

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

## Overview of Latest Rural Developments 22 – 28 of April 2010

### ▪ WTO and Neighbourhood Policy

Acting First Deputy Minister of Agrarian Policy of Ukraine Sergij Melnyk met with the Minister of plantations and natural resources of Malaysia Tan Sri Bernard Dompok. The sides discussed state and prospects of trade and economic relations, cooperation between Ukrainian and Malaysian businessmen and banks, the possibility to increase Malaysian palm oil exports to Ukraine and Ukrainian grain exports to Malaysia etc.

Agreements were reached to continue cooperation in agriculture, particularly in the oil industry. The sides expressed expectations of future improvement of cooperation and increased trade between our countries.

Press Service of Agricultural Policy, 23.04.2010

Governmental Committee on agrarian policy headed by Vice Prime Minister Viktor Slauta approved the draft Law of Ukraine on Joining Grain Trade Convention, reports press service of the Cabinet of Ministers of Ukraine.

The adoption of this law will help expand international cooperation, especially within the WTO, enter the European and world markets and develop the domestic grain industry.

AIC-Inform, 23/04/2010

EU Commissioner for Enlargement and Neighbourhood Policy Stefan Füle considers unrealistic Ukraine's accession to the Customs Union of Russia, Belarus and Kazakhstan, reports Kommersant Ukraine. "I do not have any reason to think that Ukrainian authorities work in this direction (Ukraine's accession to the Customs Union) and simultaneously lead negotiations on deep and comprehensive free trade area (FTA) between Ukraine and the EU. I think we have made enough statements and brought enough arguments, explaining that the FTA and Customs Union are incompatible ", said Füle.

"All government officials, with whom I spoke during the visit, assured me that they wanted to sign the Association Agreement and FTA as soon as possible", said the Commissioner. According to him, it renders all concerns irrelevant.

RBC-Ukraine, 26.04.2010

Minister for Foreign Affairs of Ukraine Konstantin Grishchenko came to Bonn to attend the meeting of foreign ministers of the Weimar Triangle. Grishchenko will take part in multi-lateral negotiations where it is scheduled to discuss current issues of Ukraine-EU dialogue, including progress on preparation of the Association Agreement between Ukraine and the EU. The Minister also will hold bilateral meetings with heads of German and Polish foreign ministries and discuss future directions of Ukraine's cooperation with these countries and preparation for the visit of President of Ukraine Viktor Yanukovich to Berlin and Warsaw.

RBC-Ukraine, 27.04.2010

April 27-30, the 5<sup>th</sup> round of negotiations on the Free Trade Agreement between Ukraine and European Free Trade Association (EFTA), comprising Switzerland, Norway, Iceland and Liechtenstein is taking place in Kiev. Ukrainian Delegation is headed by Deputy Economy Minister Valeriy Pyatnitsky.

In the current round of negotiations, the delegation plans to finalize draft free trade agreement within the following expert working groups:

- trade in goods; including sanitary, veterinary and phyto-sanitary measures;
- trade in services;
- investments;
- intellectual property;

- public procurement;
- origin tracking.

Press Service of the Ministry of Economy, 04/28/2010

## ▪ Food Safety

State Committee of Veterinary Medicine banned the import of animal products and raw materials from Japan due to murrain epidemic, reports the Committee press service. According to the official report of the International Office of Epizootics, cases of murrain among cattle were registered in Japan.

RBC-Ukraine, 22.04.2010

Since the epizootic situation with highly pathogenic bird flu in the Russian Federation has stabilized the decision of Chief Inspector of Veterinary Medicine of Ukraine of 02.12.2005 on the Prohibition of imports of poultry and poultry products from certain administrative territories of Russia lost its validity April 21, 2010, reports the Committee press service.

RBC-Ukraine, 22.04.2010

International Finance Corporation (IFC) within the project "Food Safety in Ukraine" and together with Veterinary Medicine Department in Vinnitsa oblast held one-day workshop to acquaint managers of Ukrainian companies with economic benefits of HACCP food safety management systems. During the workshop more than 50 enterprise managers learned about economic benefits that Vinnitsa oblast can get from implementation of HACCP system, including cost savings, access to new markets, risk management and investors attraction. "For investors HACCP shows that companies want to strengthen their brand through hazard reduction, increased sales in existing markets, not to mention access to new markets," said Sarah Ockman, IFC Project manager.

