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Report Highlights:

Post expects livestock numbers and beef production to continue their decrease through 2025. Beef production efficiency remains low, with the majority of beef derived from dairy and dual-purpose animals. Exports of both live animals and beef will decline due to lower animal inventory. Domestic beef consumption remains depressed due to low disposable incomes and competition with poultry and pork. Post predicts the 2024 pork price decline will precipitate a revenue drop for producers and will result in a pig number drop by the end of 2024. Similar performance is expected in 2025. Ukraine's low domestic pork price will keep imports at low levels in 2024, with some rebound in 2025. Pork exports will remain hampered by African Swine Fever (ASF). The number of ASF cases is notably rising, endangering commercial production and trade.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Executive Summary:
Russia's war of aggression against Ukraine remains the most important factor impacting cattle and swine production, domestic consumption, and meat trade. The Ukrainian economy has overcome the initial shocks from the full-scale invasion. The country's gross domestic product (GDP) rebounded to slow growth in 2023 and 2024, the currency exchange corridor was abolished in favor of a free exchange rate, and population outflows decreased significantly. Throughout 2023 and 2024, the Ukrainian livestock sector recovered from its 2022 downturn associated with an animal inventory drop due to the loss of production facilities located in occupied territories, cattle and pig slaughter at the early stages of the full-scale Russian invasion, and logistical and sales problems. The meat industry's largest concerns in 2024 are Russian missile attacks on Ukrainian infrastructure and the conscription of workers to the military. Industry expects both to remain risk factors in 2025.

Cattle
In 2025, FAS/Kyiv expects the majority of the Ukrainian cattle population to remain dairy and dual-purpose animals. Cattle finishing operations bring little or no profit, so many are concentrated in households that use low-cost, low-gain grazing methods. Most of the Ukrainian cattle population (both dairy animal and meat finishing) is concentrated in households with very limited production efficiency. In 2025, Ukraine's cattle inventory will continue its three decades-long downward trend. Historically, exports of live animals have decreased with shrinking animal numbers.

Beef
FAS/Kyiv expects 2025 beef production to contract following an animal inventory decrease. Beef consumption is expected to remain depressed in 2025, following a slowdown that began in late 2023. In 2024, China remained the major destination for Ukrainian beef, although its share decreased. Industry cited lower beef prices and Chinese government efforts aimed at increasing domestic beef production as the major driving factors.

Swine
While Ukraine's swine industry started 2024 with optimism, it is not expected to continue in 2025. Beginning sow numbers in 2024 were higher than expected, following turmoil in the market throughout 2023, and Ukrainian producers significantly expanded their fattening operations. Hog prices peaked in April 2024 and the continued decline is likely to lead to lower swine inventories by the end of the year, though slaughter will be rather significant. This trend is likely to continue in 2025, with lower inventory and lower slaughter.

Pork
FAS/Kyiv forecasts pork consumption to remain strong in 2025, led by falling pork prices and excess supply. Post also expects imports to rebound but remain limited. Exports are limited by Ukraine's swine disease status. The number of African Swine Fever (ASF) cases is rising, but the impact on industrial production is limited as of mid-2024.

***Important Official Statistics Note**: Due to Russia's full-scale invasion, Ukraine limited the publication of a number of statistical indicators. It also frequently updates already published official numbers, including 2023 animal inventory and slaughter numbers. Post has updated all statistical tables to reflect the most recent changes.*

Cattle

Production

Table 1: Ukraine Animal Numbers, Cattle

Animal Numbers, Cattle	2023		2024		2025
Market Begin Year	Jan 2023		Jan 2024		Jan 2025
Ukraine, Thousand Heads	USDA Official	New Post	USDA Official	New Post	New Post
Total Cattle Beg. Stocks	2403	2403	2330	2250	2100
Dairy Cows Beg. Stocks	1400	1400	1339	1310	1220
Beef Cows Beg. Stocks	18	18	17	18	18
Production (Calf Crop)	1287	1287	1230	1230	1230
Total Imports	2	2	2	2	2
Total Supply	3692	3692	3562	3482	3332
Total Exports	79	79	60	60	60
Cow Slaughter	0	0	0	0	0
Calf Slaughter	0	0	0	0	0
Other Slaughter	1249	1329	1210	1290	1240
Total Slaughter	1249	1329	1210	1290	1240
Loss	34	34	32	32	32
Ending Inventories	2330	2250	2260	2100	2000
Total Distribution	3692	3692	3562	3482	3332

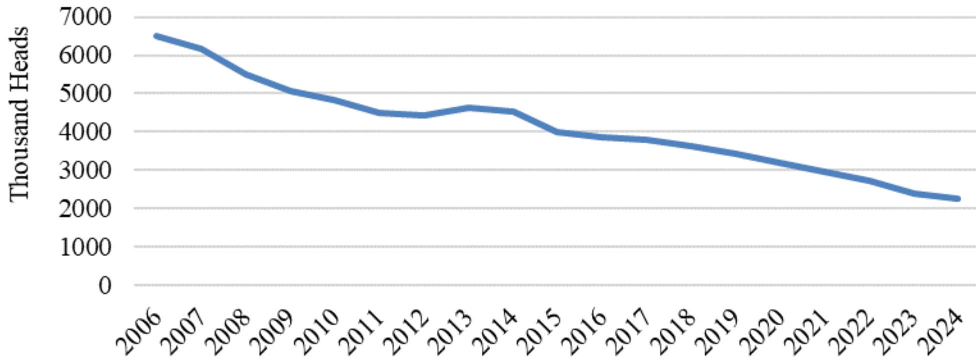
Not Official USDA Data
This table includes indicators for Crimea.

