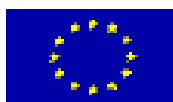




Ministry of Agrarian Policy of Ukraine



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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  
December 10, 2009 – December 16, 2009**

***WTO AND ENP Frameworks***

A Ukrainian delegation headed Mr. V. Pyatnytsky, the Deputy Minister of Economy, took part in the Seventh Session of the WTO Ministerial Conference “The WTO, the Multilateral Trading System and the Current Global Economic Environment” which was held in Geneva, Switzerland between November 30, 2009 and December 02, 2009. The delegation included Ms.

V. Zavalevska, the Deputy Minister of Agrarian Policy of Ukraine. The event was conducted in the form of plenary sessions, working sessions, bilateral negotiations and informal meetings including the following sessions:

**(1) Overview of the WTO Operation and Doha Development Round Agenda**

Participants of this session discussed various aspects of regional trade agreements, programmes of technical assistance to least developed and developing countries, negotiations regarding accession of new WTO members and the current status of the Doha Development Round.

As far as accession of new WTO members is concerned, the head of the Ukrainian delegation emphasized that Ukraine would conduct bilateral negotiations in such a way that would ensure benefits from accessing new markets in which Ukraine is interested.

**(2) WTO's Contribution in Reinstatement, Growth and Development**

Participants to the session discussed monitoring of measures which are taken by member countries to counteract consequences of the financial crisis. It was noted that some countries reacted to the crisis with further liberalization of international trade through reduction of tariff rates. Mr. Pyatnytsky pointed out in his speech that Ukraine believed that trade should be free, and measures intended to stimulate economic growth should not limit trade or distort competition.

Besides, the Ukrainian delegation was heavily involved in bilateral negotiations including those with WTO accession countries.

Source: <http://minagro.gov.ua>; December 15, 2009

A Ukrainian delegation led by Deputy Minister of Agrarian Policy Mr. Yaroslav Hadzalo took part in the 30<sup>th</sup> Session of the International Grain Council which was held in London.

The participants to the forum discussed prospects for grain market development in 2010 and considered and approved a proposed work plan for the years of 2010 and 2011. As part of the session, Ukrainian specialists participated in the roundtable devoted to the influence of grain prices on prices for bread and other food products.

*Source: Press Service of the Ministry of Agrarian Policy of Ukraine; December 10, 2009*

## ***Food Safety***

### Announcement

A press conference of Mr. P.I. Verbytsky, the Chairman of the State Veterinary Medicine Committee of Ukraine, is scheduled for December 16, 2009. The title of the press conference is "Summary of activities of the Ukrainian Veterinary Service in 2009 and its tasks with regard to ensuring food security of Ukraine".

*Source: <http://www.vet.gov.ua>; December 14, 2009*

Chief veterinary doctors of pig production enterprises discussed veterinary and zootechnical problems of industrial pig breeding as part of the International research-and-practical conference on December 9-10, 2009. The conference was attended by Deputy Minister of Agrarian Policy Mr. Anatoly Miroshnykov, First Deputy Chairman of the State Veterinary Committee Mr. Volodymyr Horzheyev, chief veterinary doctors and zootechnicians from pig production enterprises, representatives from government agencies, research institutions and experts from Russia, Austria, Spain, Belgium and other countries.

The forum participants discussed the epizootic condition of the pig production sector, progress in implementing innovative approaches and technologies, biological safety programs for modern pig farms and other issues. Foreign experts shared their experience of solving veterinary and zootechnical problems faced by the industrial pig production sector in their countries.

*Source: <http://www.vet.gov.ua>; December 10, 2009*

"The State Committee on Technical Regulation and Consumer Policy of Ukraine has approved 444 national standards which are harmonized with international and European standards and five changes which are harmonized with European ones since the beginning of 2009", Committee Chair Ms. Larisa Losyuk told at the expanded meeting of the Committee Collegium. Overall, there were 5,998 valid Ukrainian national standards harmonized with international and European standards as of December 01, 2009. "Major efforts of the Committee aimed at implementation of the National standardization programme for 2006-2010 and the Programme for revising interstate standards (GOST) developed prior to 1992", pointed out Ms. Losyuk. "The priority was given to development of national standards harmonized with international and European ones. The said activities were carried out by 154 Ukrainian technical standardization committees".

