

 <p>МІНІСТЕРСТВО АГРАРНОЇ ПОЛІТИКИ УКРАЇНИ</p>	 <p>Проект фінансується Європейським Союзом</p>	 <p>Проект впроваджується консорціумом на чолі з WYG International</p>
<p><i>Implementation of Ukrainian's Commitments under WTO and ENP Frameworks in the Rural sector EuropeAid/126205/C/SER/UA</i></p>		

## Agricultural/rural sector news digest 11-17 of February 2010

### WTO and Neighbourhood Policy

February 15, 2010 negotiations between Deputy Minister of Agrarian Policy of Ukraine V.A. Zavalevska and the delegation from the People's Republic of Bangladesh led by the Ambassador of Bangladesh in the Russian Federation and (concurrently) Ukraine, S. Hock took place in the Ministry of Agrarian Policy of Ukraine.

The aim of the negotiations was to establish cooperation between the countries in agriculture and discuss the possibilities for cooperation in agricultural trade. The parties confirmed their interest in supplying Ukrainian agricultural products to the Republic of Bangladesh and Bangladesh products to Ukraine under long-term cooperation.

Department of Foreign Economic Cooperation, Ministry of Agrarian Policy of Ukraine, 16.02.2010

February 9, 2010 the draft resolution number 6049 on Ukraine's participation in establishing Common Economic Space (CES) with Belarus, Kazakhstan and Russian Federation and developing mutually beneficial economic cooperation was registered in the Verkhovna Rada of Ukraine. As it is noted in the memorandum to the document creation of the CEA will provide conditions for stable and efficient economic development of member countries and improve people's lives, in particular, by removing restrictions on trade between member countries and deepening mutually beneficial economic cooperation.

AIC-Inform, 11/02/2010

### ▪ Food Safety

Ukrainian dairy companies will not be allowed to access the EU markets in 2010. This was announced at the press conference of Agriculture Forum by the Agrarian Policy Minister Yuriy Melnyk. "None out of 16 milk companies, that had applied, did pass the European Union inspections and consequently they have no chance to enter the EU market this year", said the Minister. He said that EU inspectors also sent a request to the Ministry of Agrarian Policy to check meat processing companies, but MAP succeeded in organizing check-up for only two meat companies. However, none of these two has passed the inspection. At the same time Y. Melnyk noted that in 2010 one more company will be inspected. According to the Minister, the issues of product quality and access to the EU markets for sugar companies, alcohol industry and producers of biofuels are now being considered. "We must not forget that not only grain, but also final products should be supplied to the foreign markets", said Yuriy Melnyk. According to him in 2009 Ukraine has a positive balance of \$ 4.6 billion of foreign trade in agricultural products.

Interfax-Ukraine, 15.02.2010

#### ANNOUNCEMENT

The "Kyiv Expo Plaza" exhibition centre will host February, 24-26 the International Forum of food and packaging industries. Apart from such traditional exhibition as "Pack Expo", "Prodtechmash", "Prod Expo Ukraine" a new one "Bakeries and confectionery industry" will be exposed at the forum. The event will be attended by companies who due to the crisis were not there last year. Petruzalek, Food Plan, Amaranth, Alpha Pack, CPP Kyiv, Aronis, Cudding systems just to name a few", said the forum organizers. The exposition of French packaging equipment manufacturers and food processing industry representatives will be held at the forum for the first time. The event is supported by the French

Government, World Packaging Organization (WPO), Ukrainian Packers Club, Ukrmeat Association and Ukroil Association.

UNIAN, 17.02.2010

New international food quality certificate Global GAP is being introduced in Ukraine. It is not a public but a voluntary standard and has a great reputation among manufacturers and retailers abroad. Global GAP confirms the quality of technologies and not of final products. To complete the verification process a manufacturer must make public all the manoeuvres he made and show which supplements and plant protection products were used.

Until now Ukrainian products have been certified at the final stage of their production when it is difficult to determine how honest the production process was. In the same time, Ukrainian manufacturers are reluctant to move to the new European standards. The experts say that the situation would be different if the commercial networks require such a certificate. Today retailers with the exception of a few large ones are not very demanding to the products that are being supplied to them. However, for those who seek to enter foreign markets such certificates will be indispensable.

www.agroua.net, 15.02.2010

## ▪ **Market Infrastructure**

The agricultural forum "Hand over agricultural policy making to producers" was held in Kyiv, February 12 on the initiative of the Agrarian Party of Ukraine and the Agrarian Union of Ukraine. The discussing of the current issues of agriculture was attended by the Minister of Agrarian Policy of Ukraine Yuriy Melnyk, the chairman of the Agrarian Party of Ukraine and the Agrarian Union of Ukraine Yuriy Karasyk, the President of UNAAN Myhailo Zubets and others. Following discussion the participants made appeals to the President of Ukraine, Prime Minister of Ukraine and Verkhovna Rada of Ukraine concerning decisions that shall be taken in order to solve actual problems of the agricultural sector.

