

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

A TRADE HOPE

THE ROLE OF THE BLACK SEA GRAIN INITIATIVE IN BRINGING UKRAINIAN GRAIN TO THE WORLD

20 October 2022



UNITED NATIONS
UNCTAD



Today, there is a beacon on the Black Sea. A beacon of hope – a beacon of possibility – a beacon of relief -- in a world that needs it more than ever.

I want to recognize and thank all those who helped make it happen.

To our hosts, President Erdoğan and the government of Türkiye:

Your facilitation and persistence have been essential through every step of this process. (...) Thank you very much.

To the representatives of the Russian Federation and Ukraine:

You have overcome obstacles and put aside differences to pave the way for an initiative that will serve the common interests of all.

António Guterres,

United Nations Secretary-General, on the signing of the Black Sea Grain Initiative, Istanbul, July 2022

PHOTO/MARK GARTEN/ONU

ACKNOWLEDGEMENTS

This report would not have been possible without the essential contributions of the Joint Coordination Centre for the Black Sea Grain Initiative, comprised of senior representatives from Ukraine, the Russian Federation, Türkiye and the United Nations, which ensures the safe maritime transportation of grain and other foodstuffs from three key Ukrainian ports in the Black Sea to the rest of the world.

The Global Crisis Response Group convened by the UN Secretary-General played an important role, focusing the world's attention on the food insecurity crisis, providing analysis and calling on the international community to avert the worst cost-of-living crisis in a generation and its devastating impact on billions of people.

As two of the world's largest suppliers of grain, Ukraine and the Russian Federation are important sources of food for many developing countries. However, the war brought grain from Ukraine to an almost grinding halt and slowed down exports of grain and fertilizers from the Russian Federation. Faced with the threat of food insecurity for millions of people around the world, the United Nations brokered two initiatives.

One is the memorandum of understanding between the United Nations and the Russian Federation to facilitate the unimpeded access of exports of their food and fertilizers to global markets.

The second, which we will explore, is the Black Sea Grain Initiative signed by the United Nations, the Russian Federation, Türkiye and Ukraine to reopen the Ukrainian gates of grain to the world.

In a short period of time, the Black Sea Grain Initiative has gathered momentum, and...

More and larger ships have departed from Ukrainian ports.