Dairy and dual-purpose animals continue to dominate in Ukraine's livestock industry. The number of beef animals is insignificant due to the low profitability of industrial beef production. Beef production remains a function of the dairy industry and depends on its performance.

FAS/Kyiv expects the industry to generally continue its three-decade long downward trend of decreased cattle inventory and calf crop (Figure 1). The downtrend is largely due to milk production inefficiencies in both households and small industrial farms and beef production inefficiencies in the industrial sector. In a slight deviation from this trend, Post estimates the 2025 calf crop will remain unchanged from 2024 due to comparably higher industrial sector production performance.

In 2023 and 2024, the livestock industry recovered after the initial shock of Russia's full-scale invasion and the vast, uncontrolled slaughter experienced in 2022. The increased slaughter was the result of broken input supply chains, population outflow, destruction of some farms in eastern and southern Ukraine, and broken sales channels. The Ukrainian dairy sector was extremely vulnerable due to its reliance on cash flows from daily milk sales, and there was a sudden drop in profitability after dairy processors closed in the early weeks of the full-scale invasion.

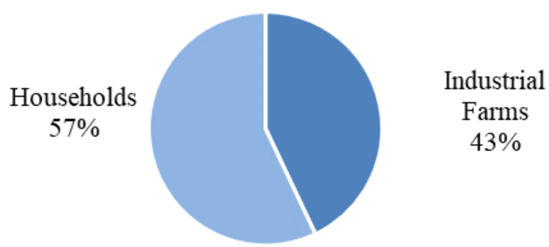
Figure 1: Number of Cattle in Ukraine (Farms of All Types as of Jan. 1 of each Year)



Source**:** State Statistics Service of Ukraine

Ukraine's cattle population continues to be split between industrial production, including independent farmers, and households. The latter continues to be responsible for the majority of livestock inventory and beef production. Household production remains semi-subsistent in nature, although a significant share of milk and beef is commercially sold at open-air markets or for further processing. Use of community pastures, roadside grazing, and feed production on household plots are very common. Smaller farms were more vulnerable to war-related shocks due to their inability to change input procurement and sales channels. Although both industrial and household production declined in 2023 and continued to decline in 2024, industrial farms were able to increase their share from 41 percent of the total cattle population in 2022 to 43 percent in 2023 (Figure 2).

Figure 2: Ukraine's Cattle Inventory Composition in 2023

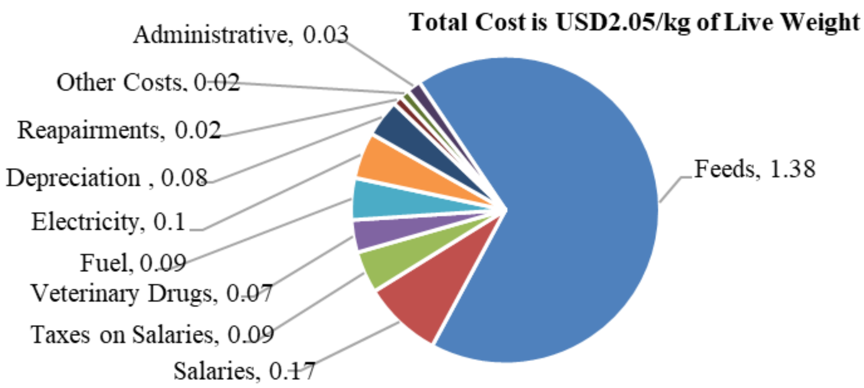


Source: State Statistics Service of Ukraine; FAS/Kyiv estimates

The efficiency of dairy and dual-purpose animal growing and finishing remains very low. In the vast majority of cases, dairy farms sell young calves as soon as possible to cut losses. The Ministry of Agrarian Policy and Food of Ukraine (MAPFU) has published a beef production cost structure 2024 forecast (in Ukrainian) for industrial farms. With an average beef cattle sales price of USD 1.45 per 1 kilogram of live weight, MAPFU declared an average USD 0.60 per kilogram loss (Figure 3).

The main beef production cost is feed. In 2025, exports of Ukrainian feed grains are expected to continue their usual trend of "world price minus delivery costs," as was the case in 2024. In 2023, Ukraine's meat industry benefitted from cheap feed prices due to logistical issues reducing grain exports. Comparatively lower feed prices facilitate production, but the difference is not sufficient for a fundamental change in production trends.

Figure 3: Beef Production Cost 2024*, USD per Kilogram of Live Weight



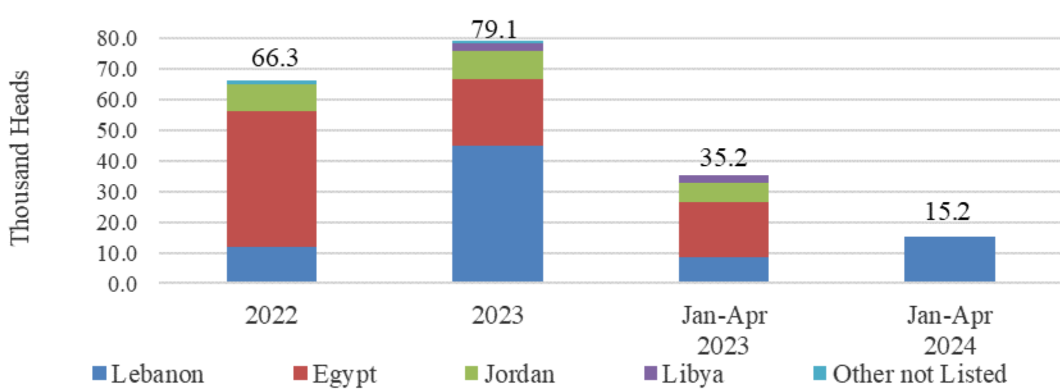
Source: MAFPU by Ukrainian Agribusiness Club Association members; Data for central Ukraine
* Forecast

Russian attacks on Ukraine's infrastructure are the main risk factor in 2024 and are expected to remain throughout 2025. Dairy farms are very dependent on a stable electricity supply for milking and milk cooling. Some farms have installed auxiliary power generators, but those contribute to production costs and may not serve as the main source of energy for prolonged periods.

