

# Vinnytsia Poultry Farm: Agri-Oligarchy and Its Impacts in Ukraine



# The largest poultry farm in Europe

The vast and sprawling Vinnytsia Poultry Farm (VPF) has been disrupting the lives of local villagers ever since construction began in 2010, with concerns ranging from pollution of local water sources to worker safety, health impacts, and heavy vehicle vibrations causing cracks in homes. Despite over a decade of complaints from affected community members, international public financing continues to pour into MHP, totaling over US\$1.5 billion to date.<sup>1</sup>

Sitting on 100,000 hectares of rural farmland, MHP boasts that the VPF is Europe's largest poultry farm. Its size is impressive: over 500 times larger than the [40,000 poultry capacity needed to be designated a Factory Farm](#). The VPF has at least 19 poultry rearing sites, including 836 poultry houses with 55,000 chickens in each house.<sup>2</sup> In total, the farm has the capacity to house 23 million chickens at a time. It reportedly [slaughters](#) more than 8 million heads per week.

MHP is the largest poultry producer in Europe,<sup>3</sup> and its vertically integrated model of operations has directly led to the creation of mega-farms like the VPF. The company controls all stages of chicken production, from growing and processing fodder to the slaughter and packaging of poultry products, right on the farm. Per year, the VPF is estimated to [consume](#) over 6 million cubic meters of water and produce organic waste on a scale comparable to the whole of London.<sup>4</sup>



# A high cost for local communities and environment

The global impacts of industrial-scale animal farms are well known. Factory farms have been linked to significant climate impacts, through increased greenhouse gas [emissions](#) throughout the production process, large geographical footprints that tend to degrade local ecosystems, and overconsumption of vital water resources.<sup>5</sup> Among other impacts, the rise in intensive farming has reportedly coincided with a decline in birds, tree species and butterfly numbers and has been a key driver of river pollution.<sup>6</sup> Chicken droppings contain significant levels of nitrogen and phosphates, which can starve fish and river plants of oxygen.<sup>7</sup> Factory farms may also contribute to the loss of [food sovereignty](#) and can bring devastating impacts to local communities.<sup>8</sup>

Many of these issues match the concerns raised by local villagers about the VPF. MHP's operations have utterly transformed the rural landscape, and some residents have spent more than ten years protesting MHP's repeated expansions, alleging that they have consistently failed to consult the communities who live there. Their concerns and allegations include:



**Pollution to their water, soil and air** from pesticides and huge quantities of manure by-products spread on local fields and washed into groundwater and surface water;



**Potential health impacts** associated with air emissions and nitrate pollution reaching local wells and chemical pesticides affecting neighboring farms and residents;



**Road safety and damage to houses from road vibrations**, caused by constant heavy vehicle traffic on ill-equipped village roads; and



**Poor working conditions** in MHP facilities which may pose health and safety risks for employees.<sup>9</sup>

A wastewater treatment facility and a biogas plant have been put in place to repurpose chicken manure to create energy for the farm. MHP claims this is a solution to the farm's pollution and climate impacts.<sup>10</sup> However, MHP has failed to produce meaningful data or baseline studies to enable a full understanding of its impact on the environment. Meanwhile, local studies conducted with community participation demonstrate high levels of nitrates in wells that villagers rely on for their drinking water. In a nearby river, testing has shown higher levels of contamination downstream from where MHP's wastewater treatment facility discharges into the water.<sup>11</sup>





Elevated levels of nitrogen compounds are exactly the type of pollution one would expect to see from a massive factory farm like the VPF. The implications for community health are significant: High nitrates in drinking water have been linked to a wide range of acute & chronic health impacts and pose particular risks for pregnant women and infants given their links to birth defects.<sup>12</sup>

A bypass road, promised at the very beginning of the VPF development, was finally constructed a decade later. It was supposed to divert industrial farm vehicles away from local residential areas, but its design and capacity were flawed and heavy vehicles continue to disturb local residents, damage their roads and houses and contribute to poor safety and air quality.

The worst of the impacts from the VPF could have been avoided or mitigated if MHP had consulted with local communities from the outset to understand their concerns about the continued expansion of this mega-farm in such a concentrated area. But villagers say that MHP has failed to disclose sufficient information about the project or its impacts, and failed to provide adequate opportunities for villagers to ask questions or voice concerns about the project until it was too late.