Number of departures of all cargo ships by week



Putting this into perspective

Average weekly departures of all cargo ships in Ukraine

BEFORE THE WAR

January 2021–23 February 2022



WAR IN UKRAINE

24 February–21 July 2022



INITIATIVE SIGNED

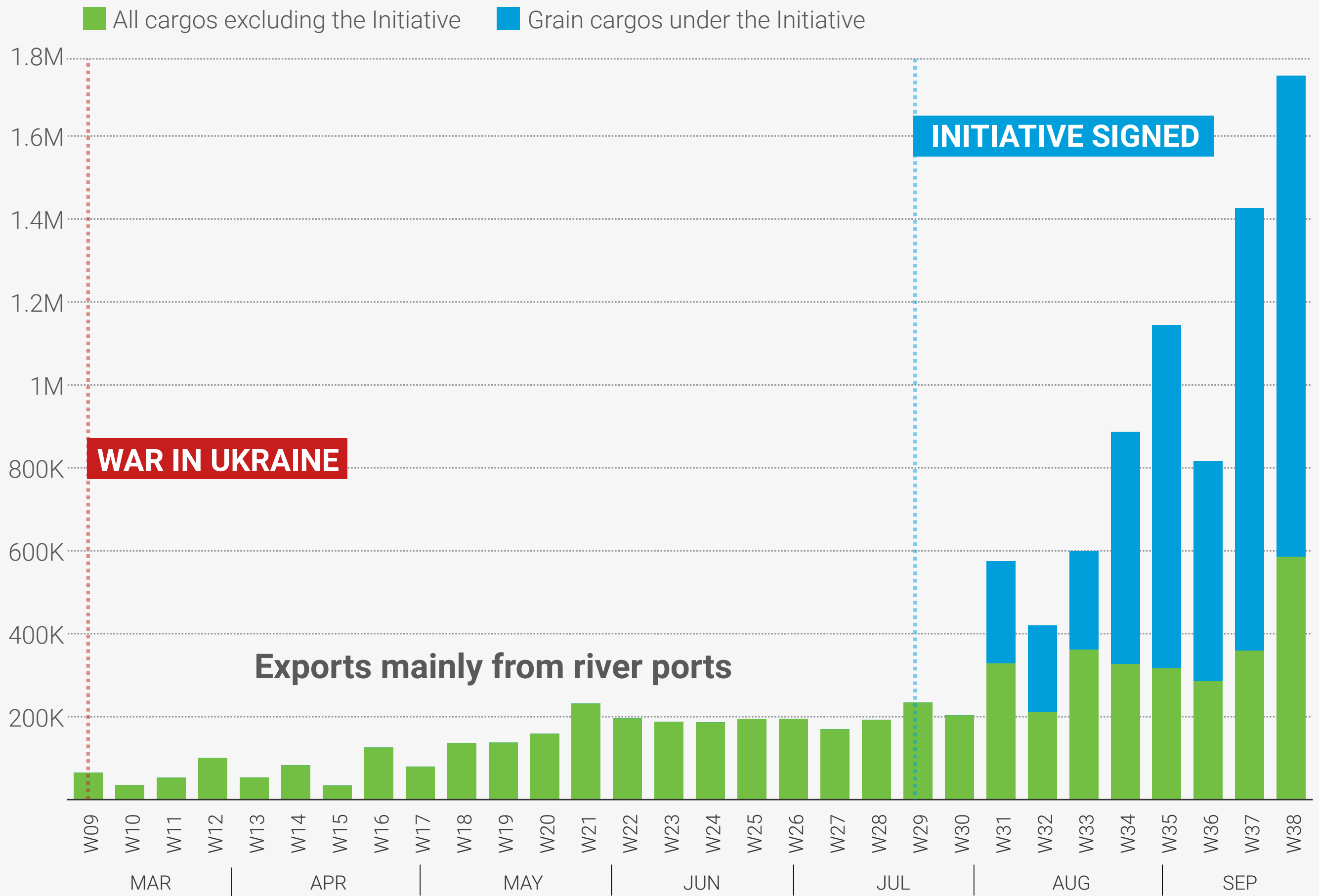
22 July–22 September 2022



Source: UNCTAD, based on data provided by Sea/ (www.sea.live).

And as seaport activity increased so did their exports.