Trade

Post estimates 2025 live cattle exports at 60,000 head, unchanged from the 2024 forecast. Although Ukraine lost access to its traditional live cattle markets in Azerbaijan and Central Asia due to Russia's full-scale invasion, Middle Eastern markets (Lebanon, Egypt, Jordan, and Libya) remained open. Industry notes that instability in Lebanon is unlikely to impact Ukrainian live cattle exports in 2024 and 2025, as a large number of other markets in the region remain open (Figure 4).

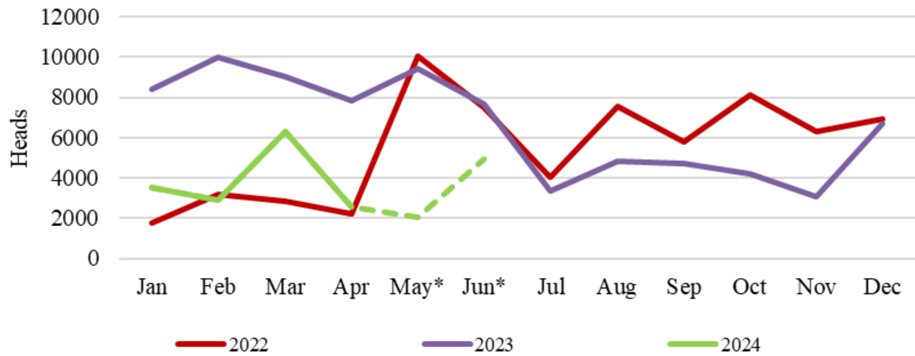
Figure 4: Ukraine Cattle Exports



Source: Trade Data Monitor; FAS/Kyiv estimates

Ukraine’s declining animal inventory is another important factor affecting exports of live animals. Decreased animal availability led to a gradual decrease in live animal exports (Figure 5). Post expects the trend to continue in 2025, despite stable demand.

Figure 5: Ukraine's Monthly Live Cattle Exports



Source: Trade Data Monitor; FAS/Kyiv estimates
* Estimate

Russia’s full-scale invasion did not result in additional technical export barriers. In September 2022, Ukraine, the European Commission, and Romania negotiated an alternative export route for live animals through Romanian seaports. The route was never utilized as Ukraine was able to keep exports flowing from its own ports; however, the route remains important as a secondary option, as Russia’s full-scale invasion continues.

Beef

Production

Table 2: Meat, Beef, and Veal

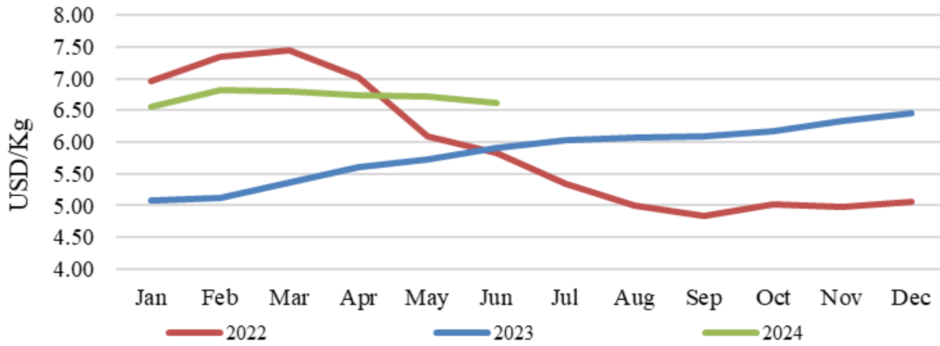
Meat, Beef, and Veal	2023		2024		2025
Market Begin Year	Jan-23		Jan-24		Jan-25
Ukraine, Thousand Metric Tons	USDA Official	New Post	USDA Official	New Post	New Post
Slaughter (Reference)	1249	1329	1210	1290	1240
Beginning Stocks	0	0	0	0	0
Production	211	235	205	230	205
Total Imports	3	3	3	3	3
Total Supply	214	238	208	233	208
Total Exports	28	28	28	22	20
Human Dom. Consumption	186	210	180	211	188
Other Use, Losses	0	0	0	0	0
Total Dom. Consumption	186	210	180	211	188
Ending Stocks	0	0	0	0	0
Total Distribution	214	238	208	233	208

Not Official USDA Data
This table includes indicators for Crimea.

Due to Russia's full-scale invasion, there are difficulties with statistical information collection. Therefore, Post lowered its 2023 beef production number to stay in line with beef production and consumption trends.

Post expects the trend of decreased animal inventory and beef production to continue in 2025. Industry flagged that falling prices will worsen cattle farmers' losses this year, making the Ukrainian dairy industry concentrate on milk production and increasingly channel live animals to households for growing and finishing. After a beef production spike that followed the massive slaughter in 2022, beef production tracked animal inventory and returned to its traditional gradual downward trend. A major beef price collapse followed the 2022 mass slaughter, but prices gradually recovered in 2023, peaking in February 2024 (Figure 6).

