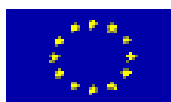




Ministry of Agrarian Policy of Ukraine



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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 July 08, 2010 and July 14, 2010

▪ **WTO and ENP Frameworks**

Valery Pyatnytsky, the Deputy Minister of Economy of Ukraine, mentioned a considerable progress at the negotiation between the European Union and Ukraine on creating the free trade area at the meeting with journalists during the twelfth round of the negotiation in Brussels which was conducted from July 5th through July 9th. "We have a certain result today. We have reached mutual understanding and will move forward at experts' level", told Mr. Pyatnytsky. The Deputy Minister pointed out that the parties succeeded in issues associated with trade in goods and services, sanitary and phytosanitary measures, sustainable development and state procurements. Protection of geographical names of goods in one of complex outstanding issues. According to the Deputy Minister, the current difference between the numbers of goods whose geographical names are protected in Ukraine and Europe "reaches two or even three orders". While some of them are of minor importance for Ukraine, the latter will have to abandon many names which have been common since the Soviet era, such as "Champaign" or "Cognac". "And this will greatly affect the business", said Mr. Pyatnytsky. "Upon agreeing to protect the geographical origin of goods, Ukraine will have to monitor not only the compliance of domestic producers, but also the compliance with relevant rules in the process of importing similar products, primarily from neighboring countries, such as Belarus, Russia, Kazakhstan, etc. where relevant rules are not applied yet. Mr. Pyatnytsky did not mention when the negotiation on creating the free trade area may be completed. He just told that this would not happen within a month or two.

Source: <http://www.unian.net>; July 08, 2010

"As the negotiation between EU and Ukraine on creating a broad free trade area is a complex process in terms of its content and list of issues to discuss, execution of a realistic Agreement between EU and Ukraine will take at least one more year and four or five rounds," said off record a source close to the European Commission during the twelfth round of the negotiation between EU and Ukraine which is taking place in Brussels this week.

Source: UkrInform; July 08, 2010

▪ **Food Safety**

The international seminar "Epidemiological Situation and Strategy for Fighting Rabies" sponsored by DG SANCO was held in Kyiv on July 6-8, 2010. The seminar was intended to discuss intensification of official controls and proliferation of the disease in EU member states. Participants to the seminar – coordinators and experts in fighting rabies from France, Romania, Ukraine, Russia, the Great Britain, Turkey, Belgium and other countries – shared available

experience and agreed on further actions aimed stop proliferation of the epidemic. Outcomes of the seminar were summarized at the press conference attended by V. Gorzheyev, the First Deputy Chairman of the State Veterinary Medicine Committee, and Thierry Chalus and Panayotis Dimetriu, DG SANCO representatives.

According to Thierry Chalus, the European Union is planning to create a buffer area in Russia, Belarus and Ukraine to protect itself from rabies. The situation with rabies in Europe improved drastically during the last ten years thanks to prevention measures. Some countries eliminated this disease altogether. However, EU countries neighboring with Asian and Eastern European countries are still in danger. The epizootic situation with rabies in Ukraine remains complex and calls for a set of radical measures and improvement of the research-and-methodological support. It is envisaged that such measures will be taken under *the Programme for Eliminating Rabies on the Territory of Ukraine for 2008 through 2015* which was developed by the Veterinary Medicine Institute, the Ukrainian Academy of Agrarian Sciences, with allowance for European Experience of fighting rabies and approved by the State Veterinary Committee of Ukraine and Ukrainian Academy of Agrarian Sciences.

The communication is based on materials of the State Veterinary Medicine Commission of Ukraine

Source: Ministry of Agrarian Policy of Ukraine; July 09, 2010

"Vinnitsa Oblast Council toughened control over local production and sale of products containing genetically modified organisms (GMOs)," a representative of Vinnitsa Oblast Council said to an UNIAN journalist. The Oblast Council recommended that the Oblast Department for Agri-Industrial Development design a comprehensive programme of clear farming with application of GMOs. Besides, official controls should be intensified with regard to laboratory tests to detect GMOs in raw materials delivered by supplies at food processors. The state enterprise "Vinnitsa Research-and-Production Centre for Standardization, Metrology and Certification", Vinnitsa Oblast Sanitary-and-Epidemiological Station and Vinnitsa Oblast State Bread Inspection are instructed to exercise permanent monitoring of sources of GMOs. The Oblast Economy Department is instructed to put a ban on selling baby food containing GMOs in Vinnitsa oblast and monitor sales of products containing GMOs permanently.

Source: <http://economics.unian.net>; July 13, 2010

▪ **Market Infrastructure**

Deputies of Zakarpatska Oblast Council adopted the Programme for Developing and Supporting Animal and Poultry Production for 2010-2015. According to Ivan Pauk, the Director of Oblast Department for Agri-Industrial Development, the Programme aims at creation of favorable preconditions for developing production of animal products and building up a momentum by increasing milk and meat production up to the level which would ensure food security of the region. Other goals of the Programme are to resume the animal population by means of artificial insemination of cattle and pigs with high quality semen and effective control over resumption of the animal population and to implement incentive schemes to encourage development of animal husbandry and production of highly marketable animal products. It is planned to increase gross production of meat up to 115,000 tons in live weight (75,000 tons in slaughter weight) and gross production of milk up to 420,000 tons, thus making it possible to increase per capita consumption of milk and meat up to 320 kg and 60 kg, respectively, in the year of 2015.

