

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

Overview of Latest Rural Developments

21 - 27 April 2011

WTO and Neighbourhood Policy

Ukraine welcomes the progress in negotiations on the Association Agreement with the European Union, First Vice Prime Minister, Minister of Economic Development and Trade of Ukraine Andriy Klyuyev said at a meeting with European Commissioner for Development Andris Piebalgs.

According to Mr. Klyuyev, this is the last round of talks held recently in Brussels that confirm this. He also said that Ukraine has a clear political will to complete negotiations by the end of 2011.

First Vice Prime Minister hopes both sides will take the most constructive approach possible to achieve a mutually beneficial compromise in particular as concerns the Free Trade Area. Mr. Klyuyev said that the Ukrainian Government will soon approve the Plan of priority measures to integrate Ukraine into the EU in 2011 stipulating the tasks aimed at creating conditions to facilitate the transition to the FTA regime with the EU.

www.news.liga.net, 21.04.2011

Food Safety

Imports of fresh, chilled and frozen meat and edible poultry offal (whose nomenclature code number is 0207) to Ukraine shall be subject to licence in 2011. The Cabinet approved the relevant decree # 420 on April 11. According to it, the imports of fat-free bacon, pork fat and poultry fat should also undergo licensing (code number 0209 00). Licences will be issued in agreement with the Ministry of Agrarian Policy and Food. According to the State Statistics Committee, imports of products under the code number 0207 in January and February amounted 5.57 tons of a total value of \$ 6.69 million, while their exports amounted to 8.79 tons of a total value of \$ 10.41 million. The imports of products under the code number 0209 00 equalled 0.007 tons of a total value of \$ 15 thousand, while their exports amounted to 2.43 tons of a total value of \$ 2.32 million. During the same period last year there were imported 4.48 tons of products under the code number 0207 worth of \$ 4.79 million and \$ 1,1 thousand worth of those under the code number 0209. Licensing will make meat import more predictable, the Agricultural Minister Mykola Prysyzhnyuk explained. "We will be able to more closely track the country of product origin and reduce the importation of low quality products", he said. Sub-products, fat and grease are often being imported under the guise of pork meat today, while mechanically separated meat is being referred to as poultry, the Explanatory Memorandum to draft decree reads. Licensing will not serve to reduce imports.

www.vet.gov.ua, 21.04.2011

April 20, 2011 the Luhansk Standard Metrology held together with regional Sanitary and Epidemiology Service a workshop for food establishments employees entitled "Main aspects of Ukrainian legislation in the field of foodstuff production, marketing, monitoring and labelling". The workshop brought together over 80 experts from 56 businesses that produce and sell foods, leading specialists from departments for food testing, entrepreneurship promotion, consumer policy, conformity attestation, normative support and sanitary supervision. The workshop identified common approaches food producers and distributors should use during production, marketing, monitoring and labelling to ensure food quality and safety and timely inform consumers of the quality and safety aspects of their products.

www.dssu.gov.ua, 21.04.2011

The Ukrainian Parliament adopted the Law on Organic Production. The document defines the legal, economic, social and institutional frameworks for organic agriculture and requirements for cultivation, production, processing, certification, labelling, transportation, storage and sales of organic products and raw materials. The law prohibits the use of food, feed and processing additives containing GMOs, GMO derivatives and products made from GMOs in organic production. The use of plant protection chemicals and fertilizers, as well as of ionizing radiation to process organic food, feed or raw materials used in organic food or feed is also forbidden. The law was approved except for provision on state financing of organic production.

www.news.liga.net, 21.04.2011

Market Infrastructure

In May the Ukrainian Government will inspect the construction of wholesale markets and vegetable warehouses in regions, the Prime Minister Mykola Azarov said while opening the Cabinet meeting. "I want to make another inspection of the construction of wholesale markets and vegetable warehouses in May. Intermediate outcomes will be generated for the Government to draw conclusions and decide on supporting the construction process where necessary", he said.

As the UNIAN reported earlier, the Ministry of Agrarian Policy and Food expects domestic vegetable production to double after new wholesale markets will start to operate.

