





Проект фінансується Європейським Союзом Проект впроваджується консорціумом на чолі з WYG International

Implementation of Ukrainian's Commitments under WTO and ENP Frameworks in the Rural sector EuropeAid/126205/C/SER/

# Overview of Latest Rural Developments 6 – 12 January 2011

## WTO and Neighbourhood Policy

Ukraine's President Viktor Yanukovych met with the European Commissioner for Enlargement and European Neighbourhood Policy Stefan Fule.

While greeting his guest in Kiev, the President appreciated the fact that it is the EU representative with whom he has his first meeting at the international level this year. "I sincerely hope that negotiations on the Association Agreement and the Free Trade Area will reach their long-awaited conclusion as a result of our ongoing relationship", Viktor Yanukovych said. Commenting on Ukraine's achievements in 2010, the President said: "We have done a lot to gear ourselves up for a persistent work in the field of European integration with the aim to unite the country and boost its economy, establish freedom and democracy".

#### www.president.gov.ua, 11.01.2011

Ukrainian Minister for Foreign Affairs Konstantin Grishchenko met with the European Commissioner for Enlargement and European Neighbourhood Policy Stefan Fule. The two sides noted the high dynamics of bilateral relations in 2010 and expressed their mutual interest to further deepen the cooperation in 2011, with decisions taken at the XIV EU-Ukraine Summit being its cornerstone.

Ukrainian Foreign Minister said that adequate progress in negotiations on the Association Agreement between the EU and Ukraine, which will include a deep and comprehensive Free Trade Area, remains the key priority of Ukraine's relations with the European Union. Konstantin Gryshchenko and Stefan Fule also discussed the ways the two sides are going to collaborate to implement the Action Plan to liberalize the visa regime and other important issues related to energy cooperation, public administration reform in Ukraine, further strengthening of the way the fundamental rights and freedoms are observed in Ukraine and the way the rule of law is ensured and investment climate improved.

#### www.mfa.gov.ua, 11.01.2011

First Vice Prime Minister of Ukraine, Minister of Economic Development and Trade Andriy Klyuyev, while meeting with the European Commissioner for Enlargement and European Neighbourhood Policy Stefan Fule, has said that Ukraine would spare no efforts to accelerate negotiations on the Association Agreement between EU and Ukraine. Andrei Klyuyev expressed hope that the negotiations will successfully end in 2011.

Stefan Fule has appreciated the overall revitalization recently observed in Ukraine-EU negotiations. He noted that many problematic issues had been solved during intense negotiations.

Andriy Klyuyev and Stefan Fule also discussed the tools to increase efficiency of financial and technical assistance the EU is providing for Ukraine to enhance its integration.

Ministry of Economy Press Service, 01/11/2011

## **Food Safety**

State Veterinary and Phytosanitary Service of Ukraine banned the import of African Swine Fever susceptible animal products, fresh meat and feed from the Northwest Federal District of Russian Federation.

Other products from Leningrad oblast which fall under control of the State Veterinary Service shall be imported according to Ukrainian veterinary requirements.

## www.agroua.net, 06.01.2011

Ukraine has banned the import of poultry products and fresh poultry meat from the province of Brittany (France) since cases of Newcastle disease in poultry were registered in Côtes-d'Armor department of Brittany, according to the official report of the International Office of Epizootics. Other products from this region which fall under control of the State Veterinary Service shall be imported according to Ukrainian veterinary requirements.

#### Ukrainian Pravda, 08.01.2011

According to Chernivtsi Regional State Sanitary Epidemiological Unit cases of trichinosis in humans have been registered in the village of Novoselytsia, Kelmenets rayon, Cernivtsi oblast. Chernivtsi Veterinary Medicine Directorate has set up an ad hoc committee to deal with the outbreak of the disease. Its members have already started looking for the source of infection and taking eradication measures. Deputy Chief Inspector of Veterinary Medicine issued the decree strengthening official veterinary control in places where animal products are being sold and introducing measures to prevent the outbreak of the disease in other regions. The situation is under constant supervision of the State Veterinary Service.

## State Veterinary Committee, 10.01.2011

January 10, 2010 State Veterinary and Phytosanitary Service of Ukraine banned the import of Bulgarian animal products and fresh meet since cases of FMD have been registered in this country. Deputy Chief Veterinary Medicine Inspector adopted the relevant decision in compliance with the provisions of art. 51 of the Law of Ukraine On Food Safety and Quality.

#### RBC-Ukraine, 01.10.2011

State Veterinary Medicine Committee strengthens official control over animal products and feed imported from Germany, since cases of poultry meat and eggs being contaminated with dioxin have been found in this country.

