

 <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>		

Overview of Latest Rural Developments

25 – 31 of March 2010

▪ WTO and Neighbourhood Policy

The European Union is going to invest 13 million euros into the new ecological project, which aims to strengthen environmental management in the Eastern Partnership countries, said the EU representative in Ukraine. The European Commissioner for Enlargement and European Neighbourhood Policy, Stefan Füle said that the environmental issues are common to all the countries of the world. "It is in our mutual interests to work closely with the Eastern Partnership countries so that our neighbours become more environmentally friendly", noted the Commissioner. The Commissioner for Environment, Janez Potochnyк noted the Eastern Partnership countries' responsible attitude to solve environmental issues in the region. "The work which started today is another step to achieve ambitious goals we all strive for", said Potochnyк.

RBC-Ukraine, 25.03.2010

Ukraine is ready to consider cooperation with the Customs Union only after it enters the WTO, said Igor Lyhovij, the Ambassador Extraordinary and Plenipotentiary of Ukraine to Belarus. He stressed that meanwhile Ukraine is ready to cooperation with each of the country member of the Customs Union only on bilateral terms.

Interfax-West, 25.03.2010

Ukraine is interested in German investments into agriculture, said the Prime Minister of Ukraine Mykola Azarov at the meeting with the Chairman of the Eastern Committee of the German Ministry of Economy Klaus Mangold. "It is very interesting for us to modernize this sector. All your suggestions will be considered ", said Mykola Azarov in response to the German delegation expressed readiness to identify effective areas of cooperation.

<http://economics.unian.net>, 26.03.2010

The Minister for Foreign Affairs of Ukraine Konstantin Grishchenko met with the President of the European Parliament Jerzy Buzek during the Brussels Forum. Grishchenko noted the European Parliament resolution from February 25, 2010 dealing with the situation in Ukraine, which includes key Ukraine's priorities of relations with the EU, and informed Buzek of the main elements of

dialogue between Ukraine and EU for the mid-term perspective. Particular attention was paid to conclude negotiations on signing the Association Agreement, including the creation of the Free Trade Zone. Buzek assured of the European Parliament's unfailing support for the European aspirations of Ukraine.

RBC-Ukraine, 27.03.2010

The Chairman of the Verkhovna Rada Volodymyr Lytvyn considers it necessary to conduct a detailed analysis on Ukraine's accession to the Customs Union, taking into account the possible consequences of such decisions. In his opinion, economists and experts should analyze this issue and "publicly demonstrate the benefits and losses of this or that movement Ukraine will take in the cooperation within the Customs Union.

Volodymyr Lytvyn noted that the absence of such an analytical approach led to the fact that when joining the WTO Ukraine "simply lost and took more obligations than it had to take.

AIC-Inform, 29/03/2010

▪ **Food Safety**

The International Finance Corporation (IFC) launched a new educational program in Ukraine. IFC Project «Food Safety in Ukraine" organized in Kiev one-day workshop to familiarize Ukrainian enterprises' managers with the benefits of HACCP, an internationally recognized food safety management system.

The HACCP introduction in Ukraine is slow due to lack of necessary information, unclear legislation, problems with practical implementation and limited funding opportunities. "For an investors the introduction of HACCP means that a company is trying to strengthen its brand, ensure proper hazard risk reduction, raise sales in the existing markets, not to mention get access to new markets," said, Project Manager of "Food Safety in Ukraine" project.

www.agroua.net, 30.03.2010

According to the official report of the International Office of Epizootics a significant spread of classical swine fever cases was registered in the Russian Federation, particularly in Volgograd, Saratov and Voronezh regions. Swine products and raw materials are prohibited to be brought to Ukraine from South, Central and Volga Federal District of Russia. The import of other goods of this country which are subject to official veterinary control shall be done according to the relevant veterinary requirements.

<http://www.vet.gov.ua/>, 30.03.2010

▪ **Market Infrastructure**

Ukraine needs Belarusian sugar, said in Minsk the Ambassador Extraordinary and Plenipotentiary of Ukraine to Belarus I. Lyhovij. Ukraine favours supplies of Belarusian sugar because it has a need for it. The Ambassador also underlined the importance of creation of a Belarusian company which will supply sugar to Ukraine.

Belarus sugar refineries had established in Ukraine "Belarusian agricultural company" (BAC), which will be the sole sugar supplier to Ukraine and will sell sugar for Belarusian domestic market prices. "Belarus has decided to determine a single importer to refute charges for dumped imports of sugar", said Deputy Head of Belarusian Food Processing State Company Nicholaj Antyhevych.