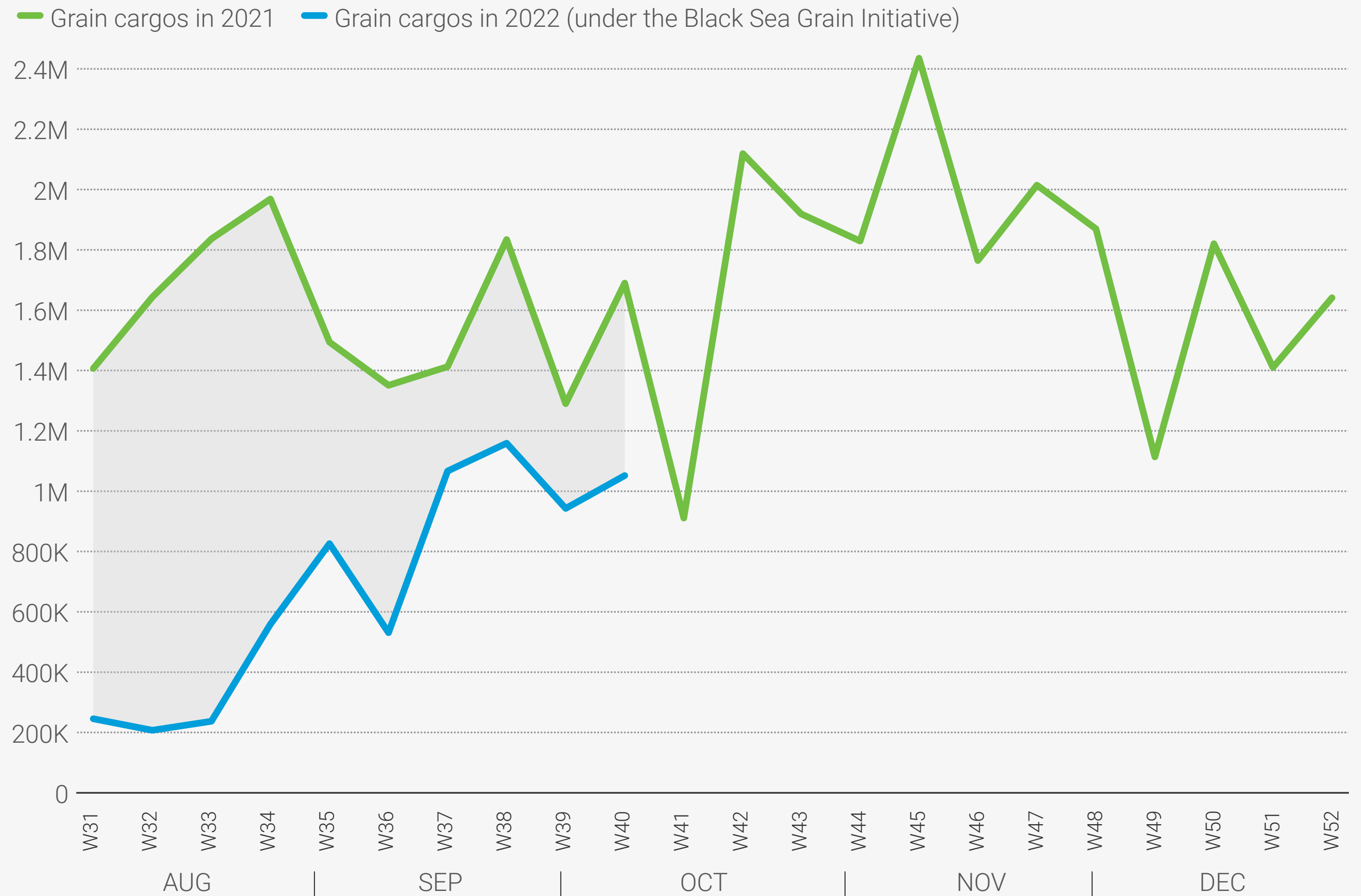
Weekly volume of all cargo shipped from Ukrainian ports (millions of tonnes)



Source: UNCTAD secretariat, based on data provided by Sea/ (www.sea.live) and the Joint Coordination Centre.

The gap in weekly grain cargo is closing. But there is still work to do.

Weekly volume of grain shipped from Ukrainian ports,
2021 vs 2022 (millions of tonnes)



Source: UNCTAD secretariat, based on data provided by Sea/ (www.sea.live) and the Joint Coordination Centre.