Figure 6: Beef Retail* Price in Ukraine

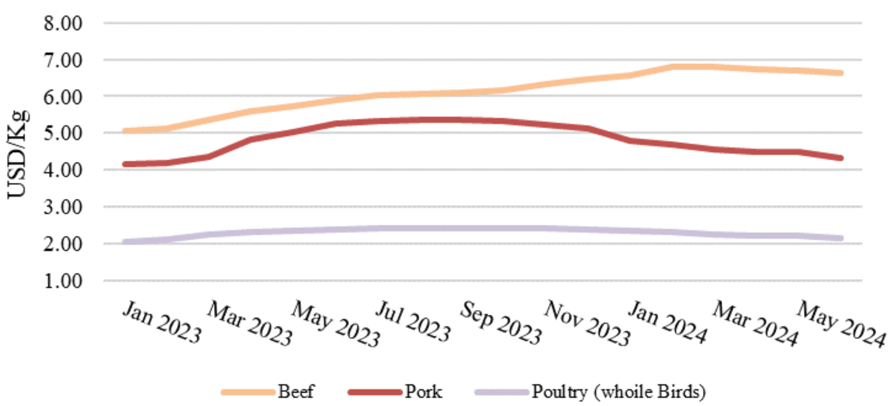


Source: State Statistics Service of Ukraine
*Ukraine has stopped the official publication of producer prices for the duration of the war

Consumption

FAS/Kyiv expects beef consumption to decrease in 2025, due to shrinking cattle inventory, the widening beef/pork price gap, and depressed incomes. The beef-to-other animal protein price ratio increased in 2024 (Figure 7). Relatively high beef prices will continue to depress consumption in 2024. Although beef prices started to decline in February 2024, the gap between beef and pork continued to widen. Ukrainian consumers remain very price conscious. Although per capita incomes grew thanks to limited GDP growth in 2023 and the first half of 2024, they remain significantly below pre-full-scale invasion levels and are not expected to quickly recover.

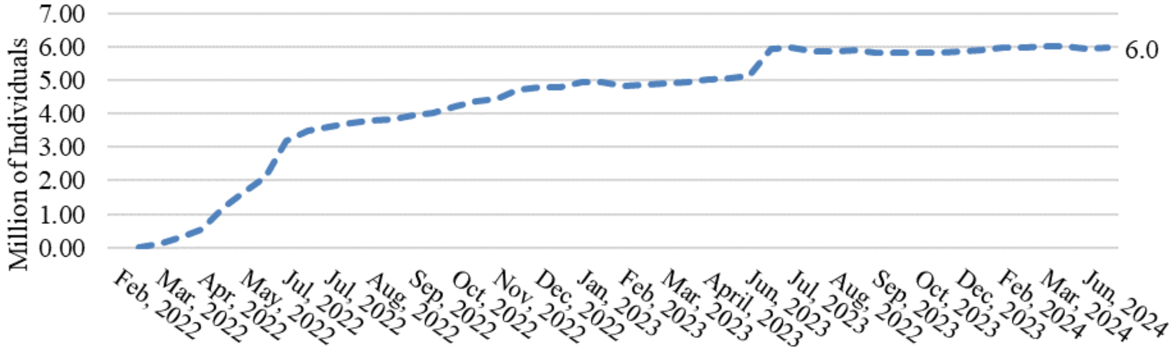
Figure 7: Beef, Pork, and Poultry Prices in 2023-24



Source: State Statistics Service of Ukraine

Beef consumption decreased significantly in 2022 following refugee outflows and the loss of consumers living in occupied territories. Population outflows to European Union (EU) countries stabilized close to 6.0 million in 2023 and 2024, although immigration to non-EU countries continued (Figure 8). Although limited data is available, the number of non-EU-based refugees increased from 0.3 million in June 2023 to 0.6 million in June 2024. These continued population outflows contributed to some consumption decline in 2024.

Figure 8: Number of Refugees from Ukraine Recorded across the EU



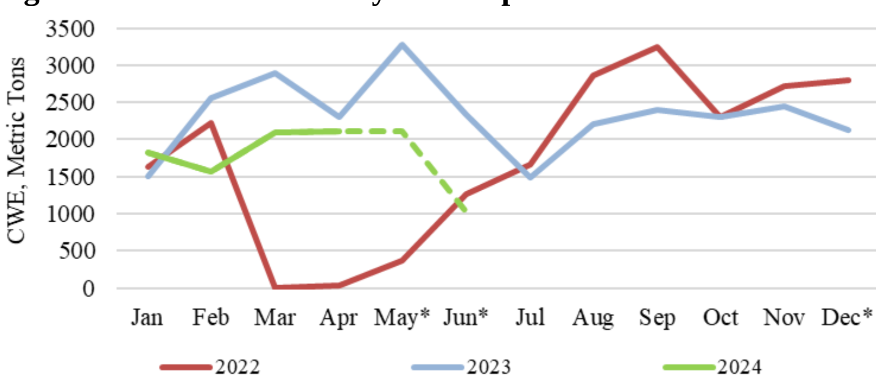
Source: UN Refugee Agency (https://data.unhcr.org/)
* This graph does not include individual refugees (refugees who did not apply for the temporary protection status) and refugees outside of the EU.