Villagers have faced intense pressure not to criticize the farm—not only a source of local employment, but an internationally-financed development project. This pressure has at times risen to the level of [verbal and physical attacks](#) against villagers raising concerns about the company. The Russian war has only added to the pressure, with each new investment in MHP now characterized as support for a country at war, while community concerns remain unaddressed. Meanwhile, State environmental monitoring has been suspended and information about MHP's expansion plans and their impacts on local environment and health has become even more scarce.



# Financing factory farming in times of conflict

Despite being owned by one of Ukraine's [wealthiest businessmen](#), MHP has repeatedly received public financing to support its operations in Vinnytsia and elsewhere, from banks including the European Bank for Reconstruction and Development (EBRD), the International Finance Corporation (IFC) and the US International Development Finance Corporation (DFC).<sup>13</sup> Together, they have provided more than US \$1.5 billion to MHP.

These institutions have social and environmental policies designed to keep their projects from harming local communities and their environments. In theory, these safeguards should have prevented significant impacts like water pollution and damage to local infrastructure. The policies should also have ensured that local communities had a say in the development of the VPF. Yet these safeguards failed to identify or prevent the harms from the VPF.

Unfortunately, these public banks consistently underestimate the impacts of factory farming and [misclassify](#) agribusiness projects as having impacts that are minor or reversible, when in reality, large-scale factory farming tends to risk significant harm to communities and environments. It is essential to ensure that everyone has access to enough food, but the factory farming model is not the way to do so.<sup>14</sup>

In this case, the tendency to downplay the negative impacts of factory farming has been compounded by a push to fast-track projects in Ukraine, under the banner of wartime aid. There is no question that supporting the people of Ukraine and preventing global food shortages are worthwhile goals. But when these broader goals are used to justify ignoring negative impacts and legitimate local concerns, international financiers are playing a risky game. Any aid plan that prioritizes re-investing in a single powerful agribusiness company again and again deserves careful scrutiny. It begs the question: is this really about wartime aid or are financiers simply enriching oligarchs at the expense of everyday people?



## Seeking accountability

When the safeguards failed to protect them, affected community members from the local villages of Olyanytsya, Zaozerne and Kleban found a way to assert their rights to a healthy and livable environment. In 2018, they submitted formal complaints to the accountability offices of two of the lenders: the EBRD's Independent Project Accountability Mechanism ([IPAM](#)) and the IFC's Compliance Advisor/ Ombudsman ([CAO](#)). These offices provide a pathway for communities to voice their grievances directly to financiers. Accountability offices typically allow complainant communities to choose between two options: compliance review, wherein the office investigates the bank's compliance with its own social and environmental policies; or dispute resolution, which allows affected communities to engage in mediated dialogue with the bank and the borrowing company - in this case, MHP.

After filing their complaints, the villagers opted for dispute resolution, and the IAMs agreed to facilitate a joint dialogue process. Three and a half years later, after 23 dialogue meetings, MHP withdrew from the process without having reached a final agreement. Frustrated but undeterred, the villagers requested compliance review. After significant delays, both accountability offices have now initiated investigations into possible violations of lenders' social and environmental standards, with investigation reports due to be publicly released later this year.

## Investing in solutions and avoiding future harm

Public financiers supporting MHP must:

- ✓ Invest in solutions that address any investigation findings of non-compliance, such as by setting up a community environmental monitoring system.
- ✓ Supervise projects closely to ensure stronger possibilities for community participation starting when new facilities are being proposed, designed and sited, and continuing throughout their operations.
- ✓ Acknowledge the real impacts of factory farming, at the Vinnytsia Poultry Farm and across agribusiness investments by public development banks.

# Notes and References

<sup>1</sup> So far there have been 6 loans from the IFC, 7 from the EBRD, 1 from the DFC and dozens from the Dutch trade insurance agency Atradius DSB.

<sup>2</sup> The exact number of poultry houses currently operating at the VPF is not publicly disclosed, but original project documents plan for as many as 22 poultry sites. See Vinnytsia Poultry Farm ESIA Supplementary Information Report, Dec. 2016, at sec. 2.5.

