

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

# Overview of Latest Rural Developments between March 18, 2010 and March 24, 2010

# WTO and Neighborhood Policy

The Ministry of Agrarian Policy of Ukraine held two-day training workshop on "Harmonization of Ukrainian legislation and rural development policy with the EU standards". The workshop was held in the framework of intergovernmental exchange of experience. The aim of the workshop was to share experience between the Kingdom of the Netherlands and Ukraine on elaboration and implementation of rural development policy involving policy makers at the regional level. Ways to harmonize Ukrainian rural development policy with European standards and opportunities to adapt the experience of the Netherlands in Ukraine were discussed.

## Department of Rural Development, MAP, 18/03/2010

Ukraine should not rush to create free trade zone with the European Union, said French ambassador Jacques Faure. The ambassador replied in the affirmative question whether France advises Ukraine not to rush to the conclusion of this agreement and added that the establishment of free trade would entail certain risks for some sectors of the economy if they are not ready. "Creating a free trade zone with the EU means a sharp increase in competition for Ukrainian companies and if your country is not prepared for this it could have significant consequences ", said Faure. He noted that the date of signing the agreement depends on the effectiveness of bilateral negotiations. In his view, the free trade zone will also be a positive signal to investors.

Earlier President Viktor Yanukovych said that visa-free regime and free trade zone between Ukraine and the EU will have been established by March 2011.

### www.epravda.com.ua, 22.03.2010

March 18, 2010 in the Ministry of Agricultural Policy the final meeting of the Canadian-Ukrainian project "The Facility for Agricultural Reform and Modernization (FARM) program" was held. The meeting was chaired by the Director of the Department of Foreign Economic Cooperation S.P. Ivashchuk with the participation of the project's experts, representatives of the Canadian International Development Agency and regional extension services.

The project's results, achievements and major challenges during its implementation were presented. The representatives of regional extension services created in the framework of the program outlined the prospects of extension services in Ukraine.

Department of Foreign Economic Cooperation, MAP, 19/03/2010

# Food Safety

The import to Ukraine of poultry products from Romania is prohibited (decree № 15-2-23/2310 from 16.03.10). According to the official report of the International Office of Epizootics cases of highly pathogen influenza in poultry were registered in Romania.

The import of other goods from this country that fall under the control of the state veterinary service shall be carried out according to the veterinary requirements for imports into Ukraine.

http://www.vet.gov.ua/17.03.2010

The resolution of the Cabinet of Ministers of Ukraine from February 24, № 279 "Some aspects of the examination of genetically modified food or food produced with the use GMO" entered into force and was published in the "Government Courier" № 49 dated March 17, 2010. According to the resolution the State Committee for Technological Regulation and Consumer Policy is instructed to assist pubic enterprises with the establishment of GMO laboratories. The Ministry of Economy, Ministry of Education, Ministry of Health, Ministry of Agrarian Policy and State Committee for Technological Regulation and Consumer Policy are instructed to submit to the Cabinet of Ministers by May 31, 2010 agreed proposals for the establishment of the National Centre for scientific and methodological coordination of GMO laboratories, collecting GMO reference samples, samples of the controlled target taxa and comparison of GMO examination results obtained in different laboratories. In addition, these ministries have to submit by 26 of May this year the draft law "On amending some laws of Ukraine concerning tracking of GMOs containing food or food produced with their use".

### APK-Inform, 18/03/2010

The National Plant Quarantine Service of Ukraine detained in the ports of Odessa and Ilyichevsk 65.5 tonnes of oranges from Egypt in which quarantine pests - Mediterranean fruit fly - Ceratitis capitata Wied were found.

The cargo will be decontaminated by refrigeration and returned to the country of origin if possible.

Today this type of flies does not inhabit Ukraine. In terms of harmfulness it can be compared to the Colorado beetle.

http://economics.unian.net/, 23.03.2010

# Market Infrastructure

The Interagency Commission on International Trade extended period of anti-dumping investigation concerning the import to Ukraine of chicken legs and parts from the United States and the Federal Republic of Brazil. "Having reviewed the materials provided by Ministry about the anti-dumping investigation concerning imports to Ukraine of chicken legs and parts from the United States and the Federal Republic of Brazil, the Interagency Commission on International Trade found that the circumstances of the case require careful study and evaluation and decided to extend the period of the antidumping investigation on imports of this product which was instituted on March 17, 2009 for 6 months", the report said. Commission decision takes effect from the date of its publication in the "Governmental Courier".

