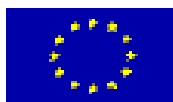




Ministry of Agrarian Policy of Ukraine



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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 November 25, 2010 and December 01, 2010**

### **▪ WTO and ENP Frameworks**

Mykola Prysiashnyuk, the Minister of Agrarian Policy of Ukraine, took part in the seventh meeting of the EU-Ukraine Dialogue on agrarian issues which was held in Kyiv on November 25-26, 2010. The meeting participants considered medium-term global trends at the commodity market, trends at the Ukrainian domestic market, policies for reforming the Ukrainian agrarian sector and CAP reforms.

Source: Press Service of the Ministry of Agrarian Policy of Ukraine; 26.11.2010

Israel is ready to share modern agriculture technologies with Ukraine, stated Israeli President Shimon Peres during his lecture in Kyiv. "We have developed very innovative agriculture which is based on high technologies. This means that the agriculture sector may operate successfully with less land, water, etc. We are also a leading partner in the area of developing high technologies in agriculture. We are willing to share our knowledge and these technologies with other countries", said Mr. Peres.

According to the Israeli President, Israel increased crop capacity eight times and halved water consumption over 25 years.

Source: APK-INFORM, 25.11.2010

The Ukrainian-Egyptian business forum chaired by Ukrainian Prime Minister Mykola Azarov was held in Cairo on November 23-25, 2010. It was attended by numerous representatives of relevant Ukrainian ministries and Ukrainian business community. The forum evidenced good partner relationship of the two countries in the agrarian sector.

As part of his visit, Mykola Azarov met with Egyptian President Hosni Mubarak and Foreign Minister Ahmed Aboul-Gheit. Besides, the head of the Ukrainian Government met with Egyptian Prime Minister Ahmed Nazif. After the meeting, the heads of the two countries' governments presided at the Sixth meeting of the Joint Intergovernmental Ukrainian-Egyptian Commission on Economic, Research and Technical Cooperation which resulted in signing of a number of bilateral documents.

Source: <http://agroconf.org>, 30.11.2010

Ukrainian Minister of Agriculture Policy Mykola Prysiashniuk met with Gilles Mettetal, the EBRD's Director for Agribusiness. The parties discussed the significance of EBRD-funded agri project for development of the agrarian sector and analyzed the EBRD strategy in the agrarian sector and potential areas of cooperation.

The meeting also focused on the political dialogue between EBRD and the Ukrainian Ministry of Agrarian Policy at the grain market. It is well known that cooperation in this particular segment

is one of priority areas of the Bank operations in Ukraine.  
EBRD is a leading investor in the agrarian sectors of Central and Eastern European countries.  
The current EBRD loan portfolio for Ukraine exceeds \$200 million.

Source: Press Service of the Ministry of Agrarian Policy; 30.11.2010

## ▪ **Food Safety**

The State Veterinarian Medicine Committee imposed a ban on importing pigs, pork and pork products from Serbia. According to the Press Service of the Committee, imposition of the ban followed a notification of the International Epizootic Office about outburst of the swine fever in Serbia.

In so doing, other cargoes from Serbia which are subject to control by the Committee will be imported according to the existing veterinary requirements to import of items which are subject to official veterinary and sanitary controls and surveillance.

Source: [www.liga.net](http://www.liga.net), 25.11.2010

The Private Joint Stock Company "Myronivska Ptakhofabryka" (poultry farm) was included in the list of chicken exporters which are subject to temporary limitation of exporting their products ("Nasha Riaba" and "Lehko" trademarks) to the Russian Federation because of confirmed instances of dangerous bacteria "Listeria monocytogenes" found in chicken meat. UkrInform learned from the Press Service of the State Veterinary Medicine Committee of Ukraine that according to the Resolution dated October 21, 2010 of the Federal Veterinary and Phytosanitary Control Service of the Russian Agriculture Ministry the produce shipped before the 4<sup>th</sup> of November will be subject to additional laboratory controls.