<sup>3</sup> “Annual production of 704 million chickens puts MHP at the head of the rankings in terms of poultry meat companies in Europe, according to the [WATT Poultry Top Poultry Companies](https://www.wattagnet.com/regions/europe/news/15755521/mhp-reports-halfyear-revenue-gains) survey (2023).” <https://www.wattagnet.com/regions/europe/news/15755521/mhp-reports-halfyear-revenue-gains>.

<sup>4</sup> The 2025 [Thames Water Sustainability Report and ESG Statement](#) estimates 374,500 tonnes of organic sewage waste produced in the last year, compared to the VPF’s forecasted manure production rate of 393,162 tonnes/year. Vinnytsia Poultry Farm ESIA Supplementary Information Report, Dec. 2016, at p. 119.

<sup>5</sup> See this letter from the Stop Financing Factory Farming Campaign (S3F) to the IFC raising similar concerns about the VPF: <https://stopfinancingfactoryfarming.com/resources/letter-ifc-mhp-2023/>.

<sup>6</sup> Revealed: More than 24,000 factory farms have opened across Europe, 12 Jun. 2025, The Guardian, <https://www.theguardian.com/environment/2025/jun/12/research-reveals-24000-megafarms-across-europe>.

<sup>7</sup> For more information on this issue, see: <https://water.unl.edu/article/animal-manure-management/effects-manure-fish-populations/>; <https://www.cambridge.org/core/journals/world-s-poultry-science-journal/article/abs/evaluation-of-the-nitrogen-content-in-poultry-manure/9A68025563CC3C5385FDFAA432C23F95>.

<sup>8</sup> For further discussion of the impact of factory farming on food sovereignty, see: <https://www.compassioninfoodbusiness.com/our-work/the-impact-of-factory-farming/>.

<sup>9</sup> See the original complaint for a full description of the concerns and viewpoints raised: [https://cdn.prod.website-files.com/68e5762082f60ead6d3ad3ab/69bc8d19677b63cfe66517cf\\_6.5.18%20Complaint%20to%20CAO%20from%20three%20Ukrainian%20communities%20regarding%20IFC%20investment%20in%20MHP.pdf](https://cdn.prod.website-files.com/68e5762082f60ead6d3ad3ab/69bc8d19677b63cfe66517cf_6.5.18%20Complaint%20to%20CAO%20from%20three%20Ukrainian%20communities%20regarding%20IFC%20investment%20in%20MHP.pdf).

<sup>10</sup> Sustainable Development: MHP’s biogas projects are central to its efforts toward energy independence and environmental responsibility, <https://mhp.com.ua/en/stalyy-rozvytok>.

<sup>11</sup> International agribusiness ambitions leave local impacts in Ukraine: A case of Environmental Impacts from poultry producer MHP, CEE Bankwatch Network, <https://bankwatch.org/story/international-agribusiness-ambitions-leave-local-impacts-in-ukraine-a-case-of-environmental-impacts-from-poultry-producer-mhp>.

<sup>12</sup> Nitrate and Nitrite in Drinking-water: Background document for development of WHO Guidelines for Drinking-water Quality, 2016, World Health Organization, <https://www.who.int/docs/default-source/wash-documents/wash-chemicals/nitrate-nitrite-background-document.pdf>.

<sup>13</sup> For example, recent investments in MHP include EBRD project [55954](#), [55679](#) and [54642](#); and IFC project [46415](#).

<sup>14</sup> For more information, see <https://stopfinancingfactoryfarming.com/>.

# Image Captions / Credits

**Image 1 (cover):**

A brigade of poultry houses at the Vinnytsia Poultry Farm (Credit: Accountability Counsel).

**Image 2 (p. 2):**

Poultry houses next to a local waterway (Credit: Accountability Counsel).

**Image 3 (p. 3):**

Biogas plant at the Vinnytsia Poultry Farm (Credit: Accountability Counsel).

**Image 4 (p. 4):**

Villagers allege that poultry transport vehicles contribute to foul odors and building damages from road vibrations (Credit: CEE Bankwatch Network).

**Image 5 (p. 4):**

Houses along the main road show cracks, which villagers allege were caused by the Vinnytsia Poultry Farm's heavy vehicles (Credit: Accountability Counsel).

**Image 6 (p. 5):**

Heavy trucks lined up at the farm's fodder plant (Credit: CEE Bankwatch Network).

**Image 7 (p. 8):**

Chicken feathers scattered on the ground (Credit: CEE Bankwatch Network).