<http://economics.unian.net/>, 20.04.2011

The grain exports quotas can in the long run adversely affect agricultural development and food security, the UN Secretary General Ban Ki-moon said. While speaking of grain exports quotas introduced by the Ukrainian Government, he noted that the purpose of this step was to protect domestic consumers from rising world food prices. He also stressed that Ukraine, while being one of the world's leading grain producer and exporter, must play a critical role in enhancing global food security. "Ukraine is one of those few countries in the world that do not use their arable land to the full extent. It now began to expand its agricultural production and increase agricultural productivity. At the same time, maintaining an open trade policy with its international partners should be in our interdependent world the most important contribution on the part of Ukraine", the UN Secretary-General said.

www.liga.net, 21.04.2011

Duty-free quotas for Ukrainian exports of lamb meat to the EU will exceed current lamb meat production and are to be increased by 10% per year. The Economics Ministry believes the prospects to export lamb meat to the EU can contribute to the revival of the lamb industry in Ukraine. However, the market participants say that farmers will not be able to significantly increase their production and compete in price with EU producers without the state support. The European Union agreed to give Ukraine a large quota for lamb meat export in the framework of

FTA negotiations, Deputy Minister of Economic Development and Trade Valery Pyatnitskij told the Kommersant Ukraine. According to him, the proposed quotas will revive the lamb industry. "Although lamb production is almost dead in Ukraine today, it may get new impetus from the prospects to export lamb meat to the EU ", he said.

Kommersant Ukraine, 22.04.2011

Rural Development

Since domestic horse breeding has been almost completely neglected in recent decades, the Ministry of Agrarian Policy and Food developed a clear strategy for recovery and development of Ukrainian horse industry. This was said by the Minister of Agricultural Policy and Food Mykola Prysiazhniuk during the official visit of Ukraine's President Viktor Yanukovich to Zhashkiv stud farm. "14 stud farms have been looted over the past 20 years. Horse breeding has practically ceased to exist. But one has succeeded in reversing the situation. "The Horse Industry of Ukraine" state enterprise has already returned to the State 50 000 hectares of land intended for horse breeding. We have developed a long-term recovery programme with major reconstruction of racetracks, which are currently overgrown with weeds, as its key component. We can turn them into oases of beauty, strength and national pride provided the partnership between the State and private businesses will be established and investments attracted", the Minister said. Today in Ukraine there are 443.4 thousand heads of horses, 5 776 of which are pedigree horses. The national horse stock dropped in half (from 683 thousand to 443.3 thousand heads) in 2003-2010. 24 stud farms, 84 pedigree services, 4 industrial stables are engaged in breeding pedigree horses today. Horses' abilities are assessed at 5 racetracks and 14 horse enterprises. In Ukraine there are being bred 13 species of horses.

MAPF Press Service, 22.04.2011

Presidential Decree # 500/2011 from April 23, 2011 "On the Ministry of Agrarian Policy and Food" approved the Regulation on MAPF. According to it, the Ministry of Agrarian Policy and Food Ukraine shall be the main central executive body for development and implementation of the state agrarian policy, of the policies in the field of agriculture, food security; fishing industry, aquatic resources protection, use and reproduction; fishing regulation and safety of fishing fleet's ships; veterinary medicine, plant protection, protection of plant variety rights; land affairs and geodetic and cartographic activities; forestry and hunting; agricultural monitoring.

www.president.gov.ua, 23.04.2011

In Ukraine there are more than 42 000 private farms, representing 75% of all the agricultural sector establishments. Private farmers use more than 4 million hectares of farmland. This was said by the Minister of Agrarian Policy and Food Mykola Prysiazhniuk during the visit of Ukraine's President Viktor Yanukovich to Cherkassy oblast. They visited the "Nadiya" farm belonging to a local farmer Hryhorij Palamarchuk and paid a visit to his family in the village of Sharnopil. "The development of private farming is the main criterion to assess the success of the entire agricultural sector since 32% of Ukrainian population now lives in the countryside. Therefore, farmers should become a powerful economic and social strength. There is no other way, since today Ukrainian farmers are the main producers of agricultural products, agricultural sector's driving force, one of the main food market suppliers and job creating employers", Mr. Prysiazhniuk said. The number of private farms has increased to 42000 since 1990, representing 75% of Ukrainian agricultural establishments. Private farmers use 4.3 million hectares of farmland (4.2 million hectares of them arable land). In 2010 they produced 4.8 million tons of grain, 271 thousand tons of vegetables, more than 1 million ton of sugar beets, 1,2 million tons of sunflower, and 127 thousand tons of milk.

