

Voluntary Report – Voluntary - Public Distribution

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Report Name: Industrial Hemp Report

Country: Ukraine

Post: Kyiv

Report Category: Agricultural Situation

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Report Highlights:

Hemp is a traditional crop cultivated in Ukraine grown both for seed and fiber. Marketing of hemp gum and hemp extracts as well as THC in any form is outlawed.

Section I – Hemp (general information about regulatory environment)

Industrial hemp production is allowed in Ukraine for seeds and fibers only. Growers must apply for a license in advance of the growing season and must be in compliance with the licensing conditions established in Regulation #282 ([in Ukrainian](#)).

Turnover (marketing) of hemp gum and hemp extracts as well as THC in any form is outlawed.

There are no known limitations on the circulation of hemp seeds, fibers and products of processing thereof, that have a THC limit below the regulatory requirements (0.08 percent).

Section II - Hemp Production

Hemp is a traditional crop cultivated in Ukraine for centuries. Due to administrative regulations (please refer to Section V for more information) in place it is not very popular among farmers.

Hemp area and production volumes

	2016	2017	2018	2019*
Total Harvested Area, thou ha	2.8	2.8	1.1	1.0
Seed Output, thou MT	1.6	1	0.5	0.57
Straw Output, thou MT	2.71	2.16	0.8	0.24

Source: State Statistics Service of Ukraine (SSSU)

*- preliminary data

Hemp is grown both for seed and fiber. Due to the relatively small production volumes, the State Statistics Service of Ukraine (SSSU) does not highlight the specific areas and volumes for fiber. SSSU staff also indicated to Post that the same area could be harvested simultaneously both for seed and fiber.

Estimated yields by product

	2016	2017	2018	2019*
Seed Yield, kg/ha	550	430	460	490
Straw Yield, MT/ha	6.68	1.86	2.02	1.5

Source: State Statistics Service of Ukraine (SSSU)

*- preliminary data

FAS-Kyiv has no official information is available about the number of hemp farmers. However, according to industry news ([in Ukrainian](#)) this number is somewhere between 15-20 enterprises.

A farmer needs a license to grow hemp. The license is issued by the [State Service of Ukraine on Medicines and Drugs Control \(SSUMDC\)](#). A grower should submit an application to the SSUMDC before the growing season begins (usually in the autumn). A grower should also inform SSUMDC about planted area and location on an annual basis. Based on growers' information, SSUMDC submits application for annual hemp growing quotas to the Ministry of Health.

After the growing season is completed (but before October 1), farmers must submit their annual reports on the volume of hemp production to SSUMDC in accordance with Regulation #589 ([in Ukrainian](#)).

Since this crop is grown in the fields, FAS-Kyiv believes that it is rotated with traditional Ukrainian agricultural crops - grains and oilseeds.

According to Ukrainian regulations, the THC level permitted for commercial production is below 0.08 percent, in accordance with Regulation #770 ([in Ukrainian](#)). Hemp plantations that demonstrate THC level above 0.08 percent must be destroyed by a farmer in accordance with Regulation #1026 ([in Ukrainian](#)).

Due to these strict requirements, farmers grow only local industrial hemp seed that is registered in the Ukrainian Registry of Plant Varieties ([in Ukrainian](#)). The Registry contains 12 industrial hemp varieties at the time of the report writing.

Farmers growing hemp have a limited number of choices to sell their product (either for seeds or fiber) taking into account that THC turnover in any form is prohibited in Ukraine by Regulation #770 ([in Ukrainian](#)). Based on this requirement, FAS-Kyiv reasonably believes that cannabinoid extractors cannot legitimately operate in Ukraine.

Considering the limited number of marketing options, FAS-Kyiv believes that hemp farming is less reliant on bank credits compared to grains and oilseeds. In general, Ukrainian farmers traditionally rely more on their own funds and credit lines by input suppliers (seeds and agrochemicals). Commercial annual credit rates range between 12-20 percent.

Section III - Labeling Requirements

Since only low-level THC hemp is allowed for production in Ukraine, and THC turnover is prohibited, labeling requirements for products made of hemp (seeds, oil and processed products of thereof) are identical to the labeling requirements for regular food products. Please refer to [FAIRS report](#) for more details.

An example of packaging/labeling for an energy drink containing hemp is provided below. It contains only the information required to be in compliance with the obligatory food labeling laws/regulations. It also clearly indicates the absence of THC in the product, which is not obligatory in accordance with legislation/regulations in force.



Section IV - Packaging and Container Regulations

No specific requirements known to the Post. Please refer to Section III for more details regarding labeling.

