

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

## Overview of Latest Rural Developments 1-7 of April 2010

# WTO and Neighbourhood Policy

The Deputy Head of Presidential Administration Andriy Goncharuk said that Viktor Yanukovych decided to eliminate inter-departmental commission on preparation of Ukraine to join NATO and the National Centre for Euro-Atlantic integration of Ukraine due to a number of reasons that do not have any political connotations. He stressed that such measures testify the principled willingness of the President to reduce budgetary costs of bureaucracy.

Among foreign policy priorities, the President of Ukraine singles out European integration, which can significantly speed up the implementation of domestic socio-economic, structural and legal reforms. According to A. Goncharuk, conclusion of Association Agreement between Ukraine and the European Union, creation of free trade zone and introduction of visa-free travel for Ukrainian citizens to the European Union are absolute priorities and perspectives in the current foreign policy of Ukraine.

Press service of the President of Ukraine, 06.04.2010

April 6, 2010 the Minister of Economy of Ukraine Vasyl Tsushko met with the Ambassador Extraordinary and Plenipotentiary of Canada to Ukraine G. Daniel Caron and discussed further development of Ukrainian-Canadian bilateral trade, economic and investment cooperation. Aerospace, energy, agriculture, pharmaceutics and transport were identified among priority sectors for cooperation. In the course of constructive dialogue, the free trade zone creation was also discussed testifying the intention to strengthen bilateral relations.

Tsushko expressed gratitude to the Government of Canada for technical assistance programs provided by Canadian International Development Agency (CIDA) during 19 years to support democratic processes and market economy in Ukraine, address social and environmental issues, reform public administration and develop small and medium business.

In turn, Daniel Caron thanked Vasyl Tsushko for frank conversation and expressed hope to further intensify Ukrainian-Canadian cooperation.

Press Service of the Minister of Economy, 06/04/2010

The Minister of Economy Vasyl Tsushko met with the Ambassador Extraordinary and Plenipotentiary of Malaysia Mr. Dato Abdullah Sani bin Omar to discuss bilateral trade and economic relations between Ukraine and Malaysia.

During the meeting V. Tsushko stressed that despite the impact of the global financial crisis economic cooperation between the two countries give all grounds for optimistic forecasts. The Minister noted that Ukraine welcomes the increase in supply of Malaysian goods, but, in turn, hopes that Malaysia will provide wider access of Ukrainian products, including grain, to Malaysian markets.

Press Service of the Minister of Economy, 01/04/2010

Ukrainian Parliament did not put to agenda draft law on Ukraine's participation in Common Economic Space with Belarus, Kazakhstan and Russia. 77 MPs out of 314 registered cast affirmative votes.

AIC Inform, 01/04/2010

### Food Safety

The Ministry of Agricultural Policy drafted resolution, which envisages the creation at the Council of Ministers of Crimea and in Kyiv City State Administration departments for Agricultural Products Quality Inspection and Resource Formation, which will check compliance of agricultural purchasing and processing enterprises and organizations of all forms of ownership and management with requirements, standards, specifications and other regulations related to quality and safety of agricultural products and raw materials during their production, harvesting (purchasing), storage, processing, sale and transporting.

In addition, these departments will monitor and make forecasts for agricultural market and take part in the working committees to collect and disseminate information about the level of prices for agricultural products and raw materials.

#### BIZ.liga.net, 02.04.2010

The Poultry Farmers Association appealed to the Government asking to take measures to stabilize the situation in the meat market and protect domestic producers. The appeal to the Deputy Prime Minister Viktor Slauta and the Minister of Agrarian Policy Mykola Prisyazhnyuka was sent by the Head of the Domestic Market Protection Committee of the National Producers Associations under the Cabinet of Ministers of Ukraine, the chairman of the Poultry Farmers Association Alexander Bakumenko. Steps aimed at stabilizing the domestic meat market were proposed. Also in circulation is a need to accelerate governmental decision-making, especially concerning the approval of the concept and program for livestock sector development, technical regulations and minimum specifications for animal products quality, establishment of a competent authority for state control over production of products of animal origin and their export, importation and registration procedures for products containing genetically modified organisms with the mandatory approval of relevant NGOs.

