

 <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

5 – 11 May 2011

WTO and Neighbourhood Policy

Ukraine itself should choose whether to join the Customs Union or to create a Free Trade Area with the EU. This was announced by the President the Europarliament Jerzy Buzek in Strasbourg during a meeting with the speaker of Verkhovna Rada of Ukraine Volodymyr Lytvyn. Mr. Buzek highly praised the fact that Ukrainian authorities understand the need to coordinate activities towards European integration. However, he noted, the issue of Ukraine joining the Customs Union arises. "Surely it's up to you to decide, but the EU would like to have closer relations with Ukraine", Mr. Buzek said. In his turn, Volodymyr Lytvyn said that the Ukrainian Government's position "is clearly and understandably directed towards European integration", which once again was confirmed the Ukraine's President speaking at the Day of Victory. According to Volodymyr Lytvyn, it is a choice of political nature, since Russia is also proposing some economic benefits to Ukraine within the Customs Union. "Political enthusiasm on these issues will significantly decrease if documents establishing European perspectives for Ukraine are not signed this year", Mr. Lytvyn stressed, adding that "practical resolution of issues arising in Ukraine-EU cooperation will eliminate vacillation in foreign policy." According to Mr. Buzek, Ukraine "should find its own place and economic aspects are very important here." But he assured Mr. Lytvyn, that Ukraine may count on the full support from the European Parliament in its European aspirations.

[http:// news.liga.net](http://news.liga.net), 10.05.2011

Food Safety

The experts from the Consumer Test Centre assessed the quality and safety of eight types of sour cream with 20-21% fat content that are being sold in Kyiv super markets such, as Kremez (Kremenchuk City Dairy Plant), Slov'yanochka (Wimm-Bill-Dann Ukraine), President (Mykolayiv-Lactalis), Dlya vsiyeyi simyi (Halakton), Veselyj pastushok (Ltd Danone Dnipro), Harmony (Lubensky Dairy Plant), Zlahoda (Prydniprovsky Dairy Plant), and Vita (ZLK - Ukraine). All the sour cream was produced in accordance with specifications. All the eight brands tested turned to be real sour cream without any milk fat substitutes. The following three brands of sour cream were ranked as "excellent" according to the test results: Kremez, Slov'yanochka and President. Dlya vsiyeyi simyi and Veselyj pastushok (the most expensive one among the tested products) were assessed as "satisfactory". Harmony and Zlahoda received "poor" ratings due to unsatisfactory microbiological indicators and the presence of starch as in the case with the sour cream Zlahoda. "Vita" soar cream was rated as "very bad".

<http://test.org.ua>, 11.05.2011

Market Infrastructure

The Ministry of Agrarian Policy and Food will introduce compensations for storage of agricultural products and promote refrigeration of vegetables and fruits among farmers, MAPF head Mykola Prisyazhnyuk told during a working trip to Crimea. "The Crimean Fruit Company is today a good example of how one can reconstruct old refrigerators and introduce modern technologies. Refrigeration units are cheaper, and nevertheless preserve the quality of products. It is cheaper for the State to reimburse for refrigerators costs", the Minister said. According to Mykola Prisyazhnyuk, the development of warehouses for storing agricultural products is one of the today's most important issues.

MAPF Press Service, 05.05.2011

One of the near-future tasks in ensuring food security is to return to the consumer co-op systems, the Minister of Agrarian Policy and Food of Ukraine Mykola Prisyazhnyuk said during his working trip to Crimea. "The procurement system should once again begin to perform its functions ", the Minister stressed. According to Mr. Prisyazhnyuk, since it is the private sector that produces many fruits, vegetables, milk and meat, a fine-tuned system is needed to procure products from producers and supply them to consumers.

APK-Inform, 05.05.2011

The EU benefited from grain exports restrictions imposed by Ukraine and Russia by increasing its exports of agricultural products by 21% to 91 billion euros in 2010. The European Commission's data show that these were Russia's and Ukraine's grain export restrictions that significantly contributed to this fact. Severe drought in the Black Sea region has forced these countries to introduce grain export restrictions, which allowed for substantial increase in the EU's grain exports. The EU has for the first time in four years become a net exporter of agricultural products. 75% of growth was due to higher exports in physical terms, and the rest due to raised prices. Growth of agricultural exports was caused by growing demand from such developing countries as China and Russia and by rising prices. The EU agricultural exports to Russia increased by almost a third to 2.2 billion euros. Russia became the second largest market for agricultural products after the U.S in this way. However, the EU still remains the world's largest importer of agricultural products. In 2010 its annual agricultural import volume reached 83 billion euros.

