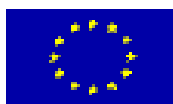




Ministry of Agrarian Policy of Ukraine



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**Implementation of Ukraine's Commitments under WTO and ENP Frameworks in the  
Rural Sector (Sector Wide Approach), Ukraine  
(Europeaid/126205/C/SER/UA)**

**Overview of Latest Rural Developments  
August 27 September 02, 2009**

***WTO AND ENP Frameworks***

Announcement

The International Research-and-Practical Conference "Implementing fundamental and Innovative academic methodologies in undergraduate and graduate programs in the agrarian area" will be held at the Southern branch of the Crimean Agri-Technical School of the National University for Bio Resources and Nature Management. Attendees will include Deputy Minister of Agrarian Policy A. Miroshnykov, directors of MAP departments, leading researchers, agrarian educational institutions' staff members, Eastern European experts, representatives from agrarian NGOs, graduate and post-graduate students.

The Conference participants will summarize outcomes of the international project "Implementing fundamental and Innovative academic methodologies in undergraduate and graduate programs in the agrarian area", which began on September 01, 2007 and involved EU partner universities, such as Gent University, Belgium, Humboldt University in Berlin, Germany as well as Ukrainian agrarian universities from Lviv and Mykolaiv. Educators will discuss plans for establishing a new educational program which, at a later time, will be included in the graduate and post-graduate programs of Ukrainian agrarian universities. They will also discuss the importance of research communications and distance learning for Ukrainian universities and existing plans for intensifying participant of MAP and Education Ministry representatives in international training and research projects managed by Eastern European experts.

*Source: Press Service of the Ministry of Agrarian Policy of Ukraine*

Announcement

The Fifth International Conference "Energy from Bio Mass" will be held in Kiev on September 22-23. The Conference will host two seminars.

"Methane from solid household wastes to markets" seminar will be devoted to various aspects of efficient utilization of bio gas at dumps. It will focus on economic, financial, and technological aspects of project development and implementation. The seminar will be sponsored by the "Methane to Markets" cooperation program and US Agency for Environment Protection.

The other seminar – "Bio Mass Action Plan for Ukraine" was prepared as part of the Dutch-Ukrainian intergovernment project "Bio Mass and Bio Fuel in Ukraine". Seminar participants

will present major provision of the Action Plan, cover existing problems in the Ukrainian bio energy sector, and present proposed solutions.

*Source: [www.biomass.kiev.ua](http://www.biomass.kiev.ua)*

The Six "European Neighborhood Days" was conducted on August 29-30. This year, it was the first time when European Neighborhood Days was held at the Western border of Ukraine on the river of Bug. Numerous events were conducted, such as the Transborder Cooperation Forum, performances of Polish and Ukrainian Creative Teams, organizations' exhibitions and presentations, crafts fair, master classes, physical culture and sport festival, football match, tournaments, transborder fair, integration events for children and young people.

Participants to the Transborder Cooperation Forum (there were some 200 representatives from HGOs, local governments, executive authorities, international institutions, and entrepreneurs) discussed the current status, problems and prospects for transborder cooperation development and shared their experience of successful implementation of transborder projects. Special attention was paid to implementing the Eastern Partnership Initiative in Ukraine.

*Source: [www.kordony.net](http://www.kordony.net)*

## ***Food Safety***

The Cabinet of Ministers published the Draft Decree "On approving the Regulation on officials sampling for detecting certain substances and their residues in live animals and products of animal origin" which was developed following adoption of the Law of Ukraine "On the National program for harmonizing the Ukrainian legislation with the EU legislation".

To ensure food security, EU countries exercise strict controls to prevent existence of prohibited substances in products of animal origin based on a relevant regulatory framework. Lack of such regulatory framework in Ukraine is one of reasons for low competitiveness of Ukrainian animal products and their exclusion from European markets.

Drafting of the said Technical Regulation was necessitated by a need (i) to harmonize the national regulatory framework serving a basis for official controls over content of certain substances in live animals and animal products in the processes of moving and distributing them at domestic and international markets with relevant EU regulations, and (ii) to mitigate risks for lives and health of people, animals and environment which may arise due to incompliance with international requirements.

*Source: State Veterinary Medicine Committee of Ukraine ([www.vet.gov.ua](http://www.vet.gov.ua))*

With approval of the State Veterinary Medicine Committee of Ukraine, the State Committee on Regulatory Policy and Entrepreneurship is planning to postpone enactment of provision prohibiting slaughtering of more than five animals a day unless at other facilities than slaughter houses and sale of domestically produced cheese and unprocessed milk. Amendments to the Law of Ukraine "On Food Safety and Quality" were drafted with allowance for the current difficult social-and-financial situation in the Ukrainian agrarian sector.