**The Initiative has become
a trade hope for the world
and particularly for developing countries.**

Nearly

8,000,000

tonnes of grain and food have left Ukraine

in more than

350

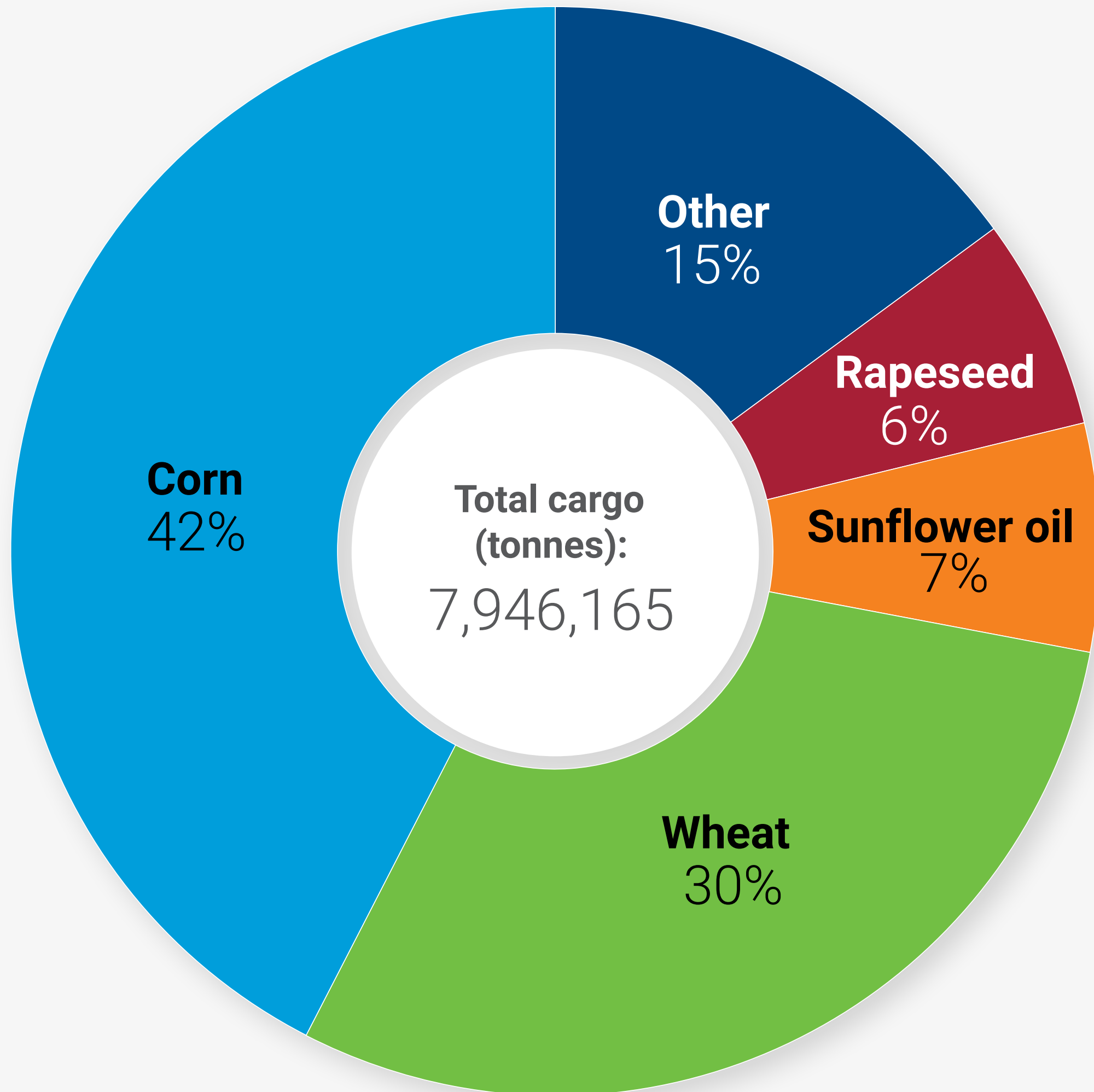
vessels.

As of 19 October 2022

[MORE DETAILS](#)

Food is reaching global markets.