Ukrinform, 12.02.2010

The Cabinet of Ministers of Ukraine allowed the Agrarian Fund to sell in 2009/10 marketing year grain of 2006-2009 crop from the Public intervention fund according to the prescribed procedure, informed the newspaper "Governmental Courier" February, 11. Grain will be sold at equilibrium prices that have been established over the last three trading sessions on Agrarian Exchange and accredited commodity exchanges, but not below the purchase price including costs associated with grain storage and transport. The decree from February 3, 2010 # 98 comes into force in accordance with the paragraph "h" of item 6.2 of art. 6 of the Law "On Public Support of Ukrainian Agriculture".

AIC-Inform, 11/02/2010

According to the State Statistics Committee of Ukraine average selling prices of agricultural products in January 2010 increased by 31% compared to same period last year. Prices of crop products increased by 71%, of livestock by 16%. The total output of agricultural products in all categories of farms in January 2010 compared with January last year increased by 5.4%. At agricultural enterprises it increased by 12.7%, in households - reduced by 0.3%.

At the previous meeting, the Prime Minister of Ukraine Yulia Tymoshenko said that agricultural output growth in January 2010 shows that the crisis in this industry had been overcome.

Liga Business Inform, 16/02/2010

### ANNOUNCEMENT

February 18, the round table: "Ukrainian agricultural sector: peculiarities of work at the time of financial crisis" will be held in the Liga Business Inform press-centre.

Round table participants will discuss the main issue: what awaits the agricultural sector in 2010 and how one can change the situation in favour of agricultural producers. It is assumed that the government representatives will inform about the measures to be taken to stabilize the situation in the sector and representatives of agricultural businesses will outline the challenges they face and suggest ways of market stabilization.

<http://www.liga.net/>, 15.02.2010

## ▪ **Rural Development**

Livestock, sugar-beet and biofuels industries should be priorities for public support in Ukraine, said the Minister of Agrarian Policy of Ukraine Yuriy Melnyk. "Of course, we should have a balanced public policy but nevertheless a special attention should be given to these industries through technical and technological assistance", said the Minister.

He said that the government must help rebuild the infrastructure of these industries to stimulate not only the increase of production output, but also final processing and sale of the products. The support of biofuel production will allow farmers to have an alternative in case processors refuse to buy raw materials from them. The Minister said that traditional livestock subsidy schemes involving money transfer on a special bank account to processors with its subsequent transfer to cattle owners have been restored. Y. Melnyk reminded that butter and milk had been included to the list of price control and February 11 Ukraine's Cabinet adopted the decree that sets the amount of public procurement for these products. According to the minister, this will keep milk prices at one the same level and avoid summer price increases.

RBC-Ukraine, 15.02.2010

February 12, the meeting of the working group to elaborate the draft State target program for sustainable development of rural areas till 2020 took place in the Ministry of Agrarian Policy of Ukraine with the participation of experts from the EU project "Implementation of Ukraine's commitments under WTO and ENP in the rural sector".

February 3, 2010 the Government approved the Concept of the State target program for sustainable development of rural areas till 2020. According to the decision taken, the Ministry of Agricultural Policy together with other central executive bodies must within three months submit the draft State program to the Cabinet.

February 15-16, the twentieth anniversary congress of the Association of Farmers and Landowners of Ukraine was held in the "Ukrainian House". First Deputy Minister of Agrarian Policy Luzan Y., Vice Ministers A. Shevchenko and R. Schmidt attended this forum dedicated to the 20-year anniversary of the farmers' movement in Ukraine.

Ivan Tomych the president of the Association of Farmers and Landowners of Ukraine presented the report "Twenty years of farmers' movement in Ukraine". Best farmers, movement's leaders and founders of the Association received state and AFLU awards and valuable gifts. The celebration was attended by MPs, representatives of the President of Ukraine, the Cabinet of Ministers of Ukraine, regional and district state administrations, farmers, research institutions and NGOs.

MAP Press Service, 16/02/2010