Trade

Exports

Post forecasts 2025 beef exports to decrease by 9 percent, as inventory numbers continue to contract. Export volume is a function of domestic consumption and animal inventory. Due to lower domestic demand from price-conscious consumers, beef exports remain an important revenue channel for Ukrainian cattle farmers. Post also expects exports to decrease in 2024. In 2022 and early 2023, Ukraine introduced an export license requirement for beef due to fears of domestic currency collapse, excessive exports, and food shortages. The sluggish licensing procedures negatively affected beef exports in January 2023 (Figure 9). In May 2023, after industry intervention, the Government of Ukraine abolished export licensing entirely. Trade continued uninterrupted in the remaining months of 2023 and throughout 2024. Ukraine was able to negotiate transit agreements for export from non-EU-approved facilities; therefore, exports faced no technical barriers in 2023 and 2024.

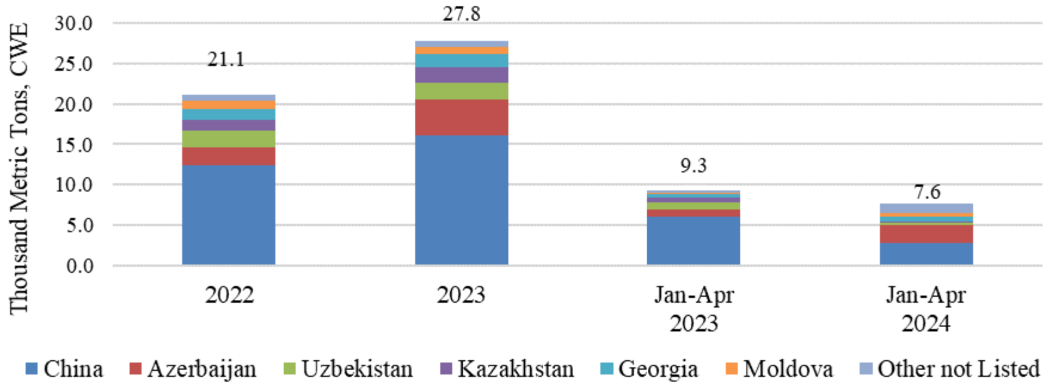
Figure 9: Ukraine's Monthly Beef Exports



Source: State Statistics Service of Ukraine
*FAS/Kyiv Projection

In 2025, Ukraine should be able to continue its beef exports to key markets. In Ukraine, beef exports compete with the exports of live bovine animals for slaughter. Live animals are generally exported to halal markets, while beef is exported to other destinations (Figure 10). China remains the most important market, but its share in total beef exports decreased significantly in 2024. The Ukrainian cattle industry believes that large stocks and lower prices in the Chinese market are the main reasons for this development. In 2024, Ukraine was able to restore some traditional (pre-full-scale invasion) markets in Azerbaijan and Central Asia. Most of the exports are transshipped through Turkey as traditional container sea routes remain limited.

Figure 10: Ukraine's Beef Exports



Source: Trade Data Monitor; FAS/Kyiv estimates

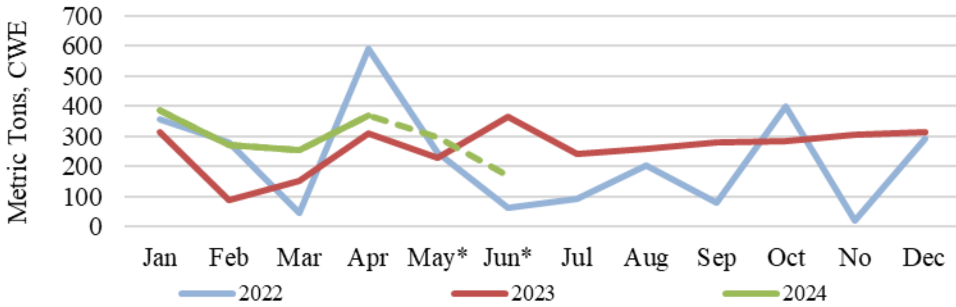
Exports to EU member states remain insignificant as no Ukrainian meatpackers are cleared for export to the EU. Two Ukrainian-registered processing facilities can export selected meat products under the condition that the raw materials fit EU requirements.

Imports

FAS/Kyiv expects Ukraine to maintain low, but stable beef imports in 2025 and 2024, at close to 3 thousand metric tons. Ukraine imports premium-quality beef from the EU, Brazil, and the United States. Demand for high-quality beef cuts decreased after the full-scale invasion, as many high-end restaurants stopped operations (Figure 11). Decreased consumer incomes also played a role. Ukrainian food processors which cannot secure sufficient amounts of beef over certain periods or are unsatisfied by the quality of Ukraine's grass-fed, low-production cost beef (mostly due to low-fat content) also import higher quality beef.

Unlike Ukraine's beef exports, beef imports face trade barriers. Due to the closure of air and sea routes, transshipments of U.S. beef through the EU are limited to EU-approved establishments, without exceptions.

