

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

## Overview of Latest Rural Developments

4 - 10 November 2010

### ▪ WTO and Neighbourhood Policy

Kyiv, Ukrainian Economics Minister Vasyl Tsushko and Macedonian Prime Minister Nikola Gruevski opened Ukrainian-Macedonian business forum organized within the framework of Macedonian Prime's official visit to Ukraine.

Business forum was also attended by Vice Prime Minister of the Republic of Macedonia Vladimir Peshevski, Macedonian Economics Minister Fatmir Besimi, Deputy Head of Ukrainian Customs Service Serhij Somka, First Vice President of Ukrainian Chamber of Commerce and Industry Victor Yanovskij, Executive Director of Union of Macedonian Chambers of Commerce Mitko Aleksov, representatives of other Ukrainian and Macedonian governmental agencies and companies.

Agreement between Ukrainian Chamber of Commerce and the Union of Macedonian Chambers of Commerce was signed at the Forum.

Press Service of the Ministry of Economy, 11/04/2010

Ukrainian Foreign Minister Konstantin Grishchenko met with the delegation of the European Parliament. The two sides discussed key issues of Ukraine-EU relations, including those related to negotiations on Association Agreement and deep and comprehensive Free Trade Area and to progress made in visa-free dialogue. Ukrainian Foreign Minister expressed hope that the European Parliament will help substantiate the expectations Ukraine is placing on EU-Ukraine summit which will be held November 22, 2010 in Brussels. European Parliament representatives reaffirmed their unwavering support for further strengthening EU-Ukraine relations.

RBC-Ukraine, 11.04.2010

Vienna, Ukrainian Minister of Agrarian Policy Mykola Prisyazhnyuk and Austrian Federal Minister for Agriculture, Forestry, Water and Environment Nikolaus Berlakovich signed a Memorandum of Cooperation in the agricultural sector. It was signed during the working visit of Ukrainian delegation headed by Prime Minister Mykola Azarov to Austria.

"The Memorandum is signed to attract Austrian companies with their investments, experience and assistance on introducing sophisticated agricultural technologies to the process of reforms in Ukrainian agricultural sector ", the Cabinet press-service said.

<http://economics.unian.net/>, 09.11.2010

### ▪ Food Safety

Ukrainian Ministry of Agrarian Policy proposes to adopt EU standards for maximum levels of erucic acid in oils, fats and mixtures intended for human consumption and in foods containing oils and fats. Relevant MAP draft order "On maximum levels of erucic acid in oils, fats and mixtures intended for human consumption and in foods containing oils and fats", was prepared and published on the official website of the Ministry.

APK-Inform, 11/08/2010

State Committee for Technical Regulation and Consumer Policy found genetically modified organisms (GMOs) in 5,9% of food products tested.

According to the Committee, since early 2010 in the molecular genetic laboratories 11 720 tests were made on samples of food and raw food materials with GMO being detected in 702 of them (5.9%).

In particular, GMOs were found in the bakery, confectionery, as well as sugar, meat and sausage products, meat preparations and dairy products.

Ukrainian News, 11/09/2010

November 8, 2010 European week began in Ukraine. It is being held under the slogan: "Quality as a key factor to success in marketplace". The event is traditionally dedicated to the World Quality Day that the UN celebrates every second Thursday of November. In the EU countries it is held by the European Organization for Quality (EOQ).

The goal of the Week is to draw attention of managers, experts, representatives of scientific and technical communities to the importance of improving the quality of products for industrial development and increase in national competitiveness and, subsequently, in living standards.

There will be a number of national and regional activities held from 8 to 12 November. On 9<sup>th</sup> of November "100 Best Products made in Ukraine" National Exhibition will start in "Ukrainian House" Concert Hall (Kiev), where best products made by Ukrainian producers will be presented. There also will be the awards ceremony for the winners of Ukrainian Quality Product Competition.

www.agroua.net, 10.11.2010

## ▪ **Market Infrastructure**

It becomes aggravatingly problematic to sell dairy products in Ukraine. During the first two autumn months, after raw milk rocketed in summer, the demand for dairy products began to fall. Many companies have reduced sales by 20% compared to a couple of months ago. The most obvious reason for this is that the prices of final products exceed the purchasing power of the majority of the population.

<http://delo.ua/biznes/>, 05.11.2010

Ukrainian Minister of Agrarian Policy Mykola Prisyazhnyuk believes imports of fruits and vegetables that grow in Ukraine must be prohibited. He said that in Vinnitsa oblast during the meeting dedicated to the situation in the food market and completion of autumn field works.

"Our goal is to stop the import of vegetables and fruits that grow in Ukraine except for the exotic ones with the use of economic and administrative levers and make our own products look presentable so not to follow the principle "able to prepare (the food), but unable to present", Prisyazhniuk said.

According to him, there is an annually increasing volume of imported vegetables, fruits and berries sold throughout retail networks. "This means that we do not have sufficient logistics

capacities to grow enough vegetables and fruits. Retailers do not buy our products due to lack of pre-sale preparation", the Minister explained. In his opinion, it is simply the habit that is the main reason for consuming imported goods. "Ukrainian consumers got accustomed to imported products. This is the main problem and it will be difficult to eliminate it. A consumer habit is a powerful force which is not formed instantly. It is extremely difficult to turn things around", the Minister said. He also said that Ukraine produces some 8 million tons of vegetables and fruits annually and consumes some 6 million tons.

<http://economics.unian.net>, 05.11.2010

The Antimonopoly Committee of Ukraine required 11 largest dairy operators to gradually decrease wholesale prices for milk, cream, butter and cheese in November this year. The operators are invited to send their comments within ten days.

Among the above mentioned operators are Milky Land Ukraine, Terra Food, Dairy Alliance, Uni Milk, Danone, Wimm-Bill-Dann Ukraine, Cheese Club Corporation, Galicia, Shostka Dairy Plant, Molis and Lactalis Mykolayiv.

These enterprises should also try to conclude contracts for the sale of dairy products directly with retail networks and refrain from setting economically unjustified prices for socially important dairy products.

<http://economics.unian.net>, 05.11.2010

Fitch Ratings anticipates the investments into Ukrainian agri-industrial complex between 2010 and 2012 to be about \$ 1.87 billion. Borrowed funds (income yield on debt and on equity) will account for a large part of investments. "Since it is already the end of 2010, the forecast will start to be fulfilled in the next year", Senior Director of Consumer Sector in Fitch Ratings Pablo Mattin said. Four largest Ukrainian agri companies were involved in the research.

RBC-Ukraine, 05.11.2010

## ▪ **Rural Development**

Ukrainian State Committee for Land Resources continues the awareness raising campaign as part of the project "Land Certificates Issuance in Rural Areas and Cadastre System Development" which was launched in 2004 with the support from the World Bank.

The campaign aims to assist Ukrainian landowners, especially farmers, to familiarize themselves with current developments in national land market.

The following topics will be touched upon during the campaign:

- procedures for receiving the State Certificate of Title;
- landowners` rights and responsibilities;
- economic prospects opened before the landowners;
- new land legislation;
- prospects of land reform, etc

Special attention will be given to real success stories of landowners and delivering advices on how to deal with typical land related problems.

<http://myland.org.ua>, 06.11.2010