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EUROPEAN AGRICULTURAL POLICY ANALYSIS PLATFORM

MONTHLY ANALYTICAL REPORT

JULY 2026

A NEW ARCHITECTURE OF EUROPE'S AGRICULTURAL SECURITY

WHAT ROLE WILL UKRAINE PLAY?

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European Union • Ukraine • Global Markets

Analysis of processes shaping agricultural policy

Monthly Summary

July 2026 became a month of institutionalising agricultural security. The European Union began translating the political formula of “strategic autonomy” into a concrete architecture: domestic and diversified resources, managed risks, financial liquidity for farmers, a stronger bargaining position for producers, protected product names and origins, contractual relations and measurable outcomes of public support. For Ukraine, this process coincided with two developments of opposite effect: the restoration of a separate Ministry of Agrarian Policy and Food and a sharp deterioration in the physical capacity to export the new harvest through Black Sea ports.

The EU’s main policy signal was the simultaneous adoption, on 7 July, of the EU Livestock Strategy and the Protein Action Plan. These are not two sector-specific initiatives, but a common model for restructuring the agri-food chain: from breeding, seeds and field production to feed, livestock farming, processing, the bioeconomy, labelling and external trade. The EU produces about 67 million tonnes of plant protein, uses about 80 million tonnes and imports 74% of its high-protein feed resources. Ukraine is explicitly identified in the document as a potential source of diversification: according to the European Commission, its future accession could increase the EU’s protein self-sufficiency from 76% to 86%. At the same time, the Plan provides not only for increased supplies, but also for the alignment of production and sustainability standards, investment in storage and processing, the development of contracts and regular market monitoring. It therefore concerns Ukraine’s integration into a managed European chain, rather than an automatic expansion of markets for Ukrainian raw materials.

The second process is the transformation of the Common Agricultural Policy into an instrument of operational crisis management. In response to higher fertiliser and energy prices caused by the Middle East crisis, the EU fast-tracked amendments to the CAP regulations in July: it authorised a new liquidity scheme with EAFRD financing of up to 65%, national top-up funding of up to 200%, earlier direct payments and adjustments to national allocations for 2027. On 27 July, the European Commission provided €540 million in emergency assistance to farmers through a separate implementing regulation. The document states that average nitrogen fertiliser prices in May were approximately 30% higher than in February and 70% above the 2024 average. This means that the CAP is increasingly functioning as a system for sustaining producer solvency between an external shock and the next production cycle.

The third process is a change in the rules governing the distribution of added value. Regulation (EU) 2026/1739, adopted on 8 July and published on 29 July, strengthens farmers’ contractual position: written contracts become the general rule, Member States must develop public indicators to serve as contractual benchmarks, producer organisations gain broader opportunities for collective bargaining, and mandatory written contracts are provided for in the dairy sector. At the same time, the use of the terms “fair”, “short supply chain” and meat-product names is clarified. This marks a shift from supporting production volumes towards regulating market power, price formation, origin and consumer trust.

In Ukraine, on 16 July, the Verkhovna Rada appointed Taras Vysotskyi Minister of Agrarian Policy and Food as part of the new Government. The return of a dedicated ministry one year after agricultural policy was incorporated into a consolidated mega-ministry is an acknowledgement that the agricultural sector requires a separate centre of political responsibility-especially at the stage of EU accession, wartime risks, market regulation and crisis logistics. However, an institutional title alone does not create capacity. The outcome will depend on whether the restored ministry receives a complete set of functions, a competent team, data, budgetary instruments and mechanisms for coordinating with the Government's economic, environmental, financial and transport portfolios.

Ukraine's greatest short-term constraint in July was logistics. According to the Ukrainian Agrarian Confederation, Russian attacks reduced monthly grain-shipment capacity through key Odesa-region ports from approximately 6 million to 4 million tonnes; four of the 13 major grain terminals suspended purchases. By the end of the month, government statistics were already showing a divergence between the cumulative and current signals: 2.601 million tonnes of grains and pulses were exported in July-54.9% more than a year earlier-yet between 24 and 27 July shipments increased by only 19,000 tonnes. A strong monthly total concealed a sharp slowdown at the end of the period.