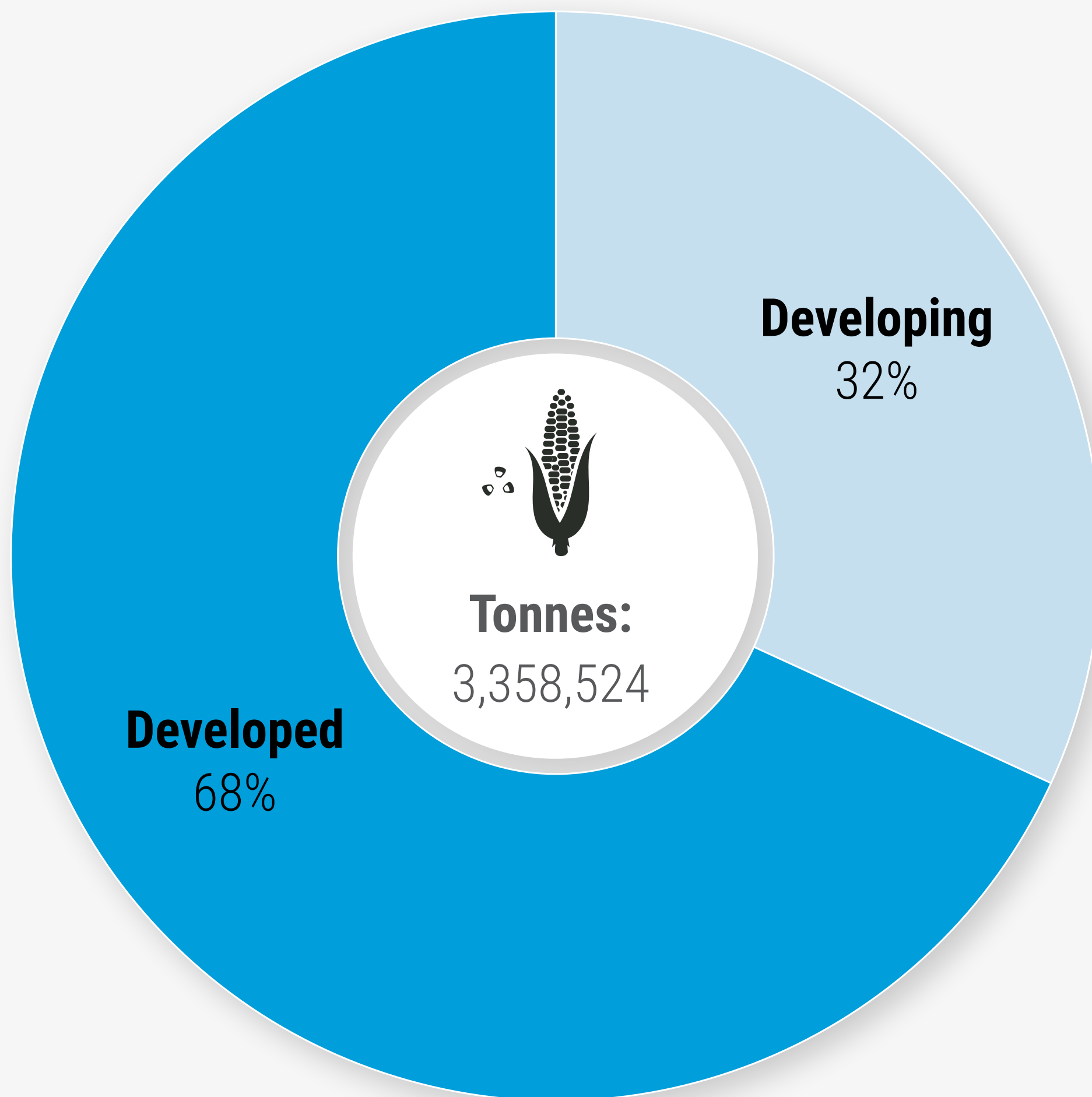
Composition of food exports, as a share of total (percentage)



Source: UNCTAD secretariat based on data from the Joint Coordination Centre as at 19 October.

Most maize goes to developed countries, and likely a significant input for animal feed.