#### http://economics.unian.net/, 23.03.2010

The Ministry of Economy of Ukraine and Belarusian companies "Belhosppishcheprom" and "Belbiofarm" concluded the agreement on imports of Ukrainian starch syrup to Belarus. This decision was made in Minsk during another round of consultations between the Ministry of Economy of Ukraine and the Ministry of Foreign Affairs of Belarus on application of antidumping and special safeguard measures in mutual trade.

According to the Ministry of Economy of Ukraine, the issue of imports of Ukrainian starch syrup will be settled by the conclusion of agreements between the Ministry and "Belhosppishcheprom" and "Belbiofarm" taking into account the interests of producers and exporters in both countries.

### BIZ.liga.net, 19.03.2010

Foreign investors are interested in Ukrainian rural areas. Japan, Korea and China are now actively seeking to invest into Ukrainian economy. They focus mostly on long-term projects, said the director of the Ukrainian Centre for Foreign Investment Invest-Ukraine Olena Hantsyak-Kaskiv. According to her, investors from South America and the EU, particularly Germany and Holland, are also interested in Ukraine. "There exists a considerable interest to invest in strategic long-term projects related to agriculture and food processing since the food crisis is anticipated", said Hantsyak-Kaskiv.

www.epravda.com.ua, 22.03.2010

The Government of Ukraine will assist to attract credits for the development of agricultural enterprises, announced Deputy Prime Minister Serhij Tigipko during the meeting on credits to agricultural enterprises for spring field work. According to the Office of media relations of the Cabinet, the meeting was attended by Deputy Prime Minister of Ukraine for agricultural Viktor Slavuta, Agrarian Policy Minister Mykola Prysiazhnyuk, representatives of ministries, the National Bank and commercial banks.

Tigipko said that the Government together with the National Bank should use a wide range of measures to encourage rural lending. According to meeting participants such tools as partial reimbursement of interest rates, crop insurance, liberalization of banking regulations, etc. should be used.

### LIGA Business Inform, 23/03/2010

The period of the active phase of financial crisis turned out to be a good chance for Ukrainian poultry producers to increase the volume of poultry meat production and its exports. In 2009 the industrial production of chicken increased by 13%, export - by 2.3 times, reports the analytical department of the Ukrainian Agrarian Confederation (UAC).

As of March 1 this year there were 97 million birds on agricultural enterprises which is 12.7% more than last year's figure. The total number of birds on all types of farms is 177.4 million or 145% of the total in 2000 when chicken was the most expensive meat.

In 2009 Ukraine's share of world's export increased from 0.1% to 0.23% and imports decreased from 3.3% to 2.6%. In comparison with other countries (China - 3.3%, EU-27 - 0.3%, Brazil - 4%), despite the lack of government support, Ukraine demonstrates the fastest rates of poultry production development and according to experts has not yet depleted its capacities for future development.

### BIZ.liga.net, 23.03.2010

Ukrainian insurance federation (UIF) initiates the establishment of the Ukrainian Agricultural Insurance Agency. According to the report, last week UIF approved the draft statute of Agricultural Insurance Agency. The agency was created due to the necessity to consolidate the efforts of government, agricultural producers and insurers for building an effective system of agricultural production insurance with the use of public support.

http://economics.unian.net/, 23.03.2010

# Rural Development

During the meetings held by the State Committee for Land Resources for media representatives before Land Planner Day, director of the Department of State Land Cadastre I. Slavin and Director General of " State Land Cadastre Centre" Public Enterprise A. Filatov told reporters on public land cadastre and responded to their questions. "It is still difficult to keep state land registry", said I. Slavin, "the powers of the State Committee for Land Resources are limited by current laws". Media representatives were informed that for development of the Law "On State Land Cadastre" after its adoption by the Verkhovna Rada another 30 regulations will need to be elaborated. A. Filatov told the media that recently the State Committee and the public enterprise have intensified the development of the automated state land cadastre system. The automated system will have been developed by 2012 in the framework of the World Bank project.

State Committee for Land Resources of Ukraine, 22.03.2010