Figure 11: Ukraine's Monthly Beef Imports



Source: Trade Data Monitor; FAS/Kyiv estimates
*FAS/Kyiv Projection

Swine

Production

Table 3: Ukraine Animal Numbers, Swine

Animal Numbers, Swine	2023		2024		2025
Market Begin Year	Jan 23		Jan 24		Jan 25
Ukraine, Thousand Heads	USDA Official	New Post	USDA Official	New Post	New Post
Total Beginning Stocks	5058	5058	5113	5204	5160
Sow Beginning Stocks	360	360	360	371	350
Production (Pig Crop)	8450	8375	8500	8700	8400
Total Imports	6	6	3	6	6
Total Supply	13514	13439	13616	13910	13566
Total Exports	1	0	1	0	0
Sow Slaughter	0	0	0	0	0
Other Slaughter	7520	7355	7620	7850	7586
Total Slaughter	7520	7355	7620	7850	7586
Loss and Residual	880	880	895	900	880
Ending Inventories	5113	5204	5100	5160	5100
Total Distribution	13514	13439	13616	13910	13566

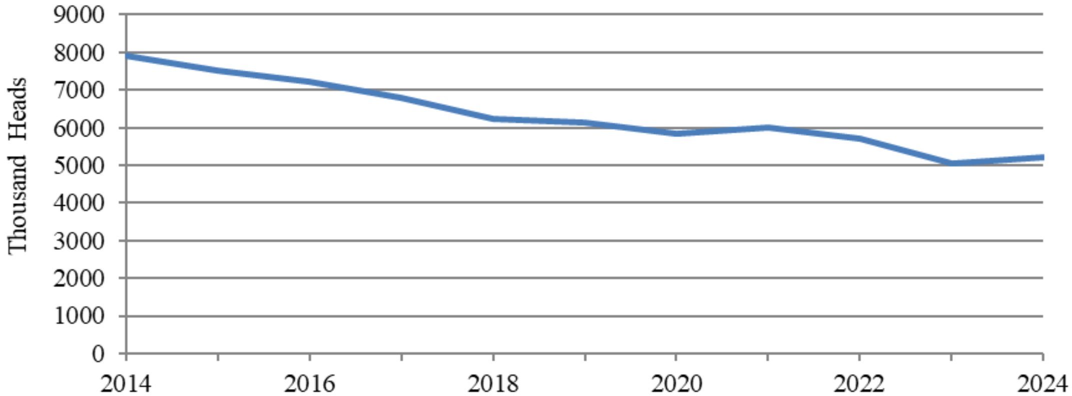
Not Official USDA Data
This table includes indicators for Crimea.

Post forecasts the 2025 pig crop 3 percent lower year-on-year, largely as a result of lower sow inventories. The Ukrainian pork industry started 2024 with optimism as hog procurement prices remained high; however, this optimism was short-lived as prices peaked in April and remained on the decline as of July. According to industry sources, the June 2024 live hog price dropped to USD 1.28 from USD 2.24 the year before. High pork prices incentivized herd rebuild and led to higher than anticipated 2024 beginning stocks and increased sow numbers. Although different scenarios are possible, the industry is expected to decrease animal numbers in 2024.

Elevated 2022 pork imports exacerbated the industry's crisis and led to the exceptionally low animal inventory in January 2023; however, the 2023 situation changed drastically after a major pork price surge resulting from low EU production caused a pork import drop. The Ukrainian and EU pork markets are interconnected through reciprocal zero import duty import quotas and geographical proximity that allows for quick trade flows.

Similar to the cattle industry, Ukraine's pork producers experienced a major shock after Russia's full-scale invasion began in 2022. Increased animal slaughter followed logistical and sales problems, attacks on infrastructure, and population outflows (Figure 12). Consecutive Ukrainian market pork price drops worsened the situation, as these were also accompanied by increased imports from the neighboring EU. EU imports arrived under the free trade agreement import quota, followed by the Government of Ukraine's decision to make pork imports value added tax free. The exemption was eventually eliminated, but significant amounts of EU pork arrived. Please refer to the 2022 Livestock Annual for more information.

Figure 12: Number of Pigs (Farms of All Types as of Jan. 1 of each Year) Ukraine



Source: State Statistics Service of Ukraine; FAS/Kyiv calculations

Industrial production dominates the Ukrainian swine business (Figure 13). Industrialized commercial pig farms are less susceptible to war-related shocks, including input procurement and sales channel changes.

Figure 13: Ukraine Swine Inventory Composition in 2024, percent

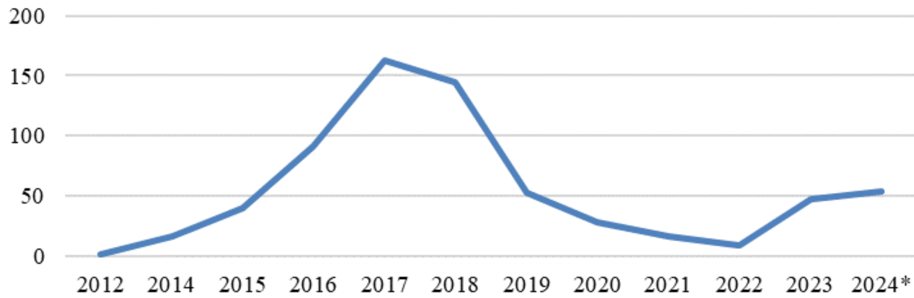
Source: State Statistics Service of Ukraine; FAS/Kyiv calculations

Industry cites Russian attacks on Ukraine's energy grid and increased conscription of workers as two of the main production risks in 2024 and 2025. Backup generators contribute to increased production costs, and they are not designed to be the sole source of energy, have limited work time, and diesel versions have temperature restrictions for their operations.

African Swine Fever

The number of ASF cases increased significantly in 2023 and continues to climb in 2024 (Figure 14). ASF remains the most significant threat to pork production in Ukraine. It limits exports and creates uncertainty for large biosecure industrial farms. Household and wild fauna outbreaks near large industrial producers create risk factors beyond the farms' control.

