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Legumes Production and Consumption Patterns in Ukraine

Report Categories:

Market Promotion/Competition

Promotion Opportunities

Approved By:

Jorge A. Sanchez, Agricultural Attache

Prepared By:

Yuliya Dubinyuk, Agricultural Specialist

Report Highlights:

Historically, Ukraine produced a varying assortment of legumes for human consumption with the larger share of the crop utilized for forage that were sold mainly to livestock producers. Production of peas and legumes in Ukraine have significantly decreased, according to State statistics, by over 40 percent during the last decade. In 2014, Ukrainian farmers are expected to produce peas at similar levels as last year's production, approximately at 267,000 MT. Traditionally yellow peas have been considered a low-cost, low-quality food ingredient mainly popular with lower income consumers. This notion stems from the fact that Ukrainians know yellow peas only as an animal feed ingredient. Dried peas also continue to be exported by Ukraine to a variety of locations around the world.

General Information:

Production

Production of peas and legumes in Ukraine have significantly decreased, according to State statistics, by over 40 percent during the last decade (see table attached for details). However, dry bean production quietly picked up the pace in the last four years due mainly to increased profitability of this cash crop mainly driven by stable-to-strengthening local consumer demand.

In 2014, Ukrainian farmers are expected to produce peas at similar levels as last year's production, approximately at 267,000 MT. Unfortunately the selling price for peas is not as attractive this season, so the majority of this crop will likely be consumed domestically. Improving the quality of peas has been a major area of concern for local producers, and both domestic purchasers as well as exporters are willing to pay a premium for better quality peas.

In Ukraine, similar to the States, peas are considered a conventional rotation crop by grains farmers to regenerate hydrogen and support soil fertility. Peas are considered a good predecessor to grain and oilseed crops harvested on most territories of the country.

Consumption

Soybean-based feed has gained popularity in Ukraine in recent years. Peas as a feed ingredient are gradually being phased out and substituted by soybeans in Ukraine's animal feed industry. Also, soybeans are produced in quantities to satisfy domestic and export demand.

Historically, Ukraine produced a varying assortment of legumes for human consumption with the larger share of the crop utilized for forage that were sold mainly to livestock producers. Although a portion of legume production is still dedicated to animal feed, note that livestock and poultry production in Ukraine contracted by roughly 200 percent between 1990 and 2000's. During the decade that followed, beef cattle production decreased at a slower rate and hog production has been fluctuating over the last decade.

Trade

Dried peas also continue to be exported by Ukraine to a variety of locations around the world. The largest buyer in recent years was India (see file attached for details) while the United Kingdom and the Netherlands followed in the second and third place respectively. Russian peas are considered to only major competitor in the region. These compete both on quality and price. A negligible amount of dried peas are imported by Ukraine on an annual basis, although these are mainly planting seeds. Further research is needed to determine more specific demand patterns.

Marketing

Ukraine's domestic food manufacturing industry uses peas and dry beans in various formats and it is also consumed raw (fresh or dried). Yellow and green peas as well as dry beans are present in the national cuisine and are considered to be a good source of vegetable protein and fiber. A number of traditional dishes are prepared with dried yellow peas as the main ingredient.

For human consumption small and large food stores in the country carry whole and split dried yellow

peas in packages (1 kilogram is the most common size) and in bulk. Some of the packaged product is exported as well. Pictures below show consumer ready packaged products: one contains only peas and another package contains a higher priced mix of legumes that include dried yellow peas. The second type of product (mixed) may be less popular on the Ukrainian market because local consumers are not used to paying premium prices for this type of product. Traditionally yellow peas have been considered a low-cost, low-quality food ingredient mainly popular with lower income consumers. This notion stems from the fact that Ukrainians know yellow peas only as an animal feed ingredient.

So far, no specific or targeted advertising of dried yellow peas products has been conducted on a large scale in Ukraine. The price of peas in a supermarket is similar to that of wheat, oats or barley that is packaged and marketed in similar formats. However, dried peas are not an everyday food product for an average Ukrainian even though it has been consumed in the region by many generations.

Further research is needed to provide a more detailed perspective on the topic and to determine conclusions about consumption patterns in the country.

Statistical Tables