



To: David Malpass, President, World Bank
Kristalina Georgieva, Managing Director, International Monetary Fund
Odile Renaud-Basso, President, European Bank for Reconstruction and Development

CC: Arup Banerji, Regional Country Director for Eastern Europe, World Bank
Vahram Stepanyan, Resident Representative for Ukraine, International Monetary Fund
Matteo Patrone, Managing Director, Eastern Europe and the Caucasus, European Bank for Reconstruction and Development

February 24, 2023

RE: Support Ukrainian Farmers, Not Large Agribusinesses and Oligarchs

Dear David Malpass, Kristalina Georgieva, and Odile Renaud-Basso,

Since 2014, your three institutions have persistently pressured the government of Ukraine to lift the moratorium that was in place on the sale of agricultural land. In dire need of economic aid that was conditioned to this reform and others, the government eventually succumbed to the pressure and passed a law in March 2020 that implemented the creation of a land market in July 2021 (Law No. 552-IX of 31.03.2020).

The measure was opposed by a vast majority of Ukrainians who saw the creation of a land market as detrimental to farmers and citizens while prone to exacerbating corruption and reinforcing the control of the agricultural sector by powerful interests. The Oakland Institute's report, [*War and Theft: The Takeover of Ukraine's Agricultural Land*](#), validates these concerns, showing how the creation of a land market will only increase land concentration in the country while failing to benefit the majority of Ukrainians.

One key factor is that large agribusinesses and oligarchs have been receiving massive financing from the EBRD and the International Finance Corporation of the World Bank. Meanwhile, though they play a key role in ensuring domestic food supply, Ukrainian farmers have to operate with limited amounts of land and financing, and many are now on the verge of poverty. Our data shows that these farmers receive virtually no support compared to agribusinesses and oligarchs. The Partial Credit Guarantee Fund established by the World Bank to support small farmers is only US\$5.4 million, a negligible amount compared to the billions channeled to large agribusinesses by your institutions. With the land market in place, amidst high economic stress and war, this difference in treatment will lead to more land consolidation by large landholders.

Ukrainians have been fighting and dying to defend their land and sovereignty since the Russian invasion a year ago and remain mobilized against this law imposed from outside against their interests. In December 2022, Ukrainian civil society, academics, and farmer organizations called for the suspension of the law and of all "market transactions of agricultural land... in wartime and post-war period." They further demanded the creation of "legal, organizational, and financial mechanisms that protect the public interests and guarantee the rural residents, farmers, small-scale agricultural producers, and youth real opportunities for agricultural land purchase." Their Resolution states that "small-scale agricultural producers and consumers in Ukraine *deserve* a new agricultural reconstruction policy that supports the traditional food culture based on the health of the nation, and where ecological responsibility and economic justice are of top priority."

Post-war reconstruction plans for Ukraine that are already being designed by your institutions are geared towards more privatization and the opening of the Ukrainian economy and its agriculture to foreign interests. It is urgent and imperative that you listen to the calls coming from Ukraine and drastically shift your approach.

The end of the war should be the moment and opportunity for the redesign of an economic model no longer dominated by oligarchy and corruption, but where land and resources are controlled by and benefit all Ukrainians. This would form the basis for the transformation of the agricultural sector to make it more democratic and environmentally and socially sustainable. International policy and financial support should be geared towards this transformation, to benefit people and farmers rather than oligarchs and foreign financial interests.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anuradha Mittal".

Anuradha Mittal
Executive Director
The Oakland Institute