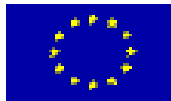




МІНІСТЕРСТВО  
АГРАРНОЇ ПОЛІТИКИ УКРАЇНИ



Проект фінансується  
Європейським Союзом



Проект впроваджується  
консорціумом на чолі з WYG  
International

*Implementation of Ukrainian's Commitments under WTO and ENP Frameworks in the Rural  
sector  
EuropeAid/126205/C/SER/UA*

## **Agricultural/rural sector news digest 5-11 of November 2009**

### ▪ **WTO and Neighborhood Policy**

According to the press service of the Presidential Secretariat, Deputy Head of Presidential Secretariat Andriy Goncharuk said that after negotiations between the President of Ukraine Victor Yushchenko and the President of Belarus Alexander Lukashenko the Ukrainian-Belarusian communiqué was adopted.

The sides confirmed that a further strengthening of equal and mutually beneficial relationship is one of the foreign policy priorities of the two countries. To make efficient use of agricultural production capacities and increase the overall presence of agricultural, food and other products in the markets of Ukraine and Belarus it was decided to hold a session of Ukrainian-Belarusian working group by the end of 2009. In this context, the President supported the initiative of creating a joint Ukrainian-Belarusian food company.

RBC-Ukraine, 05.11.2009

The Russian Government decided to maintain higher rates of import duty on milk powder (20%), butter (15%, but not less than 0.35 Euro per kg) and soybean meal (5%). This decision was adopted at the meeting of the Governmental Commission of the Russian Federation on protective measures in foreign trade and customs tariff policy, said the press service of the Russian Government.

BIZ.liga.net, 09.11.2009

### ▪ **Food Safety**

State Committee of Veterinary Medicine of Ukraine has temporarily banned import of products from 9 foreign meat processing companies from Poland, Germany, Belgium, France and Vietnam after receiving results from laboratory studies. As a result of selective advanced veterinary-sanitary inspection of these products, 47 cases of non-compliance with the requirements of current legislation of Ukraine for microbiological indices were registered.

Experts from State Veterinary Service of Ukraine have already checked 447 foreign processing enterprises (181 companies from the EU among them) including 78 companies (25 companies from EU member states among them) from the beginning of 2009.

<http://www.vet.gov.ua/>, 05.11.2009

During the third quarter of 2009 inspectors of the State Committee of Ukraine for Technical Regulation and Consumer Policy checked 14 861 tonnes of milk and oil butter during production

process. 2 004 tons, representing 14% of checked products, have not meet the normative documentation requirements, said press-service of the Committee.

Violations were detected in 9 out of 25 companies checked. The most common violations of requirements for milk and oil butter production were non-compliance of physical and chemical indices and labelling and packaging defects.

After receiving the inspection results the Committee has forbidden the sale of 5 parcels and 2 kinds of products. 4 decisions imposing fines totalling 2 865 thousands UAH for distribution of products of poor quality were issued.

UNIAN, 05.11.2009

During the third quarter of 2009 inspectors of the State Committee of Ukraine for Technical Regulation and Consumer Policy checked 97.85 tons of dairy products (milk, cream, dry milk, dairy and solid fast fat cheese, cultured milk products, casein) and ice cream worth 1 million 184 thousand 780 UAH. 11.379 tons (worth 130.062 thousand UAH), representing 11.6% of checked dairy products, have not meet the normative documentation requirements, said press-service of the Committee.

Violations were detected in 47 out of 77 companies checked. The most common violations were non-compliance of physical, chemical, microbiological and organoleptic indices and labelling defects. After the inspection has been completed, 13 companies were banned from selling 29 parcels of products and 13 companies were banned from selling 19 kinds of products. 44 decisions imposing fines totalling 84 thousand 091 UAH for distribution of products of poor quality were issued.

UNIAN, 10.11.2009

## ▪ **Market Infrastructure**

### ANNOUNCEMENT

November 26, 2009 the EU Project “Implementation of Ukraine's Commitments under WTO and ENP Frameworks in the Rural Sector”, which is implemented with the assistance of the Ministry of Agrarian Policy of Ukraine, will hold the roundtable: “The role and place of professional agricultural associations and NGOs in the development of agricultural markets and market infrastructure in the agricultural sector”.