Share of exports of maize to country groups by development status

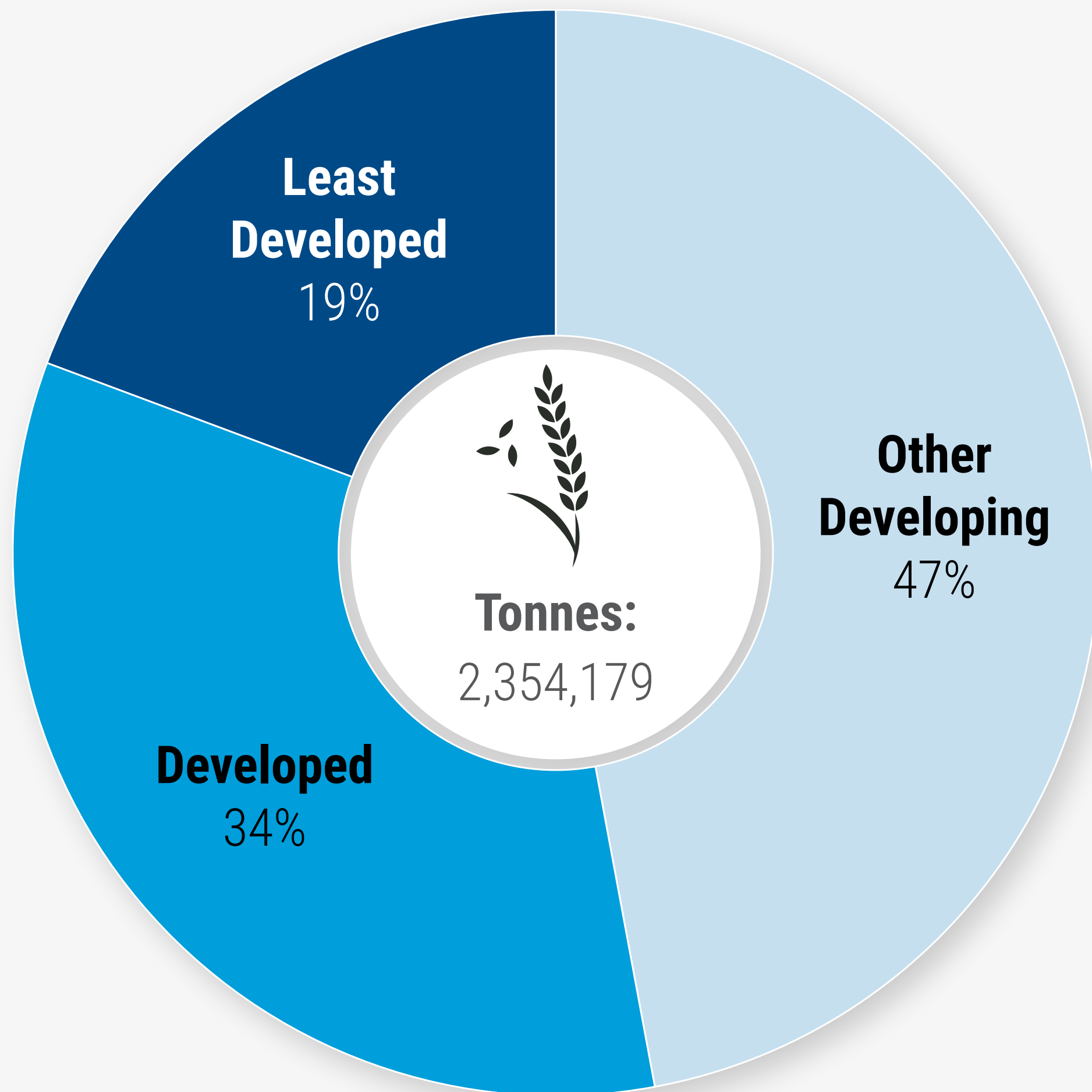


Note: Cargo may be processed and re-exported from the primary destination.

Source: UNCTAD secretariat based on data from the Joint Coordination Centre as at 19 October.

Wheat, a pillar of food security, is mostly going to developing countries.

Share of exports of wheat to country groups by development status



Note: Cargo may be processed and re-exported from the primary destination.

Source: UNCTAD secretariat based on data from the Joint Coordination Centre as at 19 October.

Vital grain is flowing, but there is still a large export gap to fill.

Ukrainian exports to developing countries, selected commodities, in tonnes, January to September, 2021 and 2022

■ Exports ■ Exports before the Initiative (January to July) ■ Exports after the Initiative (August to September) ■ Export Gap

Maize



Wheat



Ukrainian wheat exports to least developed countries, in tonnes, January to September, 2021 and 2022

