **1.12.99:**
  - Other Enterprises: 16%
  - Agricultural Cooperatives: 14%
  - Limited Liability Companies: 64%
  - Private Enterprises: 2%
  - Collective Agricultural Enterprises: 2%

- **1.12.02:**
  - Other Enterprises: 28%
  - Agricultural Cooperatives: 47%
  - Limited Liability Companies: 23%
  - Private Enterprises: 2%
Agrarian market infrastructure facilities

- Agro-trading Houses: 381
- Livestock auctions: 202
- Wholesale food markets: 960
- Exhibitions, fairs: 1493
- Service cooperatives: 931
- Agricultural commodity exchanges: 114
Volume indices of food industry and agricultural production (1990=1,0)

- Food industry output
- Gross agricultural output
Forecast of grain use by major areas in Ukraine (calendar year), mln. ton

- Export
- Fodder
- Food
- Beginning Stocks

<table>
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<th>Year</th>
<th>Export</th>
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<th>Food</th>
<th>Beginning Stocks</th>
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Forecasted structure of grain exports by categories of traders
Forecast of sunflower seed and oil market development in Ukraine, thou. ton

- Seed Production
- Seed Processing
- Seed Export
- Oil Production
- Oil Export
Forecast of rapeseed and oil market development in Ukraine, thou. ton

- Seed Production
- Seed Export
- Seed Processing
- Oil Production
- Oil Export