Source: UkrInform; 30.11.2010

## ▪ **Market Infrastructure**

Ukraine may increase production of rape and soya beans up to the existing volume of sunflower production in the near future. According to APK-INFORM, such forecast was voiced by Stepan Kapshuk, Director General of the "UkrOliyaProm" Association, at the Conference "Oil and Fat Production 2010" in Odesa on November 25, 2010.

According to Mr. Kapshuk, Ukraine is still the leading exporter of sunflower oil – 2.6 million tons or 65 percent of the global export. While sunflower is the most profitable crop production of rape and soya beans has been growing during the last three years.

The total rape yield in Ukraine in the marketing year of 2010/11 is projected at 1.429 million tons of which 1.4 million tons will be exported. Soya production will exceed 1.6 million tons in marketing year 2010/11. The volume of soya export is projected at 400,000 tons. Mr. Kapshuk claims that production of these two crops (soya and rape) is expected to reach the current volume of sunflower production.

Source: <http://economics.unian.net/>, 26.11.2010

The gross agriculture production output in all categories of farms has been reduced by 1.2 percent as compared with the corresponding period of 2009. The gross production output of agriculture enterprises grew by 0.1 percent while that of individuals farmsteads dropped by 2.2 percent.

The gross production output in the crop sector shrunk by 3.9 percent, and that of animal production rose by 3.3 percent.

Source: LigaBusinessInform, 30.11.2010

The foreign trade turnover of the Ukrainian agri-industrial sector amounted to \$10,963.4 million

between January and September 2010 (by 5.8 percent more than in the same period of the last year). The trade balance was positive – \$2,564.6 million.

During the reporting period, Ukraine exported agriculture produce for \$6,764 million, which is by 0.4 percent more than in the same period of 2009, and imported agriculture produce totaling \$4,199.4 million (by 15.8 percent more).

The value of exported crop produce was \$6,066.1 million or 89.7 percent of the entire agriculture export. The value of exported animal products was \$697.9 million or 10.3 percent. Ukraine imported crop products for \$3,194.4 million (76.1 percent of the entire agriculture import) and animal products for \$1,005 (23.9 percent). ProAgro learned the said figures from a communication of the Ministry of Agrarian Policy of Ukraine.

Source: ProAgro, 29.11.2010

Ukraine is planning to export 100,000 tons of food wheat to Lebanon in 2011. According to a UNIAN correspondent, this news was communicated by Ukrainian Economy Minister Vasyl Tsushko at a joint briefing with Lebanon Economy and Trade Minister Mohammad Safadi. Mr. Tsushko noted that the grain export is planned irrespective of possible imposition of quotas in the next year.

"The current quotas are in effect through January 01, 2011. If they are extended for 2011, we will think over how to export 100,000 tons of wheat to Lebanon. If the quotas are eliminated effective the new year, business operations will not be subject to any limitations", told V. Tsushko.

M. Safadi, in turn, told that Lebanon customers were satisfied with the quality of Ukrainian food wheat.

Source: <http://economics.unian.net/>, 30.11.2010

## ▪ **Rural Development**

Kharkiv oblast officials are in the process of preparing materials for the purpose of implementing a pilot project in the agriculture sector which may give push to development of the agri-industrial complex in both Kharkiv oblast and nationwide. The pilot project is named "A Village of the Future". Mykailo Dobkin, the Kharkiv Oblast Governor, promises that the pilot project will be successful.

"This project would enable us to create a certain territory of the future to accommodate various agriculture enterprises. By enjoying special conditions for operations for a limited period of time and by concentrating financial resources, they could give push to establishment of poultry production facilities, animal production complexes and development of agriculture on the whole. In view of our responsibility and scarce budget resources that can be allocated to such projects, we do not have the right to commit an error in calculation and, thus, jeopardize the project. I am by 99 percent sure that if we are heard and receive funding, implementation of this project will speed up development of the agri-industrial complex not only in Kharkiv oblast but also in other regions", emphasized Mykailo Dobkin on the oblast radio program "Feedback" on November 29, 2010.

The Government also noticed that successful experience of other countries including the Russian Federation was studied in the process of preparing for the pilot project.

Source: [www.agroua.net](http://www.agroua.net), 30.11.2010