

## **Agricultural sector is strategic for Ukraine**

*June 13, the First International Annual Business Conference "ABC: Ukraine & Partners" started. First Vice Prime Minister of Ukraine took part in panel discussion "Investments in agricultural sector of Ukraine. Let's feed the world together". He welcomed the participants and noted that development of agriculture is Ukraine government's priority direction*

"Growing demand for food commodities dictates trends in agricultural sector. Nowadays agriculture is a strategic sector for the economy of Ukraine. We understand this fact", - said Serhiy Arbuzov.

One out of four hryvnias, received from export realization is provided by farmers.

"Agribusiness companies provide a significant part of foreign exchange earnings to the country. This fact allows to form conditions for improving financial situation of agricultural enterprises and creating thousands of jobs. It is obvious that investment potential of the agricultural sector is not fully implemented yet. Therefore, the Government is set to a substantial increase of foreign investment," - said the First Vice Prime Minister.

Serhiy Arbuzov also noted that thanks to implementation of the reforms in agricultural sector, volume of investments has significantly increased. Growth rate of capital investment in agriculture during the last 7 years is 191% and economy in general - 116%. FDI in agricultural production increased by 5.3% in 2012, comparing to the previous year. More than 60% of foreign investment goes to the development of export-oriented products: corn, sunflower, rapeseed and soybean.

Moreover the First Vice Prime Minister pointed out that the large Ukraine's agriculture companies enter foreign capital markets: "In times of financial crisis, only agricultural enterprises conducted public securities offering. According to analysts' forecasts during the next 5-10 years Ukraine's agricultural enterprises will receive about USD 20-30 billion investment inflows."

"The Government is concerned about development of a strong partnership between the State and grain market economic agents, for this purpose the Ministry of Agriculture together with traders continued the Memorandum of Understanding functioning in 2013. Now we have two main objectives: to maintain position on traditional markets and to expand Ukrainian export geography," - said Serhiy Arbuzov.

He stressed that it is expected to increase investments up to USD 3 billion by the end of this year, which is three times more than last year.