State Veterinary Service keeps the situation under control and is ready to take further steps, if necessary, and restrict the import of animal products and feed from the risk zone.

The possibility to temporary impose additional import requirements, such as availability of laboratory tests results proving the absence of dioxins, is now being considered.

#### http://vet.gov.ua/, 10.01.2011

In 2010 the genetic laboratory, which has been operating at the test centre of Ivano Frankivsk Standard Metrology since October 2009, tested 860 samples of raw food materials and food products. GMOs were found in 52 samples, representing 6% of the samples taken. Since the beginning of its work the genetic laboratory has tested some 1000 samples of raw food materials and food products. GMOs were most often found in sausages, frozen foods containing minced meat, pastes, confectionery (sweets, cakes, biscuits), corn sticks. GMOs were also found in wheat, rapeseed, soybean and feeds.

http://www.dssu.gov.ua, 10.01.2011

#### **Market Infrastructure**

Ukrainian Prime Minister Mykola Azarov says 2011 will be the year agricultural wholesale markets will be built across the country. "It is for the first time we will actually begin to create possibilities for the agricultural producers to go directly to consumers and stop intermediaries from unfairly raising the prices", Mykola Azarov said. According to him, the Government will make every effort to ensure the accelerated development of agriculture in 2011. The Prime Minister noted that last year the Government succeeded in ceasing "catastrophic reduction in livestock production" and even managed to ensure production growth.

#### RBC-Ukraine, 06.01.2011

According to the minister of Agrarian Police and Food Mykola Prysyazhnyuk, his Ministry proposes to allocate in 2011 380 million UAH from the State Budget for loans for farmers. These funds will be used primarily to develop dairy and livestock sectors. Some 2 thousand Ukrainian farms will be entitled to state support.

## http://biz.liga.net, 06.01.2011

#### **ANNOUNCEMENT**

Ukrainian Agrarian Business Club (UABC), the «AgriEvent» agency and International Finance Corporation (IFC) invite those interested to attend the annual international conference entitled "Commercial fruit and vegetable growing in Ukraine - 2011", which the Ministry of Agricultural Policy and Food is going to hold in Kiev on February 16. The conference aims to bring together leading sector players, assess market development prospects, present new technologies which are being introduced in Ukraine and current trends which are observed within these sectors abroad.

## http://www.ifc.org, 11.01.2011

According to National Bank analytical review, farms` debt to banks amounted to 26.9 billion UAH at the end of November 2010, whereas in October it was 26.8 billion UAH. In November there was a slowdown calculated by reference to previous month (from 0,8% to 0,2%) in the pace the loans were growing and in the pace of debt reduction (from minus 6.7% to minus 0.7%) calculated by reference to year. Sufficient liquidity and the fact that the borrowers were exclusively agriholdings helped keep reducing interest rates on loans for agricultural producers. Integral interest rate has fallen by 6.2 percentage points (by 1,7 percentage points in November) to 12,9% per annum since the beginning of the year.

### http://delo.ua, 11.01.2011

Ukrainian Prime Minister Mykola Azarov considers it necessary to begin a serious modernization of Ukrainian agriculture in this year.

"The year 2011 must become a sort of "Rubicon", after which a radical modernization of domestic agricultural production should begin", Mykola Azarov said.

He noted that nowadays Ukraine's agricultural productivity is by 3-5 times lower than that in Europe. "Such backwardness and reduced rates of sector development can not be tolerated anymore", the Prime Minister said.

www.unian.net, 12.01.2011

## **Rural Development**

The Ministry of Agrarian Policy and Food takes the initiative to partially compensate the costs of construction of not only large livestock complexes, but also of small-scale farms. Agricultural minister visited a small farm in Cherkassy oblast having 6 sows and talked with its employees

and owners.

"Many rural residents have to keep cows and pigs nowadays to provide themselves with a source of income. It is a hard work with no modern technologies being used in it. We will help reform the small-scale backyard production so, that people growing 2-3 cows could turn their farm into a family farm having 10-12 cows", the Minister said.

He said that the Ministry is aware of the small farms` development prospects. "We do understand that it is not only large commodity production that will ensure the food security. We will compensate the costs of construction of not only large facilities for 2000 cows, but also the costs of setting up family and small scale farms", Prysiazhniuk said.

## MAPF Press Service, 01/06/2011

According to the Ministry of Agrarian Policy and Food, some 10 million UAH have been allocated in 2010 for the program "Improving the health of agricultural employees` children", which helped rehabilitate 12 000 children of agricultural employees and rural social workers. Orphans, disabled children, children from large and poor families and Chernobyl disaster survivors were those groups of children whose rehabilitation was a priority.

Ministry of Agrarian Policy and Food, 01.10.2011