

# **Overview of Latest Rural Developments**

## 9 -15 December 2010

## WTO and Neighbourhood Policy

3 and 7 December, trainings on official controls and animal identification and registration were held in Lviv and in the town of Vyshneve as part of the EU project "Implementation of Ukraine's Commitments under WTO and ENP Framework in the Rural Sector". Animal registration and identification and food chain traceability were among issues addressed during the trainings. State veterinary service and Animal Identification and Registration Agency representatives and official veterinarians participated in the events.

#### http://www.vet.gov.ua, 09.12.2010

ANNOUNCEMENT

December 16-17, 2010 in Paris the forum "Investing into Ukrainian Agricultural Sector" will be held within the framework of French-Ukrainian bilateral cooperation at the Cultural Center of the Embassy of Ukraine in France.

The forum aims to attract investments into promising agricultural projects in Ukraine by establishing business contacts with potential French investors and corporations engaged in investing abroad and familiarize the forum participants with practices adopted on the French market. The event will be held in the format of investment projects presentations, negotiations and private meetings.

http://minagro.gov.ua, 10.12.2010

EU proposes Ukraine to abandon using protected geographical indications used in the EU to protect the names of regional foods within 5-10 years, Deputy Minister of Economy of Ukraine Valery Pyatnitskij said after another round of negotiations on FTA held in Brussels. He said that EU proposals are in their present form unacceptable for Ukraine, since they do not provide any compensations to Ukrainian producers, which will have to bear the cost of rebranding or possible production reorientation.

"Put in other words: it is like the EU allows Ukraine to bear the rebranding costs during 5-10 years and prohibit the production and export of such products afterwards", Deputy Minister said. He noted that Ukrainian side is now trying to get answers from the Europeans on how will the commitments, that Ukraine is being proposed to take on, lead to improved market access for Ukrainian producers. He said that the issue of protected geographical indications remains to be one of the most difficult ones to negotiate.

http://economics.unian.net, 11.12.2010

The head of Ukrainian State Veterinary Medicine Committee I. Bisyuk met with Sohrab Oshidar, agricultural development advisor of the Canadian Embassy in the Russian Federation, and Georgij Hruschenko, Deputy Head of Commercial Section of Canadian Embassy in Kyiv. The

meeting was initiated by the Canadian side.

Issues related to coordination of draft veterinary certificates for exports of beef, poultry, live sheep, goats and genetic materials from Canada to Ukraine were raised during the meeting. Canadian experts were informed about the current system of issuing permits for imports of products of animal origin to Ukraine.

http://www.vet.gov.ua, 14.12.2010

### **Food Safety**

According to the official report of the International Office of Epizootics, cases of highly pathogenic bird flu have been registered in Japan. Ukrainian State Veterinary Committee has banned the import of poultry products and fresh poultry from Japan to Ukraine (Decree № 15-2-23/10867 from December 8, 2010).

#### AIC -Inform, 12/10/2010

December 7-9, 2010 veterinary conference was held in Djerba (southern Tunisia) where issues related to modifications of veterinary legislation were discussed. More than 400 veterinarians from around the world participated in it, including 120 delegates of the International Office of Epizootics (OIE). Ukrainian delegation was headed by the OIE delegate, the head of Ukrainian State Veterinary Committee I.Bisyuk.

In his opening remarks OIE Director General Bernard Vallat stressed that the OIE calls on governments to modify their national veterinary legislation only in respect of international OIE requirements and basic principles that enable them to respond to such challenges as globalization, climate change and spread of diseases common to animals and humans, rather than set some strict veterinary requirements.

Veterinary legislation is the vital element of national infrastructures that enables OIE implement its functions related to surveillance, early detection, notification, emergency response, prevention and control of diseases.

State Veterinary Committee, 12/13/2010

During the period between January and November 2010 Kharkiv Regional Sanitary-Epidemiological Unit took 180 tons of tainted and epidemiologically dangerous foods out of circulation.

More than 15 thousand inspections have been conducted during the said 11 months with sanitary violations found during almost every second check.