Figure 14: Number of Officially Registered ASF Cases



Source: http://www.asf.vet.ua, State Service of Ukraine for Food Safety and Consumer Protection, Institute for Laboratory Diagnostics and Veterinary-Sanitary Expertise

*54 cases were registered by August 2024

Many officially recorded ASF cases have been registered in central and western Ukraine, which has been less affected by Russia's full-scale invasion. Industry cites the absence of reported cases in eastern Ukraine due to the lack of reporting; there is anecdotal evidence of unreported ASF cases in households.

Pork

Table 4: Meat, Swine

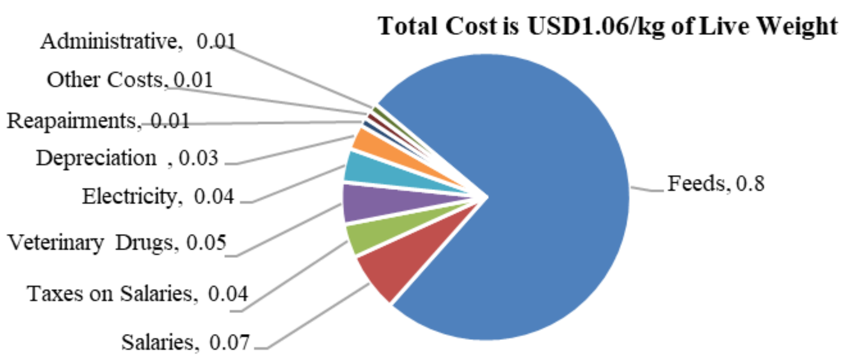
Meat, Swine	2023		2024		2025
Market Begin Year	Jan-23		Jan-24		Jan-25
Ukraine, Thousand Metric Tons	USDA Official	New Post	USDA Official	New Post	New Post
Slaughter (Reference)	7520	7355	7620	7850	7586
Beginning Stocks	0	0	0	0	0
Production	660	660	670	710	670
Total Imports	19	19	19	8	15
Total Supply	679	679	689	718	685
Total Exports	1	1	1	3	2
Human Dom. Consumption	678	678	688	715	683
Other Use, Losses	0	0	0	0	0
Total Dom. Consumption	678	678	688	715	683
Ending Stocks	0	0	0	0	0
Total Distribution	679	679	689	718	685

*****Not Official USDA Data
This table includes indicators for Crimea

In 2025, industry noted that falling pork prices may result in decreased profitability, earlier slaughter, and slightly lighter slaughter weights. In 2024, increased animal inventory resulted in higher slaughter.

MAPFU published a 2024 pork production cost structure forecast (in Ukrainian) for industrial farms (Figure 15). With an average pork procurement price of USD 1.41 per 1 kilogram of live weight, MAPFU declared an average profit of USD 0.35 per kilogram.

Figure 15: Pork Production Cost 2024*, USD/Kg of Live Weight



Source: MAPFU by the Ukrainian Agribusiness Club Association members; Data for central Ukraine
* Forecast

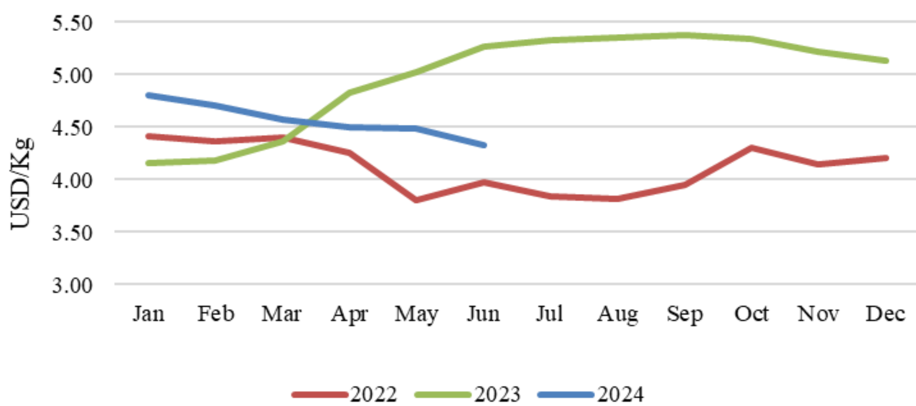
Consumption

In 2025, Post expects consumption to decrease, following a production slowdown.

Post expects decreased 2024 pork prices and a widening gap between pork and beef prices to likely result in increased 2024 consumption. Almost all pork consumption will be covered by domestic production, as imports remain insignificant due to elevated prices in neighboring EU countries.

Increased pork prices became the most important factor affecting consumption in 2023. At their peak in September-October 2023, prices grew by almost 29 percent over January 2023 (Figure 16). This increase resulted in a rapid consumption drop as consumers switched to other animal proteins, with price-cautious consumers switching to poultry.

Figure 16: Pork Retail Price*



Source: State Statistics Service of Ukraine
*Ukraine stopped the official publication of producer prices for the duration of the war

As the price difference between beef and pork shrunk, an increased number of more affluent consumers switched to beef (Figure 8). Traditionally, local beef is considered a premium protein despite its leanness and generally lower quality. Therefore, consumers prefer beef to pork when the price difference allows.

Although no official updated information on pork's share in total meat consumption is available, industry sources believe that it dropped from more than a third in 2021 to roughly a quarter in 2023. Retailers also noted increased poultry consumption due to the 2023 increase in pork prices. There was anecdotal evidence of retail chains requesting 12-20 percent pork contract price cuts due to high prices and sluggish sales.