<http://www.vet.gov.ua/>, 23.04.2010

In I quarter of 2010 State Committee of Ukraine for Consumer Standards rejected as defective 27% (343 tons) of food products that were being put to sale, reported the Committee press office on 26<sup>th</sup> of April. Bakery, pasta, confectionery products, sugar, meat, fish, dairy products, butter, fats, fruits and vegetables, tea and coffee, baby food and chicken eggs are among products rejected.

AIC-Inform, 26.04.2010

To prevent the spread of African swine fever virus in Ukraine all central executive bodies should consolidate their activities, said Deputy Prime Minister of Ukraine Viktor Slauta during Antiepidemiological Commission emergency meeting, reports the press service of Deputy Prime Minister. He stressed that epizootic situation around Ukraine is tense taken to consideration cases of African plague registered among pigs in the Southern Federal District of Russia. Antiepidemiological Commission was assigned to prevent unauthorized imports of products and raw materials of animal origin and strengthen safety and quality controls over animal products that are being imported into Ukraine.

AIC-Inform, 04/27/2010

## ▪ Market Infrastructure

If Ukraine increases the volume of meat production by 1.4 million tons or 70%, its GDP will increase by 15 billion UAH, said The chairman of Ukrainian Poultry Farmers` Union Olexander Bakumenko at the press conference in Kiev. "If Ukraine could increase the amount of meat production by 1,2-1,4 million tons, it would increase GDP by approximately 15 billion UAH", the expert said. According to Bakumenko, Ukraine is able to increase production of all kinds of meat by 600 thousand tons over two years with the current level of production being 2 million tons. If the production level reaches 2.6 million tons, meat consumption per capita will increase to about 70 kg.

BIZ.liga.net, 22.04.2010

The Cabinet of Ministers of Ukraine proposes to allocate more than 3 billion UAH in 2010 to support agricultural enterprises. This is provided in the draft law N 6000 "On State Budget of Ukraine for 2010" submitted to the Parliament.

"In 2010 3 033.070 millions UAH from Stabilization Fund shall be allocated to reduce lending rates, finance investment projects and state targeted programs in agriculture, solve logistics problems of budget agribusinesses", reads the document.

BIZ.liga.net, 26.04.2010

## ▪ **Rural Development**

The Ministry of Agrarian Policy is ready to work closely with Ukrainian Farmers` and Landowners` Association (UFLA), told Agrarian Policy Minister Mykola Prisyazhnyuk during UFLA Board meeting. He noted that the Government expects from farmers clear and constructive proposals on further development of farming. "The Ministry decided to reform the entire agricultural sector whose development is impossible without participation of Ukrainian farmers. We are open to cooperation. The state support for farmers will try to meet changing requirements ... ", said M. Prysiazhniuk.

AIC-Inform, 04/27/2010

Ukrainian Academy of Agrarian Sciences audit results were discussed at the Accounting Chamber meeting. Research activities of UAAS cover all branches of agriculture and almost 9% (more than 13000 people) of all Ukrainian scholars are working there. UAAS is the third biggest consumer of state budget research funding. Accounting Chamber members discussed the way the funding provided had influenced the development of agriculture.

The audit results show that scientific capacities and annual budget investments in the amount of \$ 350 million UAH had not led to wide application of UAAS research results in agriculture. Only achievements of 10% of UAAS units had any economic impact. After only a part of research projects had been checked it was already revealed that the results of research worth 26.0 million UAH, that UAAS regards to be scientifically significant, remained unimplemented.

Accounting Chamber noted that the most influential negative factor is the lack of interaction between participants of the agricultural production sector. Public authorities, agricultural producers and scientists work separately and UAAS scientific developments have no decisive consequences for agriculture. The audit results were submitted to the Parliament and Cabinet of Ministers.

Press Service of the Accounting Chamber 26.04.2010

### ANNOUNCEMENT

April 29, 2010 the Head of Parliamentary Committee on Agrarian Policy and Land Relations Gregorij Kalyetnik will meet with the representatives of agrarian universities. The issue of agricultural human resources development will be discussed.

The purpose of the meeting is to solve the issues related to lack of qualified agricultural staff and achieving balance between supply and demand for manpower in the agricultural labour market, development of social partnership, involvement of employers to training, retraining and staff development programs, update of material base and training in agrarian universities and employability of their graduates.

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