7103 fines amounting to almost 1 million UAH have been imposed on violators since the beginning of the year. Financial sanctions for selling tainted products amounting to 123 thousand UAH have been applied in 1396 cases. Operations on 2387 establishments, where high epidemiological risks were found, have been suspended. 25 cases were sent to prosecutor.

http://economics.unian.net, 13.12.2010

During 11 months of 2010 Kyiv Oblast Standard Metrology food testing laboratory tested more than 2500 samples of food and raw materials. Activities were carried out in the following areas: physical and chemical tests; identification of toxic elements; identification of residues of mycotoxins, pesticides and food additives; radiological, microbiological and GMO testing. There were 1208 test reports issued, with products rejected due to non-compliance in 6,4% of cases (159 samples). Physical-chemical, microbiological and GMO content requirements were among requirements most often neglected.

State Committee of Ukraine for Technical Regulation and Consumer Policy, 14.12.2010

### Market Infrastructure

Ukrainian Cabinet of Ministers has allocated 100 million UAH on a repayment basis to the Ministry of Agrarian Policy and Food in form of loans for the Agricultural Fund so, that the latter can establish State Intervention Fund and purchase agricultural inputs for domestic producers. The relevant Cabinet's Resolution # 1127 from November 29, 2010 was published on the governmental website. Another 50 million UAH have been allocated for partial reimbursement of cattle farms and feed factories construction and reconstruction costs. Redistribution of budget allocations within the General Budget Fund is foreseen for the abovementioned funds to be provided.

http://economics.unian.net, 13.12.2010

According to Ukrainian State Statistics Committee, meat and eggs production in Ukraine has grown during the period between January and November 2010.

Production of all types of meat increased by 6,7% (in live weight) compared to the same period last year with 2544.4 thousand tons of meat produced during the first 11 months of 2010. The production of eggs has also increased by 6%, while milk production decreased by 3.2%.

LigaBusinessInform, 13/12/2010

According to Ukrainian State Statistics Committee, the rate of overall agricultural production in Ukraine decreased by 1,23% during the period between January and November 2010 compared to last year's corresponding period, with commercial farms' production rates decreased by 0,4% and those of backyard holdings decreased by 2%. The most significant agricultural production decline was observed in Kharkiv and Chernihiv oblasts (14% and 13,4% respectively), while Odessa and Cherkasy oblasts increased their agricultural production rates the most by 8,4% and 7,6% respectively.

#### APK-Inform, 12/14/2010

International Finance Corporation (IFC) and the leading agricultural producer Mriya Agroholding started a strategic cooperation, Mykola Huta, Mriya general director announced. "Such cooperation will enable our company at least double the volume of grain production and increase its land bank. Cooperation with a foreign organization will strengthen Ukrainian agricultural sector in particular and contribute to Ukrainian economical development in general", he said.

Three grain elevators will be constructed, leased land area increased and new agricultural inputs purchased thanks to \$ 25 million of funding, which is expected to be provided by IFC.

http://rkm.kiev.ua, 14.12.2010

### **Rural Development**

December 13, 2010, speaking at the enlarged Regions' Council meeting, Ukraine's President said, among other things, that "the experts are perfectly aware that delays in the implementation of a properly operating land market are largely due to incomplete land reform. Registration of land titles needs to be completed promptly, while taking into account high social sensitivity associated with these issues, and in a precise and careful manner".

"At the same time, tools need to be created to protect landowners against unfair sales and rent practices. Most importantly, these are the levers to ensure the land is being effectively used for the purpose intended, that need to be set up", the President said

http://myland.org.ua, 15.12.2010

Ukrainian Cabinet of Ministers proposes to allocate in 2011 6,839 billion UAH for the implementation of the State Target Program for Ukrainian Countryside Development till 2015, including 4 billion 625 million 973.6 thousand UAH to be allocated from the General Fund and 2 billion 212 million 967.9 thousand UAH - from the Special Fund of 2011 State Budget. The relevant provisions are set out in the draft law #7000 On the State Budget of Ukraine for 2011, which was introduced to the Parliament on 10<sup>th</sup> of December, 2010.

http://economics.unian.net, 13.12.2010