The global market did not generate a signal of an overall food shortage in July. FAO forecasts a global cereal stocks-to-use ratio of 32%. At the same time, wheat production in 2026 is estimated at 806.5 million tonnes, down 4.3% year on year, while wheat trade in the 2026/27 season may decline by 4.7%. USDA cut its forecast for global maize stocks by 6 million tonnes, to 275.3 million tonnes, due to a deterioration in the outlook for China, Ukraine and the EU. Thus, the central market risk has shifted from the nominal availability of stocks to their geography, the cost of production, access to logistics, insurance coverage and the velocity of capital turnover.

The month's principal conclusion is that Ukraine is entering a new stage of agricultural European integration. Its value to the EU is growing as a source of protein, grains, oilseeds, biomass and logistical resilience. At the same time, the requirements for managing this resource are increasing-standards, traceability, contracts, environmental performance, security of supply and the capacity to withstand crises. Ukraine's strategy must extend beyond negotiations over quotas and access for individual products. The subject of negotiations should be Ukraine's role in the EU's common agri-food architecture: which functions, production links, investments, risks and share of added value it assumes.

1. Political Signals

July’s policy signal consists of three interconnected decisions: the EU identified resource dependencies in the agri-food system, proposed the long-term restructuring of the livestock and protein sectors, and simultaneously demonstrated its readiness to recalibrate the CAP’s financial mechanisms rapidly in response to a geopolitical shock. Taken together, this marks a transition from a policy of supporting individual agricultural markets to a policy of managing systemic resilience.

The start of Ireland’s Presidency of the Council of the EU on 1 July set the political horizon for the second half of the year. Agriculture in the Presidency programme is linked to food security, competitiveness, simplification, sustainability and generational renewal. Overarching all of these is the negotiation process on the EU’s Multiannual Financial Framework for 2028–2034: Ireland is to prepare a political agreement by the end of 2026. July’s sectoral decisions are therefore also important as arguments in the budget debate—they define the range of risks and functions for which agricultural policy will require guaranteed funding.

The EU Livestock Strategy extends far beyond a traditional list of support measures. The sector accounts for 40% of EU agricultural added value, €400 billion in annual turnover, around 7 million jobs and 4 million farms. The Strategy simultaneously covers a dedicated financial risk-management scheme, funding for animal-disease control, digital technologies, climate investment, reduced dependence on imported resources, the development of local feed, a circular bioeconomy, access to slaughter infrastructure, a methodology for measuring farm-level emissions, animal welfare and origin labelling.

This represents an important shift in the underlying logic of policy. Livestock farming is regarded not merely as a sector producing meat and milk, but as a nexus connecting territorial development, feed balances, sanitary risks, climate commitments, bioenergy and external trade. This is precisely why the Protein Action Plan was presented together with the EU Livestock Strategy. Feed dependency has become a political category: 94% of the soy used in the EU is imported; in the 2024/25 marketing year, imports of soybeans and meal amounted to 13.4 million tonnes in protein equivalent. The target for 2035 is to increase the share of protein from oilseeds and protein crops grown in the EU and used in feed from 25.8% to 35%.

To achieve this target, the EU is combining several mechanisms. The CAP is to encourage the cultivation of pulses, soy and other crops adapted to local conditions. Funding is to support storage and processing. Contracts between producers and other links in the chain should reduce the risks of switching to new crops. Imports are to be diversified, but suppliers must align production and environmental standards more closely. The origin of protein products should become more visible to consumers, while progress is to be assessed annually through protein dialogues, a market observatory and benchmarking.

For the first time, Ukraine is incorporated so directly into a quantitative model of European resource autonomy. According to the European Commission, it produces 13.5 million tonnes of plant protein and exports 60% of this volume. At the AGRIFISH Council meeting on 13 July, several ministers specifically highlighted Ukraine's potential role in diversifying protein supplies. This is a political window of opportunity, but it contains an internal contradiction. The more important Ukraine becomes to the EU's resource security, the stronger the EU's desire will be to make Ukrainian supplies predictable, traceable and compatible with European rules.

At the same time, strategic autonomy does not abolish external trade. It changes its terms. The EU is combining increased domestic supply with diversified imports, agri-food diplomacy, the protection of geographical indications, reciprocity requirements and safeguard clauses in trade agreements. At the July AGRIFISH Council, ministers explicitly emphasised a level playing field, reciprocity and safeguard clauses. For Ukraine, this means that political recognition of its strategic role will coexist with mechanisms to protect the EU internal market. The advantage will go not to the supplier with the greatest potential volume, but to the partner capable of offering a managed chain, compatible standards and predictable safeguards against market imbalances.