The roundtable will be held in the framework of implementation of Project Component 3 – “Market Infrastructure Development” in part of technical assistance to professional agricultural organizations in improving their capabilities and capacity to effectively deliver marketing support services to their members. The current state and prospects of development of professional associations and NGOs in the agricultural sector are among issues to be considered.

### ANNOUNCEMENT

December 10, 2009 the Association "Ukrainian Agribusiness Club" (UABC) will hold a conference "Doing Agribusiness in Ukraine: Prospects for 2010". The conference aims to create a comprehensive picture of the prospects for the agricultural companies in 2010 ranging from foreign markets of agricultural products and raw materials to state support and technological aspects of agricultural production.

The conference will take place with the support of the Ministry of Agrarian Policy of Ukraine. It will be attended by Ukrainian agricultural companies, in particular, “Ukrros”, “Industrial dairy company”, Agricomplex "Green Valley", SC "Milky land Ukraine", Ltd. “Ramburs”, "Agrosolutions”, “Agroton” and others.

<http://agribusiness.kiev.ua/>

The land market in Ukraine can be established no earlier than 2014, said the senior analyst of Phoenix Capital investment company Andriy Nesteruk on the roundtable "Agriculture in Ukraine - a competitive sector of the economy" which was held November, 5 at the RBC-Ukraine press-centre in the framework of Joint Project of Phoenix Capital Investment Company and RBC-Ukraine agency's "Economic Advisor".

"While rental rates are at \$ 30 per 1 hectare, the introduction of a land market could lead to a mass sale of land resource, for about \$ 200 per 1 hectare. Therefore the government should set a minimum rent and sale price for land. Otherwise lands will be bought by banks for a song and become a subject of further speculation" - said A. Nesteruk.

He also stressed that introduction of land market in Ukraine is rather political than economic issue.

<http://economics.unian.net/>, 06.11.2009

In early November purchasing prices for live cattle and pigs have decreased in most regions of Ukraine, while the cost of poultry remained unchanged, reports the Ukrainian Agribusiness Club (UABC). Higher weight bulls became cheaper most noticeably - by 0,4-0,5 UAH per kg on average to 10.9 UAH per kg (live weight).

Prices of pork dropped by 0,5-0,8 UAH per kg in live weight, with average prices 17 UAH per kg.

According to UABC experts, this situation is connected primarily to the seasonal increase in supply of cattle for slaughter at a stable volume of imports and decline in consumer demand.

APK-Inform, 09/11/2009

## ▪ **Rural Development**

Development of the agricultural sector of Ukraine depends on the form of management the government will determine to be a priority, said the Chairman of Parliamentary Committee on Agrarian Policy and Land Relations Mykola Prysiashnyuk at the roundtable "Agriculture in Ukraine - a competitive sector of the economy", which was held November, 5 at the RBC-Ukraine press-centre in the framework of Joint Project of Phoenix Capital Investment Company and RBC-Ukraine "Economic Advisor".

"The Government should clearly say which form of management is a perspective one: farms, private sector or industrial forms. Or a combination of all forms, depending on the sector", - said M. Prysiashnyuk. In his opinion, whatever decision will be taken one can not neglect the private sector because the vitality of the countryside depends on its development. "Dozens of villages disappear from the map annually. In the same time no other country in the world can say that up to 33% of its population live in rural areas and it is our task to preserve this potential", said Parliamentary Committee Chairman. According to him, equal attention should be paid to the development of agricultural science and its integration into production and to the issue of increasing role of village councils in addressing the budgetary and land issues.

RBC-Ukraine, 05.11.2009

Ukrainian Parliament passed the draft law № 4563 "On amending some laws of Ukraine On non-profit organizations activities" to its second reading. The draft law proposes to define agricultural service cooperatives as non-profit organizations and provide state support for these cooperatives by amending laws "On enterprise profit tax", "On agricultural cooperation" and "On farm".

RBC-Ukraine, 05.11.2009

Ukrainian Parliament adopted the Law № 4430 "On Amendments to Some Legislative Acts of Ukraine (on simplifying the procedure for acquiring land rights). Law simplifies the procedure of acquiring land ownership and land-use rights for land of state and municipal property for natural

and legal persons, as well as expands land-use rights of landowners and land users. In particular, it is foreseen that "land owners and users shall determine the use of land within the particular category of land (except agricultural land and defence land) by themselves within the requirements for using this category of land established by law, taking into consideration urban land use planning and land planning documentation.

RBC-Ukraine, 05.11.2009