When preparing for accession to WTO, Ukraine assumed a number of commitments, specifically, those with regard to amending the national legislation. A part of that amendments, Ukraine passed the revised Law of Ukraine "On Food Safety and Quality" which prohibited slaughtering more than five animals per day at other facilities than slaughter houses, sale at food markets of domestically produced cheese and unprocessed milk and carcasses and parts of

carcasses of cloven-hoofed and other hoofed animals slaughtered at individual farms. According to final provisions of the law, the said provisions were to come into force effective January 01, 2010.

However, one should take into regard that today over 14.5 million people reside in rural areas. According to the State Statistics Committee, the rural population keeps over four million bovine animals including almost 2.3 million cows or 69.4 percent and 78.3 percent of the total Ukrainian cattle population, respectively. Ukrainian individual farmers produce 49.1 percent of meat and 79.6 percent of milk. Under such huge production volume, the proposed sales limitation will have a counterproductive effect on producers and lead to reduction in the number of the livestock. Besides, individual farmers were poorly informed of the upcoming effective date of the limitation.

The draft act intends to postpone enactment of Part 2 of Article 33 and Part 1 of Article 35 of the Law of Ukraine "On Food Safety and Quality".

To this end, it is proposed to replace "the year of 2010" with "the year of 2015 in final provisions of the current law and also to add a clause binding the Cabinet of Ministers to prepare and approve a plan of actions within three months for implementing Articles 33, 35 of the Law with allowance for international requirements and Ukraine's commitments. This area is regulated by the Laws of Ukraine "On Food Safety and Quality" and "On Veterinary Medicine".

*Source: State Veterinary Medicine Committee of Ukraine (www.vet.gov.ua)*

### ***Market Infrastructure***

"The Cabinet of Ministers of Ukraine supported proposals of the Antimonopoly Committee of Ukraine on ensuring stability, economic order and preventing law-breaking at grain and grain storage services markets", says a communication of the Antimonopoly Committee Press Service.

Specifically, the Antimonopoly Committee proposed to consider feasibility of introducing government regulation of rates for services in grain storage. This concerns setting of a marginal level of grain storages' profitability in the rate setting process.

*Source: APK-INFORM*

"During talks on possible procurement of sugar between representatives from the Economy Ministry of Ukraine and their Belarusian counterparts, the Belarusian party proposed a rather high price for sugar – %550 per ton which is currently not acceptable to Ukraine", reported Deputy Minister of Economy of Ukraine Victor Panteleyenکو. "The Belarusian party may sell to us 50,000 tons of sugar through the end of the year and proposes it at \$550 per ton. This is too high price for us".

At the same time, Mr. Panteleyenکو noticed that Ukraine intended to continue discussing procurement of sugar in Belarus. Consultations and negotiations may be resumed in November after completion of the harvesting season in Ukraine.

*Source: www.BIZ.liga.net*

Despite lowering of selling prices by producers, fish became by 12.7 percent more expensive at the Ukrainian market since the beginning of the year. Such increase caused shrinking of the fish sales volume. Production of fish products fell by 26.3 percent down to 32,800 tons between January and July 2009. Despite official statistics show that catch of fish rose by 3.2 percent (up to 119,400 tons) during the first seven months as compared to the same period of 2008, Ukraine experiences a material reduction in production of finished fish products, in particular, tinned fish.

It should be noted that under current financial crises, tinned product manufacturers find themselves in a difficult situation: they have to repay loans, suffer from lack of floating funds and face falling demand for their produce.

*Source: www.BIZ.liga.net*

### ***Rural Development***

"The Government will address issues associated with execution and issuance state titles to land plots to Ukrainian citizens for free", stated Prime Minister of Ukraine Julia Tymoshenko on August 26<sup>th</sup>. "Today, we come up with a strategic document intended to streamline all procedures for issuing such titles", emphasized Mrs. Tymoshenko.

The Head of the Government pointed out that all people have to do in order to receive such title is to file a relevant application with a village/town/city council, passport copy, taxpayer number certificate, and council's decision on allocating the land plot.

*Source: APK-INFORMs*

The Ministry of Agrarian Policy of Ukraine initiates adoption of a Concept of the National program for sustainable rural development until 2020. A relevant draft instruction is posted on the MAP web site. The ultimate objective of the program is to create proper conditions for sustainable rural development. The Concept of the Program envisages a number of measures intended to ensure sustainable rural development.

The document emphasizes that today virtually all construction of paved roads, engineering, utilities and socio-cultural facilities in rural areas is suspended.

Authors of the document believe that implementation of the program will insure stabilization of the demographic situation in most rural areas, land improvements, and improvement of living standards in rural areas. UAH 300 billion or UAH 27 billion per year is needed for program implementation. The program will be funded from the national and local budgets and bank loans, investments and other sources.

*Source: UNIAN News Agency*