The post-2027 budget architecture reinforces this conclusion. The MFF proposal provides for agriculture, cohesion policy, fisheries, migration and internal security to be combined in a single National and Regional Partnership Plan for each Member State. Funding is to be linked to milestones and results. Formally, the CAP is retained, but its implementation becomes part of a broader national portfolio of reforms and investment. This may increase flexibility, but it creates competition among priorities and raises the premium on institutional quality, data and measurable results.

For Ukraine, this aspect is strategically important even before membership. Legislative harmonisation is no longer sufficient unless it is underpinned by an implementation system: registers, payment infrastructure, controls, performance verification, audit and the capacity to plan investments within a results-based framework. In the EU's future model, the agricultural budget will increasingly cease to be “a sum of sectoral programmes” and become a contract between the EU and the state on achieving specific objectives. Institutional preparedness for this contract is part of Ukraine's readiness for negotiations.

July's policy signal can therefore be formulated as follows: the EU's agricultural autonomy is being built through control not only over production, but over the entire chain-resources, finance, standards, information, logistics, origin and value distribution. Within this architecture, Ukraine is already ceasing to be an external factor. The question is whether it will become an integrated participant in value creation or remain a large but peripheral supplier of basic raw materials.

2. EU Regulatory Watch

July's regulatory developments reveal two simultaneous trends: the EU is simplifying procedures for access to certain instruments while strengthening rules on contracts, market conduct, product origin and achieved results. In this model, simplification is not deregulation. Administrative burdens are reduced where they impede speed, while control shifts to the substance of the transaction, its economic effect and trust in the chain.

The month's most structural act was Regulation (EU) 2026/1739 on strengthening farmers' position in the food supply chain. It amends the regulations on the common organisation of agricultural markets, CAP Strategic Plans and CAP financing. Written contracts for the supply of agricultural products become the general rule, although Member States may provide for limited exceptions. Written contracts must be mandatory in the dairy sector. States must provide mediation mechanisms and establish and publish indicators that can be used as benchmarks in contractual relations.

The Regulation strengthens producer organisations. They gain broader opportunities to negotiate directly with buyers, while buyers' ability to bypass the organisation and approach its individual members is restricted. This is an important shift in focus: the issue of farmer income is addressed not only through subsidies, but through asymmetries in bargaining power. The European Commission's report on the application of competition rules confirms that the scope for farmers to act collectively remains underused; between 2017 and 2025, the Commission and national authorities completed around 110 antitrust investigations in the agricultural sector, with farmers being the largest source of complaints.

A separate regulatory layer concerns consumer information. The use of the terms "fair" or "equitable" must be linked to specific characteristics of production and distribution arrangements, including fair remuneration for producers and contributions to the development of rural communities. The term "short supply chain" is tied to a limited number of intermediaries and the clear identification of farms. A number of meat-product names are reserved for products that actually contain meat and may not be used for lab-grown alternatives. The regulation simultaneously protects producers, product classification and consumer trust.

The second block comprised urgent amendments in response to fertiliser and energy costs. Regulation (EU) 2026/1768 created the possibility of exceptional temporary support through the EAFRD, earlier direct payments and adjustments to allocations for 2027. The liquidity scheme may be co-financed by the EAFRD at up to 65%, while Member States may add national funding of up to 200%. A flat-rate payment per hectare is intended to reduce administrative time. Alongside short-term compensation, the package encourages more efficient fertiliser use and a transition to biological, low-carbon and circular resources.

The Implementing Regulation of 27 July provided Member States with €540 million in emergency financial assistance. The funds are intended to compensate the farmers most affected for the costs of fertilisers, energy or both; states may add national funding of up to 200%, while payments from the EU budget must be made by 28 February 2027. Importantly, the legal justification directly links the closure of the Strait of Hormuz, constraints on energy flows, the price of LNG, nitrogen fertiliser production, farm liquidity and the risk of lower harvests in 2027. The regulator effectively sets out the full causal chain from geopolitics to future food supply.

The third block is the simplification of agri-food promotion. On 14 July, the European Commission extended the contract-conclusion period from 90 to 180 days, increased the maximum pre-financing rate to 30% and reduced the number of reporting notifications. Over ten years, the EU co-financed more than 650 promotion campaigns. The change has practical significance for small organisations and simultaneously demonstrates that external competitiveness is regarded as part of resilience: market diversification reduces dependence on individual sales destinations.

