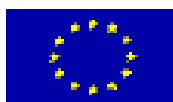




Ministry of Agrarian Policy of Ukraine



The Project is funded by the  
European Union



The Project is implemented by a  
consortium led by WYG International

**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  
between February 25, 2010 and March 03, 2010**

▪ ***WTO AND ENP Frameworks***

Economy Ministry's experts developed the Draft Law "On Governmental Forecasting and Strategic Planning". "For Ukraine, which has just begun transferring to principally new approaches to strategic planning and forecasting, adoption of the Law of Ukraine "On Governmental Forecasting and Strategic Planning" is of vital importance", said Economy Minister Bohdan Danylyshyn. This Draft Law is a result of thorough analytical work in studying international experience of implementing strategic planning systems by government authorities. The Draft Law determines essential provisions and stages of developing and implementing strategic plans of central executive authorities and national and regional targeted programmes being parts of mid-term expenditure frameworks as well as powers with regard to governmental forecasting and strategic planning.

*Source: www.me.gov.ua; February 26, 2010*

The tenth round of the negotiation on free trade area between Ukraine and EU is taking place in Brussels from March 1, 2010 through March 5, 2010. According to the Press Services of the Economy Ministry of Ukraine, which refers to Minister Danylyshyn, ten subject working groups are planning to discuss 13 areas of cooperation, namely: tariff proposals; trade protection instruments; administrative cooperation in the customs sphere; services; competition – government support; competition – antimonopoly legislation; intellectual property rights; sustainable development and trade; trade aspects of cooperation in power engineering; transparency; settlement of disputes; settlement of disputes in the area of power engineering.

*Source: RBK-Ukraine; March 02, 2010*

The Conference "Development of Civil Society in the Rural and Agriculture Sectors of Ukraine. Experience of the European Union" was held in Kyiv on March 03, 2010. The Conference was organised by the Technical Assistance Information Exchange Instrument of the European Commission and Agrarian Chamber of Ukraine jointly with the EU-funded Project "Implementation of Ukraine's Commitments under WTO and ENP Frameworks in the Rural Sector" and Coordination Bureau for European and EuroAtlantic Integration of the Secretariat of the Cabinet of Ministers of Ukraine.

Presenters and other participants discussed problems of integrating the Ukrainian economy in the European and global economy and shared experience of developing NGOs in rural areas and in the agriculture sector.

Participants to the Conference included representatives from the European Commission, Ukrainian central and regional authorities and local governments, non-government and professional organizations of the European Union and Ukrainian agri-industrial sector and other organizations.

- ***Food Safety***

During the year of 2009, inspectors of regional departments for consumer rights protection of the State Committee of Ukraine on Technical Regulation and Consumer Policy inspected goods, works and services with the total value of over UAH 303,500,000. Non-compliance with regulatory requirements was detected for goods and services totalling over UAH 101,000,000 (about 30 percent of all goods and services).

Altogether, some 45,000 trade operators, service providers and restraints were inspected in 2009. 89 percent of them did not meet statutory requirements in respect to consumer rights protection. Most common violations included lack of timely or complete information on available goods or services; sale of goods or services without proper documentation; production or sale of goods/services which do not comply with regulatory requirements; cheating buyers/customers. More than 313,000 violations were detected.

Staff members of Committee's regional department inspected over 4,951 tons of food products (bread and baked products, pasta, pastries, sugar, meat, fish and dairy products, butter, oil, fruit, vegetable, babies' food, eggs). 42 percent of inspected products were withdrawn from sales because of absence of general information on goods or accompanying documentary evidences of proper quality and safety, non-compliance with regulatory requirements or expired shelf life term.

*Source: www.economics.unian.net; February 26, 2010*

The Press Service of Donetsk Oblast State Administration reports on the meeting of the State Extraordinary Anti-Epizootic Commission which was devoted to taking intensive actions to prevent proliferation of African swine fever in Donetsk Oblast.

Following the official notice of the International Epizootic Office of occurrence of African swine fever at pig farms in Krasnodarsky Kray and Rostovsla oblast in the Russian Federation, there is a danger of bringing the disease causative agent in Donetska oblast. In order to improve effectiveness of prevention measures, the Commission decided: (i) to conduct an education campaign targeted on owners of pig farms and the public at large; (ii) to intensify state veterinary-and-sanitary control and supervision over movements of pigs; and (iii) to ensure "close-ended" operations of pig farms of all institutional forms.

Beside that, a decision was made to initiate an ongoing monitoring of pig farm with regard to taking veterinary-and-sanitary actiona to prevent bringing of the African swine fever virus and intensifying work of mobile groups responsible for detecting and withdrawing poor quality and dangerous products.