*Source: [www.agroua.net](http://www.agroua.net); December 15, 2009*

## ***Market Infrastructure***

"The International Finance Corporation is planning to invest \$60,000,000 in agrarian projects in Ukraine in the marketing year of 2009/10," stated Mr. Vadym Kodryan, an agribusiness investment advisor to the IFC representative office in Ukraine. "We are also willing to become

companies' shareholder on the condition that the other shareholders will share risks with us and will invest their money in company development. Besides, we are not going to be shareholders for a very long time; we need to have a clear withdrawal plan. For example, there are small companies whose capital after completion of a project is insufficient to be listed on a stock exchange or to be sold to a strategic investor. However, even if the said conditions are met, we might not be interested in a certain business area. We will consider each project on a case by case basis", Mr. Kodryan added.

According to Mr. Kodryan, there are only three agrarian projects in the active phase at the moment. "The IFC Boards approved those projects. The corporation is also interested in three or four other projects which are under consideration now," the IFC advisor told.

Source: [www.unian.net](http://www.unian.net); December 12, 2009

According to the Ministry of Agrarian Policy of Ukraine, Ukraine has exported 12,200,000 tones of grain since the beginning of the marketing year of 2009/10. "This is a piece of good news as it means not only extra income in foreign currencies but also less remaining grain," commented Mr. Volodymyr Lapa, the leader of an expert group from the Ukrainian Agrarian Business Club. Analysts predict that the grain export for the entire 2009/10 marketing year will total 20 million to 21 million tons. "In addition, we expect prices for grain to rise by 10 percent to 15 percent in the spring of 2010", Mr. Lapa says.

Source: *Ukrainian Business Resource*

"In fact, the new 'anti-crisis agrarian draft law' empowers bureaucrats with administration of animal production support in 2010 that, according to Law # 922 which was held unconstitutional, was previously done almost automatically, on rather transparent principles and under sufficient control of tax authorities," President of the Ukrainian Agrarian Confederation Mr. L. Kozachenko commented "2010 agrarian-and-tax innovations".

From now on, according to Draft Law # 5416, outstanding VAT amounts accumulated by meat processing enterprises, which were previously paid directly to meat and milk producers as the government support (as much as over two billion hryvnias per year) will be channeled to the so called Special Fund of the State Budget.

Source: [www.agroconf.org](http://www.agroconf.org); December 14, 2009

## ***Rural Development***

"One million worth state-owned assets will be distributed to Ukrainian citizens by the end of 2009," Prime Minister Yulia Tymoshenko said at the solemn ceremony of delivering titles to land plots to residents of the villages of Zubra and Solonks (Pustomytsky raion) and Lagodiv (Peremyshlyansky raion) during the working visit to Lviv oblast. At the title delivery ceremony Mrs. Tymoshenko emphasized that more 2,000 peoples had already received titles to land plots in Lviv oblast "and this process is underway in entire Ukraine". The Prime Ministers reminded that 6,500,000 titles to land plots would be issued and delivered for free.

Source: *RBK-Ukraine News Agency*; December 13, 2009

The Cabinet of Ministers of Ukraine allocated UAH 286,000 from the Stabilization Fund for regional events to be held on the occasion of 20th year anniversary of farmers' movement. Prime Ministers Yulia Tymoshenko signed a relevant government resolution. The state budget funds will be provided on an irrevocable basis and be utilized with allowance for the Regulation on using stabilization funds in 2009 for the purposes of reducing loan interest rates, funding investment projects and supporting selected projects in the agri-industrial sector. According to the said resolution, the budget funds will be used to fund regional events devoted to the 20<sup>th</sup> anniversary of farmers' movement, publishing the book "Thorny Path of a Ukrainian Farmer" (contemporary history of farmers' movement in Ukraine), manufacturing anniversary medal and symbols "Twenty years of farmers' movement" etc. The Ministry of Agrarian Policy and Association of Farmers and Private Landlords are appointed the manager and recipient of the budget funds, respectively.

*Source: [www.unian.net](http://www.unian.net); December 15, 2009*