The overall direction of the regulatory changes is clear. First, producers must be better protected in contracts and through collective organisation. Second, crisis assistance should arrive quickly, but be targeted, verified and time-limited. Third, origin, product name, production method and a product's claimed "fairness" are becoming legally significant characteristics. Fourth, budgetary support is increasingly linked to indicators, deadlines and effectiveness assessments.

For candidate countries, this creates a new body of alignment requirements. It is not merely a matter of reproducing the text of regulations. What is needed are production-cost indicators, reliable market statistics, digital contracts, effective producer organisations, mediation mechanisms, traceability, labelling controls and the capacity to administer emergency support without excessive delay or distortion of competition. This "implementation infrastructure" will determine Ukraine's actual compatibility with the European agricultural market.

3. Ukraine in the System

For Ukraine, July created a rare combination of a political opening and a material constraint. The EU officially recognised Ukraine’s potential as part of its own protein autonomy. Ukraine, in turn, restored its dedicated ministry and advanced European-integration legislation on organic production. Yet at that very moment, wartime strikes demonstrated that a significant share of agricultural exports depends on a narrow maritime corridor whose capacity can contract rapidly.

The EU Protein Action Plan opens a prospect for Ukraine that extends beyond exports of soy, rapeseed, sunflower or pulses. The European model encompasses breeding and seeds, cultivation, storage, oil extraction, the production of meals and feed, livestock farming, food processing, biofuels, biogas, the reuse of by-products and the return of nutrients to the soil. With each successive link, added value, technological complexity and the number of jobs increase.

There are two fundamentally different scenarios for Ukraine’s inclusion. The first is the supply of raw materials to help achieve European diversification indicators. It is faster, but leaves income dependent on the basis, freight, port throughput and trade restrictions. The second is the formation of joint value chains involving processing, feed production, livestock projects, bioenergy, contracts and shared data infrastructure. It requires more investment and regulatory work, but changes Ukraine’s bargaining position: it sells not only a physical resource, but also a function within the EU food-security system.

This also means that standards are becoming economic infrastructure. The EU Plan explicitly provides for closer alignment of production and sustainability standards for diversified suppliers. The Livestock Strategy introduces harmonised measurement of farm-level emissions, digital technologies for animal health and welfare, origin controls and targeted amendments to animal-welfare legislation. For Ukrainian businesses, market access will increasingly depend on whether the product’s path, feed origin, production parameters, sanitary status and environmental performance can be verified.

Law of Ukraine No. 4921-IX on the State Regulation of Organic Production, Circulation and Labelling of Organic Products, signed on 20 July, is a concrete step within this logic. It unifies production and labelling rules, strengthens state control and brings the Ukrainian market closer to contemporary EU law. Its importance extends beyond the organic segment: the law demonstrates that access to a premium market is created through trust in controls, certification and information, not only through the physical quality of the product.

The restoration of the Ministry of Agrarian Policy and Food creates an opportunity to consolidate these elements into a single policy. A dedicated authority is needed not to return to the sectoral administration of the past, but to manage a modern cross-sectoral framework:

negotiations on the CAP and trade, adaptation to the acquis, market interventions, the payment system, food security, land policy, veterinary and phytosanitary controls, land reclamation, agricultural data, wartime compensation and logistics coordination. If these functions remain fragmented among different centres without a unified decision-making process, institutional restoration will be merely formal.

The port crisis became the restored ministry’s first test. On 29 July, Ukraine, the European Commission, Moldova and Romania held a quadrilateral meeting on the Solidarity Lanes, Danube ports, rail, road and border infrastructure, customs controls and possible financing under TEN-T. According to government data, since the launch of the Ukrainian Sea Corridor in September 2023, it has carried 209.3 million tonnes of cargo, including 124.1 million tonnes of grain. In 2026, seaports handled 46 million tonnes, of which 42.2 million tonnes passed through Greater Odesa and only 3.8 million tonnes through the Danube. Around 90% of Ukraine’s agricultural exports pass through the ports of Greater Odesa.

These figures point to a structural concentration of risk. The Danube and the western border are necessary as reserves, but they cannot quickly be transformed into a full substitute for deep-water ports. Ukraine’s agricultural policy must therefore include maritime security, war-risk insurance, rail routing, reserve transshipment capacity, temporary storage and working-capital financing. Otherwise, even a good harvest turns into a local surplus, lower purchase prices and a liquidity deficit for producers.