Total LDCs



Bangladesh



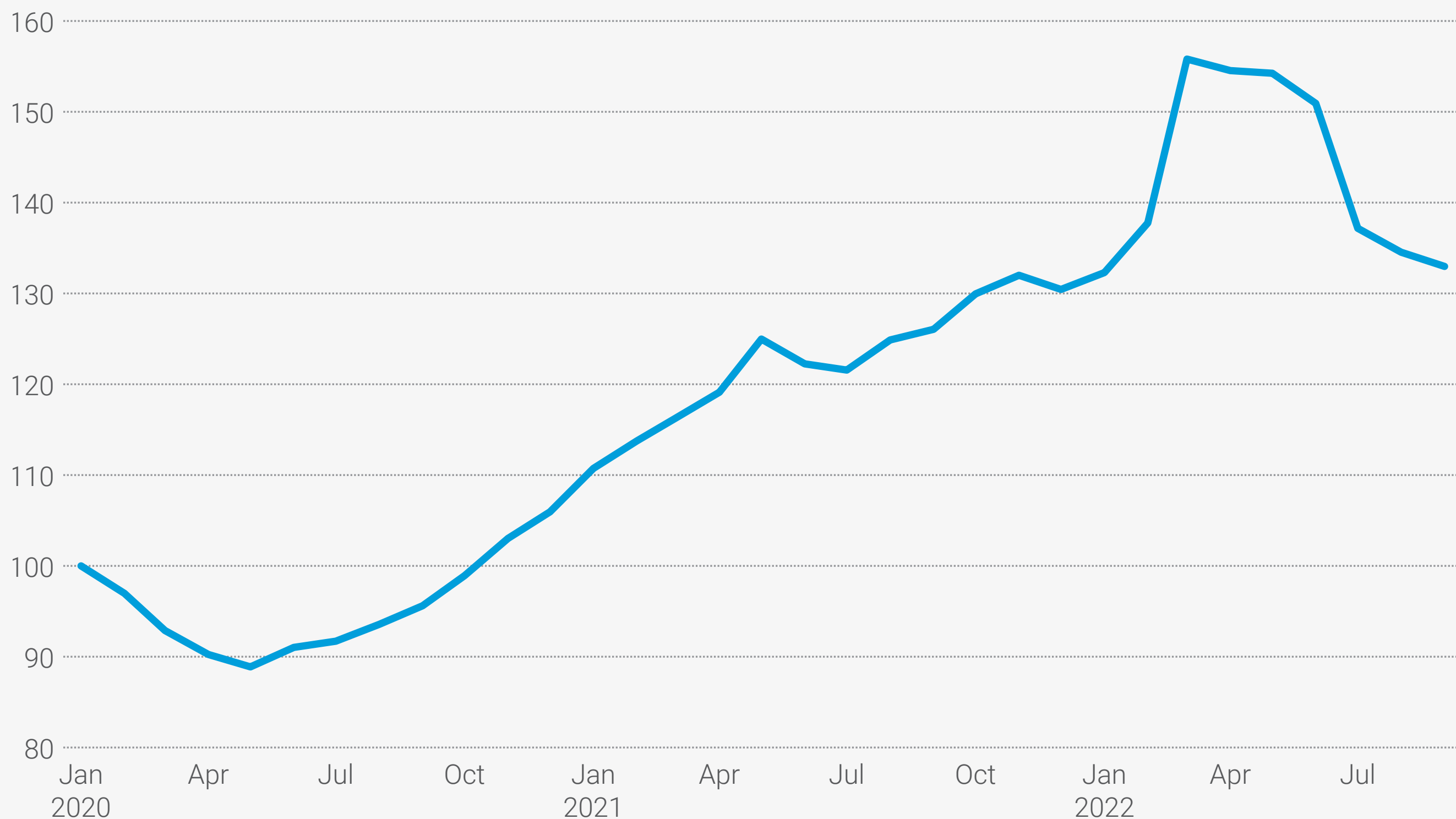
Ethiopia



The Export Gap is the difference in exports between 2021 and 2022.

The Initiative has helped to push down food prices in the last six months.