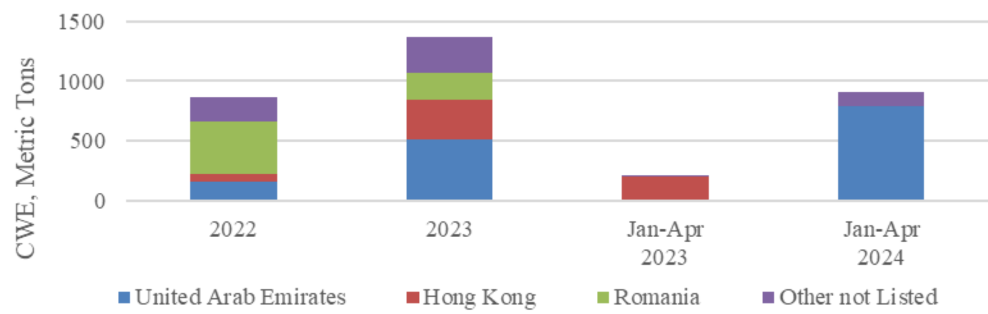
Trade

Exports

In 2025, Post forecasts the 2024 trend of heightened exports due to increased export price competitiveness to continue. Exports also rose in 2023 but remain insignificant. Ukraine's pork exports are limited due to the increased presence of ASF and transit problems related to Russia's full-scale invasion.

Due to complicated logistics resulting from the full-scale invasion, exports to Georgia and other former Soviet Union destinations stopped, but the UAE returned as the major pork importer, where pork exports are destined for its non-Muslim populations (Figure 17).

Figure 17: Ukraine's Pork Export Destinations

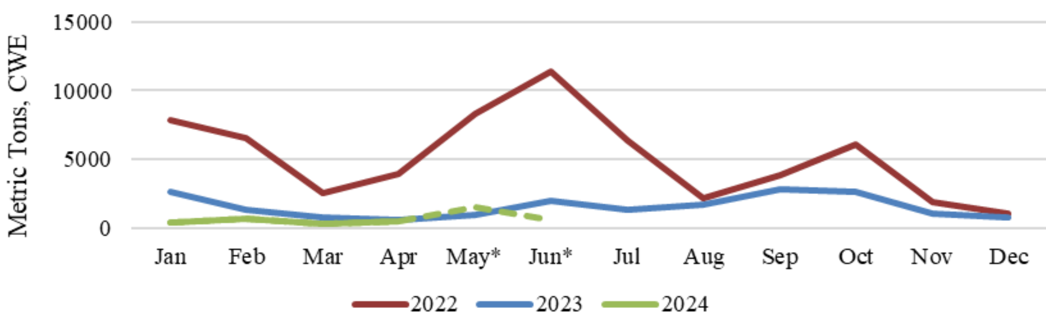


Source: Trade Data Monitor

Imports

Post predicts 2025 imports will recover to 15 thousand metric tons as Ukraine's domestic production decays and the EU pork price falls (Figure 18).

Figure 18: Monthly Pork Imports



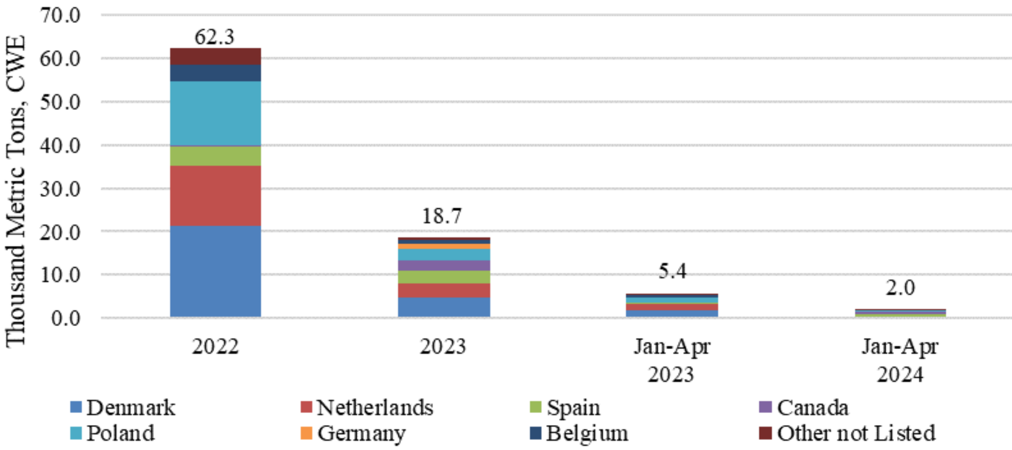
Source: Trade Data Monitor
*Industry estimates

Traditionally, Ukrainian importers source pork products from neighboring EU countries (Figure 19). Geographical proximity, lack of technical trade barriers to trade after Ukraine approximated to EU regulations, and the zero import duty tariff rate quota (TRQ) facilitated trade. Significant EU pork production decline beginning in 2023 resulted in decreased supply and higher prices. Ukraine pork imports in 2023 totaled 18.3 thousand MT, which is lower than the EU-Ukraine zero import duty TRQ volume. This is the first time in the last five years that a zero import duty quota has been unfulfilled.

Note: per Annex I-A to Title IV of the Association Agreement, Ukraine allows duty-free imports of 20,000 MT of pork under various HS Codes. The quota is distributed on a first-come, first-served basis.

Canada is the only non-EU supplier in the top five pork source markets. Similar to their EU competitors, Canadian producers benefit from the Ukraine-Canada Free Trade Agreement, which provides them with trade opportunities when the price situation is favorable. Although Canadian suppliers increased their market share in 2024, total market volume remains very small.

Figure 19: Ukraine's Pork Imports by Country



Source: Trade Data Monitor; FAS/Kyiv estimates

Attachments:

No Attachments