The European reform of contractual relations also offers a direct lesson for Ukraine. During a logistics shock, the farmer is at their weakest precisely when a rapid sale is needed. Public cost indicators, standardised written contracts, mediation and capable producer organisations will not eliminate port risk, but they will reduce information and bargaining asymmetries. The development of cooperation and producer organisations should be regarded as part of market infrastructure, rather than as a separate social programme for small farms.

The practical agenda for Ukraine arising from July’s decisions has seven interconnected dimensions:

- establish the full functional mandate and team of the restored Ministry of Agrarian Policy and Food;
- prepare a negotiating position on Ukraine’s role in the EU’s protein, livestock and bioeconomic architecture;
- audit traceability, agricultural registers, and the payment and control systems in line with the logic of the future CAP;
- assess the gap against the EU’s new rules on contracts, producer organisations, labelling and market indicators;
- create a permanent export-logistics management mechanism integrating security, insurance, ports, rail, borders and storage;
- redirect investment incentives from raw-material exports towards the processing of protein crops and oilseeds, feed, livestock farming and bioenergy;

develop rapid-liquidity instruments for farms suffering income losses caused not by production, but by logistics.

Thus, July's impact on Ukraine is not confined to one new opportunity or one new risk. The EU is opening a place for Ukrainian resources while simultaneously raising the requirements governing how they are integrated. The Ukrainian state is restoring its dedicated institution, but it is doing so at a moment when the sector requires a rapid inter-agency response. The successful model will be the one capable of combining European integration, investment policy and crisis management within a single framework.

4. Market Shift

July’s market shift was not a transition from surplus to global shortage, but a weakening of the reliable link between the physical availability of commodities and their economic accessibility. Global balances remain broadly adequate. However, the geography of stocks, weather-related losses in individual exporting countries, fertiliser and energy prices, wartime risks, vessel insurance and port operations are exerting an increasingly strong influence on actual prices, margins and decisions concerning the next sowing campaign.

The FAO index for June, published on 3 July, stood at 130.3 points, 0.3% below May but 1.7% higher than a year earlier. Within the index, markets diverged: cereals fell by 3.5% over the month, while vegetable oils rose by 3.8% and the meat index reached a new record. Wheat prices declined under pressure from harvests and favourable expectations in the Black Sea region; maize prices fell due to ample South American supply and weaker ethanol demand. Oils were supported by biofuel mandates and prices for palm and rapeseed oil.

In the overall balance, FAO forecasts global cereal utilisation in the 2026/27 season at 2.961 billion tonnes and ending stocks at 957.8 million tonnes. A stocks-to-use ratio of 32% does not indicate a systemic shortage. Yet global wheat production is expected at 806.5 million tonnes 4.3% below the previous year-while wheat trade may fall by 9.8 million tonnes, or 4.7%. Barley trade is forecast to decline by 18.8%. This means that an adequate aggregate stock does not remove the risk of lower liquidity in specific commodity and regional segments.

The July WASDE strengthened this signal for maize. USDA cut its forecast for global ending maize stocks by 6 million tonnes, to 275.3 million tonnes. This reflected lower stocks in China, Ukraine and the EU. The forecast for EU maize production was reduced due to record heat in France and a deteriorating outlook in Hungary; the EU import forecast was increased by 3 million tonnes, to 22.5 million tonnes. For wheat, by contrast, USDA raised its estimate of global consumption to 826.2 million tonnes and lowered ending stocks to 272.8 million tonnes, while raising its export forecast for Ukraine.

The European market displays the same duality. The European Commission forecast EU cereal production in 2026/27 at 273.7 million tonnes—close to the five-year average. Oilseed production is expected to increase by 3.1%, while oilseed meal output is projected to reach a record level. At the same time, the forecast did not account for the current heatwaves, fertiliser affordability had fallen to 2022 levels, and rising costs were squeezing margins in crop production, dairy and other sectors. An adequate physical volume of output therefore does not guarantee a recovery in profitability.

The Ukrainian market entered the new season with a relatively active harvest. As of 28 July, 2.6 million hectares, or 22% of the forecast area, had been harvested, yielding 10.65 million tonnes of grains and pulses. Wheat output reached 6.61 million tonnes with an average yield of 43.2

centners/ha, while barley output reached 3.49 million tonnes with a yield of 44.2 centners/ha. At the production level, this generated a positive signal.