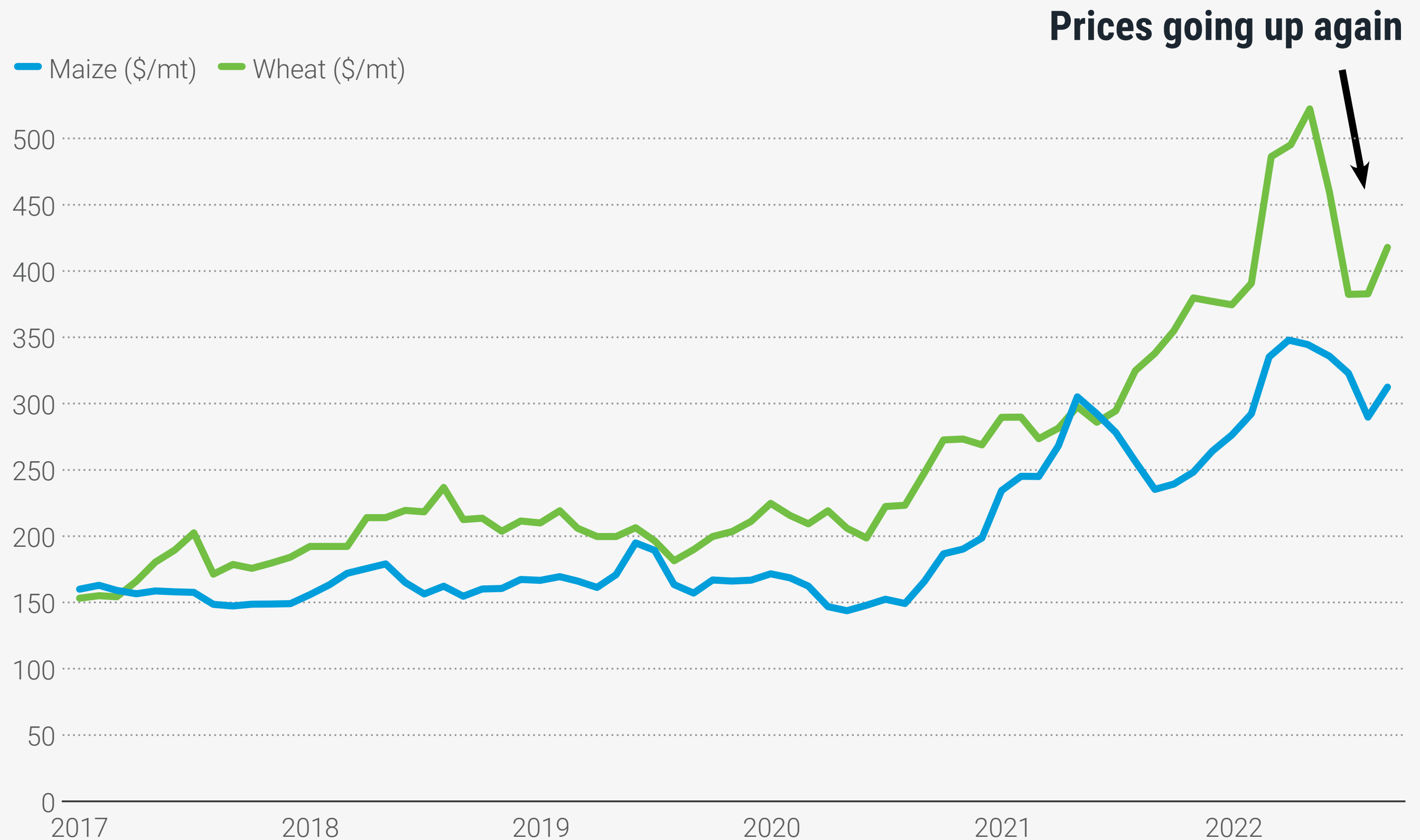
FAO Food Price Index (100=January 2020)



The prospect of the Black Sea Grain Initiative and the reopening of the Black Sea ports helped to push down historically high market prices. Since April 2022, the FAO Food Price index has been on a downward trend.

However, uncertainty about the renewal of the Initiative is sending prices of grain up again.

In nominal US dollars



Source: UNCTAD secretariat, based on data from S&P and MarketWatch.

The Black Sea Grain Initiative remains our best trade hope.



Consult the online and interactive report