Section V - Hemp/Cannabinoid Regulations

Commercial hemp production is possible in Ukraine, but only with a THC level below 0.08 percent. THC turnover is criminalized.

A seed producer needs to comply with standard requirements for the approval and registration of seed intended for planting into the Ukrainian Registry of Plant Varieties ([in Ukrainian](#)) in accordance with the Ukrainian Seed Legislation. A hemp grower needs to comply with the licensing conditions discussed earlier in this report. These regulations are uniformly applicable to the whole country.

Currently the Ukrainian parliament (Rada) is discussing the possibility of legalizing hemp for medical purposes in Ukraine. However, Post does not believe that it is likely that such legislation will be formalized in the next six months.

Food processors are currently using hemp seeds in variety of food products, including baked goods, food additives, alcoholic drinks, etc., but these are THC-free.

Post does not have any information about hemp-specific restrictions. The rule of thumb, items that are in free circulation in the country (e.g. THC-free seed) do not have any import/export restrictions.

Phytosanitary concerns for hemp are similar to the rest of plants and plant-based products.

Section VI - Provide Regulatory source

[State Service of Ukraine on Medicines and Drugs Control](#) controls legitimate production and [Ministry of Interior](#) polices illegal THC turnover.

Section VII - Other Requirements, Regulations, and Registration Measures

Not applicable.

Section VII - Other Regulatory and Import Contacts

Hemp products with THC fall under the auspices of the Law of Ukraine: “On Drugs, Psychotropic Substances and Precursors” ([in Ukrainian](#)) that governs production and turnover of controlled substances in Ukraine.

Appendix 1 – Hemp product specific HS import or export codes

Exports of Hemp Seeds (HS Code 1207999100) from Ukraine, MT

Partner	Calendar Year			%Δ 2018/17
	2016	2017	2018	
World	337	415	535	29.02
EU 28	167	343	514	50.08
Eurasian Economic Union	2	42	20	-52.38
Poland	80	231	361	56.25
Lithuania	8	22	61	179.94
Czech Republic	42	16	44	172.95
Estonia	0	22	22	0
Kazakhstan	2	42	20	-52.38
Hungary	5	0	16	0
Germany	0	0	10	0
Moldova	5	0	1	0
Romania	10	10	0	-100
Slovakia	1	0	0	0
Turkey	160	0	0	0
United States	0	30	0	-100
Greece	20	20	0	-100
Italy	0	22	0	-100
Japan	0	0	0	0
Bosnia and Herzegovina	3	0	0	0

Source: Trade Data Monitor LLC

Exports of Hemp Seeds for Sowing (HS Code 1207992000) from Ukraine, MT

Partner	Calendar Year			%Δ 2018/17
	2016	2017	2018	
World	31	0	21	0
EU 28	31	0	21	0
Hungary	22	0	21	0
United States	0	0	1	0
Germany	4	0	0	0
Kazakhstan	0	0	0	0
Latvia	5	0	0	0

Source: Trade Data Monitor LLC

Imports of Hemp Seeds for Sowing (HS Code 1207992000) to Ukraine, MT

Partner	Calendar Year			%Δ 2018/17
	2016	2017	2018	
World	9	2	16	786.74
EU 28	9	2	16	786.74
Austria	8	2	16	786.56
Germany	2	0	0	0
Netherlands	0	0	0	-100

Source: Trade Data Monitor LLC

Exports of Hemp Fiber Raw (HS Code 5302100000) from Ukraine, MT

Partner	Calendar Year			%Δ 2018/17
	2016	2017	2018	
World	134	166	62	-62.44
China	42	146	42	-71.15
Belgium	63	20	20	0
Belarus	9	0	0	0
Germany	0	0	0	-100
Netherlands	20	0	0	0
Poland	0	0	0	0

Source: Trade Data Monitor LLC

Exports of Hemp Fiber Processed (HS Code 530290) from Ukraine, MT

Partner	Calendar Year			%Δ 2018/17
	2016	2017	2018	
World	52	0	0	-33.33
Azerbaijan	0	0	0	-100
Lithuania	52	0	0	0
Slovakia	0	0	0	0

Source: Trade Data Monitor LLC

Imports of Hemp Fiber Processed (HS Code 530290) to Ukraine, MT

Partner	Calendar Year			%Δ 2018/17
	2016	2017	2018	
World	1	2	5	150
Africa	1	2	0	-100
Italy	0	0	5	0
Egypt	1	2	0	-100

Source: Trade Data Monitor LLC

Attachments:

No Attachments.