Trade, however, showed a deterioration in the ability to convert the harvest into cash flow. In July as a whole, exports of grains and pulses reached 2.601 million tonnes: wheat-1.059 million tonnes, barley-294,000 tonnes and maize-1.244 million tonnes. The figures were higher than a year earlier, but the pace had virtually stalled by the end of the month. This divergence between the cumulative result and marginal dynamics is critical to market assessment: the monthly statistics still look strong, while new contract formation, vessel calls and purchases are already signalling a crisis.

The price signal was also asymmetric. According to USDA, following the June report, export quotations for maize from most major origins increased, while Ukrainian offers fell by $11 to $224 per tonne due to weaker demand from traditional buyers in the Middle East. Following the intensification of attacks, a logistics risk premium was added. As a result, the global price and the price available to Ukrainian producers may move in different directions: the costs of risk, freight, idle time and domestic delivery are deducted from the Ukrainian basis.

The shock-transmission mechanism is as follows: an attack on a port or vessel reduces shipowners’ willingness to enter the area; insurance premiums and freight rates increase; terminals reduce purchases; railcars and trucks accumulate or are redirected; the domestic price diverges from the global price; the turnover of traders’ and producers’ working capital slows; storage costs increase; farmers postpone purchases of fertilisers, seeds or machinery; and the risk carries over into production decisions for the next season. This is why July’s logistics shock is simultaneously a market and a policy shock.

July’s signals for the main commodity groups can be summarised as follows:

> Wheat. Harvesting and ample global supply are restraining prices, but the expected decline in global production and trade increases sensitivity to disruptions among major exporters. For Ukraine, the decisive factor is not gross output, but the regularity of maritime shipments.
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> Maize. The global balance has tightened, while weather-related losses in the EU have increased its import needs. This creates demand for Ukraine, but only if there is physical access to the market and competitive freight.
>
> Oilseeds and protein crops. Structural demand is supported by the EU’s protein autonomy, processing and biofuel mandates. The greatest strategic value for Ukraine lies in processing and meals, not only in seed exports.
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> Fertilisers and energy. The cost shock is already affecting decisions on production technology for the 2026/27 season and potentially the 2027 harvest. The EU is responding with liquidity; for Ukraine, the risk is compounded by limited fiscal resources and more expensive credit.

> Livestock. A record global meat-price index coexists with high feed and energy costs. Europe’s focus on local feed and risk management opens demand for Ukrainian protein, but raises requirements for end-to-end traceability.

Ukraine’s principal market risk in the coming months is not a lack of global demand. It is the inability to convert the physical harvest into liquidity in time. If port capacity remains constrained, a positive external balance does not reach the producer: it is replaced by a weaker basis, longer storage, higher financing costs and reduced investment in the next cycle.

5. Strategic / Operational Forecast

Between August and October 2026, agricultural policy will develop around three nodes: the implementation of European crisis-response measures, negotiations on the post-2027 budget architecture and the restoration of Ukraine’s export capacity. The interaction of these nodes will determine whether the July crisis remains a temporary disruption or entrenches a longer structural gap between production potential and producer income.

Baseline scenario-uneven stabilisation. The ports of Greater Odesa partially resume vessel calls, but insurance and freight costs remain elevated. The Danube and land corridors absorb additional volumes without fully replacing deep-water transshipment. Exports recover in waves, the domestic basis remains weaker than its potential level, and the need for credit and storage grows. In the EU, Member States launch emergency assistance for fertilisers and energy and prepare amendments to their CAP Strategic Plans.

Stress scenario-entrenchment of the logistics premium. New attacks or shipowners’ prolonged reluctance to enter Ukrainian ports keep export capacity close to July’s reduced levels. Purchases by terminals and traders become selective, while pressure on elevators and railways increases as the harvest arrives. The price discount is passed on to producers, impairing their ability to finance autumn sowing and fertiliser purchases. On the European track, trade safeguards and reciprocity requirements may become more stringent if local farm markets experience price pressure.

Accelerated-integration scenario-a transition from response to architecture. Together with the EU, Romania and Moldova, Ukraine agrees on a practical portfolio of projects for the Danube, the border, railways and TEN-T, expands insurance mechanisms and stabilises the maritime corridor. The restored Ministry of Agrarian Policy and Food establishes an inter-agency decision-making centre, submits a Ukrainian proposal on protein chains to the EU and launches an audit of readiness for the new CAP. In this scenario, the crisis is used to redirect investment towards storage, processing, feed, livestock farming and bioenergy.