<http://delo.ua/business>, 10.05.2011

May 5, 2011 during the first trading day on the Warsaw Stock Exchange the shares of "KSG Agro" (an Ukrainian company with agricultural property) went up by 0.55% to 22.12 zlotys compared with their IPO prices in mid April. In total KSG Agro sold 2.14 million zlotys worth of shares.

On Thursday shares of the Industrial Dairy Company went down by 2.08% to 10.82 zlotys almost coming down to its IPO prices after a 2,3% growth on Wednesday. Ukrainian companies strive to top the list of the Warsaw Stock Exchange and have already sold more than 2 billion zlotys worth of shares. KSG Agro is a vertically integrated company operating in virtually all segments of the agricultural market.

www.proagro.com.ua, 10.05.2011

The Union of Poultry Farmers forecast the price of poultry meat to increase by a maximum of 5-7% compared to 2010. However, these will not be the poultry producers who will eventually define prices. "The producers would prefer the prices to increase, but everything will depend on the purchasing power of Ukrainian public", the expert adds. On the Easter holidays this year poultry prices remained virtually the same as compared to last year's prices. In April prices has

increased by 7-8% compared with prices in March. "Poultry meat production costs increased by 25% this year", the expert said.

LIGABusinessform, 10.05.2011

Rural Development

ANNOUNCEMENT

May 12, 2011 there will be held a round table entitled "Development of efficient farmers and cooperative organizations in Ukraine" and initiated by the Ukrainian Union of the Service Cooperatives Members, the Institute of Agricultural Economics and Ukrainian Farmers and Landowners Association. The event is supported by the EU-funded project "Implementation of Ukraine's Commitments under WTO and ENP in the Rural Sector (SWAP-RURAL)" EuropeAid/126205/C/SER/UA.

The round table will discuss European and Ukrainian experience of creating added value through cooperation of farmers, backyard holdings and other producers in the process of gathering, processing and marketing of agricultural products, the experience of farmers' cooperation and farmers infrastructure in Ukraine.

The event will be attended by the representatives of governments, NGOs, farmers, scientists and experts.

The Ministry of Agrarian Policy and Food plans to address the Government with a request to start a wine festival so as to develop the agri tourism, Minister Mykola Pryszyzhnyuk said during the meeting on prospects of horticulture, viticulture and winemaking in the Crimea. "We asked the Government to introduce a wine festival, which we plan to hold in Yalta", Mr. Pryszyzhniuk said. According to the Minister, in Hungary cellars sell 35-40% of wine attracting new tourists each year. "When we will have the agricultural tourism developed thanks to wine, it will also enhance horticulture, gardening and other segments of the agricultural sector", the Minister said.

MAPF Press Service, 06.05.2011

May 11-13, 2011 Ukrainian-Netherlands CATAPULD project will hold an interactive seminar entitled "Consolidation of land, water and forest resources: the EU best practices". The seminar will discuss tasks and procedures for consolidating agricultural land in the narrow and broad sense, as well as legal and technical aspects of land consolidation. As it has previously been reported, the first meeting of the working group of the joint Ukrainian-Netherlands project "Capacity Building through Technical Assistance to Programming of Ukrainian Land Development" (CATAPULD) was held in January. The meeting was attended by the representatives of the State Land Agency, MAPF, Ministry of Environment, State Forestry Agency, State Water Agency and the Agency for the Management of Land and Water Resources of the Dutch Ministry for Agriculture, Environment and Food Quality.

www.dkzr.gov.ua, 06.05.2011

ANNOUNCEMENT

The Land Union of Ukraine and Open Knowledge Company will hold a workshop entitled "Projects of ecological and economic assessment of crop rotation and land improvement" on May, 20 in Kiev.

www.myland.org.ua, 10.05.2011