#### RBC-Ukraine, 02.04.2010

Ternopil Standard Metrology checked 8 million 352 thousand 964 UAH worth of products. 760 292 thousand UAH (9.1%) worth of products did not meet with requirements. 32 food processing enterprises were checked. Violations were found on 27 of them. In particular, 18 thousand UAH worth of products of 10 bakery enterprises were checked. In 8 cases products worth 3 thousands (16.7%) were rejected. Ternopil Standard Metrology also checked 41 thousand UAH worth of products from 9 enterprises that produce meat and sausages. Irregularities were found on 8 of them. 14 types of meat and sausage products totalling 25 thousand UAH (61%) were forbidden to sell. 9 thousands UAH worth of milk or 10% dairy products checked was forbidden to sell. During the first quarter 2010 Ternopil Standard Metrology experts issued 33 regulations on the removal of violations and 28 prescriptions for sale prohibition.

#### State Committee of Ukraine for Technical Regulation and Consumer Policy, 06.04.2010

In IV quarter of 2009 and I quarter of 2010 "Kharkov Standard Metrology" conducted 9 inspections on fish and seafood enterprises in Kharkov oblast. Violations of regulations and legislation of seafood production were discovered during 7 inspections. Kharkov Standard Metrology checked 5 tons of fish and seafood products worth of 73.3 thousand UAH. 3 tons (or about 60%) worth of 35.2 thousand UAH did not meet documentation requirements.

6 orders on prohibition of 6 batches of products were issued to 5 enterprises, ban of one type of product was issued to 1 company, 7 decisions to impose fines for selling products that did not meet the requirements of documentation were issued to 6 enterprises. Total fines amounted to 5.3 thousands UAH.

### Market Infrastructure

The Minister of Agrarian Policy of Ukraine Mykola Prisyazhnyuka met with the representatives of European Business Association (EBA), well-known producers and processors of dairy products. The meeting was also attended by the Deputy Minister Valentina Zavalevska, experts of the Ministry of Agrarian Policy, State Committee for veterinary control, EBA, companies and firms.

Issues of dairy products subsidization, socially significant food products pricing, government price control of food and labelling of genetically modified organisms were discussed. As a result of a difficult debate an agreement was achieved on mutually optimal conditions for conducting agricultural business in Ukraine in the context of strategic goals of agrarian sector development.

"Establishment of partnership and mutually convenient conditions between government and business is

one of the main tasks. International companies can rely on the openness and support of the state only in case when they will actively participate in building and developing Ukrainian dairy industry and raising its competitiveness ", said Mykola Prysiazhniuk.

EBA agreed with this position and committed to develop and propose to the Ministry of Agrarian Policy dairy sector development strategy with clear tools for implementation.

Press Service of the Ministry of Agriculture, 02/04/2010

The agriculture profitability level in 2009 amounted to 12.9%, reported the press service of the Ukrainian Agrarian Confederation (UAC) with reference to the State Statistics Committee. According to the report crop yield decreased from 19.6% to 16.4% due to lower efficiency of cereal crop and rape production. In livestock the profitability increased from 0.1% to 5.4% due to improved efficiency of pork production. The efficiency of sugar beet and sunflower production increased significantly to 36.7% and 41.7% respectively, due to rising price.

http://economics.unian.net, 06.04.2010

Vice-Premiers of Ukrainian and Russian government Viktor Zubkov and Viktor Slauta agreed on mutual investments in agriculture. In particular, they discussed the terms of grain trade. Both countries are influential players in the world market. The Vice-Premiers noted that currently there are many contentious issues between Russia and Ukraine relating to agricultural sector, veterinary control and access to domestic markets. It was a preparatory meeting for the meeting of the Committee on Economic Cooperation which will be held April 22 in Moscow under the chairmanship of Ukrainian and Russian Prime Ministers.

More TV, 06/04/2010

### Rural Development

Few years are needed to create land registry, prerequisite for launching the land market, said the head of parliamentary regulatory committee and the leader of Party of Regions faction Alexander Efremov. "Experts estimate that several years are needed to accomplish this work", said Yefremov. He also said that issues related not only to land registry were discussed during his meeting with the President of Ukraine Viktor Yanukovych. "One must have appropriate land evaluation and registration procedures and only then decide whether to introduce free sale of land", said the leader of Party of Regions faction.

www.agroua.net, 01.04.2010