The key indicators for the coming period will be:

the number of vessel calls, insurance rates and freight rates at the ports of Greater Odesa;

weekly export volumes and the shares carried via maritime, Danube and land routes;

elevator utilisation, railcar queues and the gap between domestic and export prices;

prices for nitrogen fertilisers, gas and fuel ahead of autumn application and sowing;

national decisions by EU Member States on the allocation of €540 million in emergency assistance and their notifications to the Commission by 30 September;

changes to the negotiating framework for the 2028–2034 MFF and the CAP’s place in National and Regional Partnership Plans;

practical steps to implement the EU Protein Action Plan, particularly on standards, partnerships, storage and processing;

the functional structure, staffing and first programme decisions of the restored Ministry of Agrarian Policy and Food;

secondary legislation, control infrastructure and actual implementation of the new law on organic production.

Within the first 30 days, the priority should be to restore turnover: navigational security, insurance, agreed routes, an operational map of port and storage capacities, and financing for storage and working capital. Within 90 days, Ukraine needs a proposal for the EU Protein Action Plan, an assessment of gaps against the new contractual rules, an audit of data and traceability, and a coordinated position on trade safeguards. Within 180 days, an investment portfolio is needed for the processing of protein crops and oilseeds, the feed industry, livestock farming, biogas and logistics diversification.

For businesses, the most rational response is to manage not a single price forecast, but a set of dependencies. Contracts should account for transport windows and review mechanisms; inventories—for the availability of alternative routes; the production programme—for the cost of fertilisers and working capital; and investment—for future EU requirements on origin, emissions and traceability. Businesses that are first to turn regulatory compatibility into an operating system will gain an advantage before Ukraine’s formal EU membership.

For the state, the guiding principle for the next quarter is not to separate European integration from crisis management. Port risk, contracts, agricultural statistics, emergency liquidity, processing and adaptation to the CAP are parts of a single task: to ensure the sector’s capacity to produce, demonstrate compliance, deliver goods and retain a sufficient share of the value created.

General Outlook

July 2026 marked the European Union’s transition to a stricter yet more practical model of agricultural policy. Its strictness is reflected in requirements on contracts, origin, labelling, standards, reciprocity and results. Its practicality lies in the capacity to amend the CAP rapidly, provide liquidity, simplify procedures and direct resources to where a geopolitical shock threatens the next production cycle.

At the centre of this model is not an individual commodity, but a managed chain. Protein connects crop production with livestock farming; livestock farming with territories, animal health, emissions and the bioeconomy; fertilisers with energy and external security; contracts with income distribution; and the budget with data and measurable results. Agricultural policy is increasingly unable to exist as an isolated sectoral vertical.

Ukraine enters this system with significant resource weight, but uneven institutional and infrastructure preparedness. It can substantially strengthen the EU’s protein self-sufficiency and provide grains, oilseeds, feed, biomass and food. At the same time, the July attacks demonstrated that around 90% of agricultural exports are tied to a single port cluster. This is a strategic mismatch: a country the EU regards as an element of diversification itself remains excessively dependent on a single logistics framework.

The restoration of the Ministry of Agrarian Policy and Food offers an opportunity to reduce this mismatch if the ministry becomes a centre of policy formation, rather than merely an administrator of existing programmes. Its performance should be assessed by specific capabilities: the quality of its negotiating position on the CAP and trade, the speed of crisis decisions, data integration, readiness of the payment and control systems, development of producer organisations, income protection and the creation of higher-value-added investment chains.

Ukraine’s strategic choice is not between exports and integration. Exports will remain necessary. The choice is between exports as the final model and exports as one link in a broader production system. If Ukraine limits itself to supplying raw materials, its role in European autonomy will be important, but substitutable and politically sensitive. If it combines production with processing, feed, livestock farming, energy, logistics, data and standards, it will become a partner that is more difficult to replace and will be able to retain a larger share of value within the country.

The coming months will determine whether July’s decisions translate into a durable institutional architecture. For the EU, the test will be its ability to combine autonomy with open trade, farmer income with budgetary constraints, and simplification with trust in the rules. For Ukraine, the test will be its ability simultaneously to restore the regularity of exports, build a functional Ministry of Agrarian Policy and Food, and enter the EU’s new agricultural policy not as a problem for the internal market, but as a co-architect of its long-term resilience.