*Source: LigaBusinessInform; March 02, 2010*

The Health Ministry of Ukraine compiled a list of food products subject to control of the GMO content. The list includes raw materials and food products that may be produced with such raw materials, namely: soya, maize, sugar beet, rape, cotton, wheat, sunflower, rice, food additives made with GMOs, special dietary food products made with GMOs, etc.

Following adoption by the Ukrainian Parliament of two Laws of Ukraine – "On amending the Law of Ukraine 'On Food Safety and Quality' with regard to informing people on GMOs content

in food products" and "On amending selected acts of Ukrainian legislation with regard to providing information on the content of genetically modified components in products", all food products must bear either "With GMOs" or "Without GMOs" mark.

Today, more and more retailers reject domestic and imported food products lacking "With GMOs" or "Without GMOs" marks and require that suppliers provide reports on GMO tests. According to Economy Minister Bohdan Danylyshyn, this situation may lead to a deficit of food products in the retail network and large losses of food industry operators including producers and importers. "Making the "Without GMO" mark on food products mandatory does not comply with the EU legislation and will make food producer sustain unjustifiable multi-million expenses", says Mr. Danylyshyn.

*Source: APK-Inform; March 01, 2010*

### ▪ **Market Infrastructure**

According to the State Statistics Committee of Ukraine, the total volume of agriculture production at all farms categories rose by 5.4 percent in January 2010 as compared to January 2009. It was increased by 12.7 percent at agriculture enterprises and fell by 0.3 percent at individual farmsteads. In January 2010, all farms sold 266,000 tons of cattle and poultry (live weight) to slaughter houses, which was by 0.9 percent more than in January 2009, produced 575,000 tons of milk (by 1.7 percent less) and 1,116 million eggs (by 2.9 percent more). Agrarian enterprises experience an eight percent increase in sale of cattle and poultry to slaughter houses. In addition, they produced by 4.2 percent and 4.3 percent more milk and eggs, respectively. At the same time, individual farmsteads reduced production of meat (by 3.6 percent), milk (by 3.7 percent) and eggs (by 0.8 percent). In January 2010, individual farmsteads accounted 58 percent, 74 percent and 27 percent of said animal products production, respectively.

*Source: www.Biz.liga.net; February 26, 2010*

According to the State Statistics Committee, the Ukrainian GDP dropped by 15 percent in 2009. The 2009 nominal GDP amounted to UAH 912.5 billion, which was by UAH 37.3 billion less than in the previous year. The agriculture GDP was UAH 157.1 billion in the year of 2009 – a 0.1 percent growth from 2008.

*Source: APK-Inform; March 01, 2010*

The Ministry of Foreign Affairs of Belarus initiated an anti-dumping investigation concerning the import of starch syrup from Ukraine. This is the subject of the Ministry notice published in the "Respublica" newspaper on February 27, 2010. The investigation is conducted at the request filed by BelBioFarm Concern on behalf of the Belarusian pharmaceutical industry. The concern produced over 78 percent of all starch syrup in Belarus between 2006 and 2008. According to the said notice of the Ministry of Foreign Affairs, available data suggest a dumping import and infliction of material losses to the industry. BelBioFarm claims that the dumping margin on starch syrup was 7.1 percent in the year of 2008.

*Source: APK-Inform; March 01, 2010*

### ANNOUNCEMENT

The Adam Smith Institute is holding the II International Forum "Agribusiness in Ukraine" in Kyiv on March 16-18, 2010. The subject of this year's forum is "How to improve competitiveness of the Ukrainian agrarian sector?"

*Source: <http://www.adamsmithconferences.com/>*

### ▪ ***Rural Development***

The Collegium of the State Committee on Land Resources approved an action plan to attain its 2010 strategic goals. This year, major activities of the Committee will aim at intensifying the land reform, formulating real landlords, developing free entrepreneurship, creating conditions for profitable operations of agriculture enterprises, improving living standards of the rural population, and ensure food security of Ukraine. Agency's strategic goals for the current year are identified based on its top priorities, namely: developing a system of government guarantees of ownership of land; planning the use and management of land (developing major actions in land planning, developing the land management system, completing development of the national programme for use and protection of land, continuing the process of drafting regulations, technical documents, standards and rules in the area of land management and land protection); developing the economy of land use (ensuring an increase in the land value, creating a system for encouraging the rational use and protection of land, increasing investment attractiveness of the land use, continuing works in land valuation, developing the land market infrastructure); developing the institutional framework of land relationships (drafting the National Targeted Programme for Developing Land Relationships in Ukraine until 2020; continuous improvement of the land legislation).

*Source: [www.dkzr.gov.ua](http://www.dkzr.gov.ua); February 26, 2010*