BIZ.liga.net, 25.03.2010

In 2010, the Government plans to restore subsidies for a share of insurance premium, which in previous years were a guaranty for the agricultural assurance development, reported in the Agrarian Chamber of Ukraine (ACU). According to ACU, the Ministry of Agrarian Policy of Ukraine plans to restore the subsidy program terminated in 2009 in response to the crisis. At the same time the ACU notes that the relaunch of this program will largely depend on the choice of variant of the State Budget to be adopted for the current year. According to the data of the Ministry of Agricultural Policy 1.5% of acreage was insured in Ukraine in 2005. In 2006 it amounted to 2.6%, in 2007 - 9.1%, in 2008 - 4.3 %.

BIZ.liga.net, 26.03.2010

The Government intends to relaunch in 2010 the program of partial interest rates compensation for agricultural loans, said the Vice-Prime Minister Viktor Slauta. "1.1 billion UAH are allocated in the Budget for interest rates compensation on agricultural loans", he said at the meeting with scientists. At the same time, Slauta said that 680 million UAH of this amount will be targeted to reimbursements of loans made last year. According to him, the funds for this program will come by the end of the first decade of April. He added that 80% of banks involved in agricultural lending are ready to restore funding for these programs. The Vice Prime Minister stressed that the Government together with the National Bank will seek reduction in loans to farmers from the current 24-25% to 18-20% per annum. "However the President Viktor Yanukovich seeks to cut interest rates even lower", said V. Slauta. The Vice Prime Minister also said that another 90 million UAH in the draft 2010 state budget will be allocated to agricultural insurance development.

<http://www.interfax.kiev.ua>, 30.03.2010

Russia is interested in additional supplies of corn, soybeans and barley from Ukraine, announced the Vice Prime Minister of Ukraine Viktor Slauta. According to Slauta, talks with the First Vice-Premier of Russia Viktor Zubkov, during which this matter will be discussed, are scheduled for April 6. He also said that a wide range of agricultural issues are expected to be discussed during these talks in Moscow, in particular the issue of lifting restrictions in mutual trade, including in the food industry.

Interfax-Ukraine, 29.03.2010

The Foreign Ministry of Belarus initiated reinvestigation of anti-dumping measures on imports of Ukrainian caramel, says the official report of the Ministry of the Foreign Affairs. The reinvestigation is carried out due to the note received

from Conti (Ukraine) on commitments for confectionary prices", told the Foreign Ministry and explained that this procedure is needed to calculate the minimum price for which the company may deliver candy to the Belarusian market.
Interfax-West, 29.03.2010

The Ministry of Agrarian Policy of Ukraine intends to encourage foreign manufacturers of agricultural machinery to build their plants in Ukraine, reported the Agrarian policy Minister Mykola Prysiashniuk.
According to him, domestic machinery producers significantly lag behind foreign because Ukrainian farmers are buying foreign equipment despite high prices.

<http://economics.unian.net/>, 30.03.2010

▪ **Rural Development**

A team of experts from the International Bank for Reconstruction and Development during its visit to Ukraine on 25-27 February checked the implementation progress of the Rural Land Titling and Cadastre Development project and the implementation of key activities agreed during the previous visit. March 12, Martin Raiser the Director for Ukraine, Belarus and Moldova of the World Bank sent a letter to the Minister of Finance Fedor Yaroshenko and the Head of the State Committee for Land Relations Oleg Kulnych.
The letter states that since the previous visit, which took place in November 2009, the project has achieved substantial progress and all activities agreed with the Bank were carried out without problems. The Bank experts note with satisfaction the efforts which have made the State Committee for Land Relations and Project Implementation Unit to ensure timely implementation of agreed activities.

www.dkzr.gov.ua, 26.03.2010

"Ukrainian agriculture requires a systemic reform", said the Minister of Agrarian Policy of Ukraine Mykola Prysiashniuk at the press conference. "The reforms should achieve qualitative transformation of key agricultural backbone industries, gradual technological and technical re-equipment and economic independence of agricultural businesses from government grants and subsidies. These reforms are foreseen in the governmental program", stressed the Minister. The reform priorities were outlined. The first direction of the reform will be crop (cereals, legumes, technical and forage crops), pigs and dairy cattle sector development. The second - agricultural education and science. The reform in the state administration of agriculture shall be the third major direction. The Minister noted that clearly defined tools, activities and funding are foreseen under each direction. "After these reforms are implemented we will get a qualitatively new and highly competitive agriculture and achieve the goal set up in Viktor Yanukovich's program", said Mykola Prysiashniuk.

Press Service of MAP, 30.03.2010

The work of the Coordinating Council for Agricultural Policy is to be restored soon, announced the Deputy Prime Minister of Ukraine Viktor Slauta during a

working meeting with farmers. According to the press service of the Deputy Prime Minister, the main task of the Coordination Council will be to analyse and assess the situation in the agricultural sector and develop proposals for draft regulations.

BIZ.liga.net, 31.03.2010