Source: <http://economics.unian.net/>; July 08, 2010

Khmelnysk Regional Office of the Antimonopoly Committee of Ukraine imposed the UAH 15,000 penalty on the state-owned enterprise "Starokostyantynivsky Milk Factory, Closed Joint-Stock Company "UkrProductGroup", and the Closed Joint-Stock Company "Khmelnysk Butter-and-Cheese Factor" for agreed anticompetitive actions. UNIAN learned this news from

the Press Service of the Regional Officer of the Antimonopoly Committee of Ukraine. The investigation evidences that the said companies set the same purchase prices for milk simultaneously, thus limiting the choice for milk suppliers.

Source: UNIAN-AGRO; July 12, 2010

ANNOUNCEMENT

Vice Price-Minister of Ukraine Victor Slauta will hold a meeting of the Coordination Council on Agrarian Policies within the Cabinet of Ministers of Ukraine.

According to the Press Service of the Government, the agenda of the upcoming meeting includes issues associated with the current situation at the domestic grains market, strategies to form national and regional reserves of grain of the 2010 harvest, status of the domestic meat market, compliance with the current legislation, and measures to toughen controls over quality and safety of animal products imported by Ukraine.

The meeting is scheduled for July 14, 2010. It will be followed by a press conference.

Source: www.liga.net; July 14, 2010

▪ Rural Development

"Ukraine is delaying creation of an electronic land cadastre which is funded by the World Bank", said Martin Reiser, the World Bank Regional Director for Moldova, Belarus and Ukraine during his interview to Radio Freedom. "Indeed, this project is complicated, but we have approved a concrete and realistic action plan which may be accomplished by 2012. To attain this goal, funds should be drawn at the 9% level. 30 months are left until the end of the project. It will be hard but still possible to implement the project provided both parties exercise monitoring seriously. We have already agreed on such monitoring with the State Committee on Land Resources of Ukraine".

According to Mr. Reiser, the World Bank has been providing loans to Ukraine for the purpose of bring order in the land area since 2003. Ukraine was supposed to use borrowed funds to create the electronic system for keeping records of land plots and issued title to land plots in rural areas. Earlier, the project was suspended because of imperfection of the Ukrainian legislation. However, even after resumption of the project Ukraine has been implementing it with long delays. The World Bank was ready to allocate some \$ 190 million for creation of the land cadastre system through the year of 2012.

Source: SV Development; July 08, 2010

Following an instruction of the President of Ukraine, the Government Interdepartmental Task Force on the Compliance with the Land Legislation began comprehensive regional audits i on July 12, 2010. The Task Force includes representatives from the Presidential Administration, Cabinet of Ministers, Parliament, law enforcement agencies, State Land Committee and other relevant state committees. This news was communicated by the Press Service of the State Committee on Land Resources.

"This is an instruction of the President, and the Government Programme aims at imposing order in the area of land use countrywide. Implementation of the Programme will enable us to identify and eliminate all violations of Constitutional rights of private individuals and legal entities with regard to using land resources. Return of land plots to real owners and elimination of bribery among local officials will serve as criteria of the Programme effectiveness. Besides, outcomes of the Programme will enable us to enhance the legislative framework of land relationships and prevent grey privatization of the most valuable land in particular", pointed out Oleg Kulynych, the Chairman of the State Committee on Land Resources.

Source: APK-INFORM; July 12, 2010

ANNOUNCEMENT

Greencubator, a Ukrainian energy innovations network, will bring together in Severynivka village, Vinnitsya oblast, on July 24-25 leaders of communities and non-government organizations, entrepreneurs, journalists, inventor and innovators who are willing to joint their efforts in order:

- To help rural communities save funds by implementing energy efficiency programmes;
- To fight degradation of Ukrainian villages in the energy field;
- To give push to rural entrepreneurship, diversification of rural economy, and creation of new jobs in the area of renewable sources of energy.

Greencubator EnergyCamp enables participants to gain real experience and – through such experience – to get understanding of a potential of renewable sources of energy as the camp uses clean sources of energy which we rarely use in our everyday life. The Mayor of Severynivka will guide a tour of energy facilities developed under the Energy Efficient Village Project which is implemented by the Podillya Agency for Regional Development.

EnergyCamp is a series of open-ended forums on energy issues. Topics of previous camps in 2010 included "Development through renewable energy: from depressive regions to growth" (the Crimea, May 29-30) and "Life after oil" (Dolyna, Ivano-Frankivsk oblast, June 19-20).

The Ukrainian energy innovations network Greencubator implements educational, social and media projects aimed at educating the public on the opportunities energy conservation programmes, elimination of energy stereotypes, and use of renewable sources of energy give to individuals, communities, business and society as a whole.

Greencubator organize EnergyCamps under support of USAID, UNITER, PACT.

Source: <http://greencubator.info/>; July 12, 2010