

 <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

12 – 18 May 2011

WTO and Neighbourhood Policy

Ukraine will chair the Council of Europe' Committee of Ministers for the first time in 16 years of its membership in this organization. It has been officially declared that while occupying this post Kyiv intends to combat for the rights of children, for human rights, for the rule of law to ensure democracy and stability in Europe and support strengthening and development of local governments. In fact, the main task to be completed during the Ukraine's presidency will be to accomplish negotiations between Strasbourg and Brussels on the EU joining the Council of Europe. The ceremony of handing Ukraine the Key to Europe will be held on Wednesday in Istanbul. The Ukrainian Foreign Minister Konstantyn Hryshchenko was endowed with the powers of the Committee of Ministers` head. In November, after six months of presidency, Ukraine will be succeed by the UK.

Kommersant-Ukraine, 12.05.2011

The European Union allocated 1.26 million euros to support Ukrainian veterinary services. Animal foods became safer two years after the EU-funded twinning project began to improve the food safety and control systems in Ukraine. Since 2009 the State Veterinary Committee of Ukraine (SVCU) and the State Research Institute of Laboratory Diagnostics and Veterinary Examination (SRI LDVE) have fruitfully collaborated with Danish, Dutch and Latvian experts to improve food safety and reduce risks associated with the use of veterinary medicines.

More than 240 employees from SVCU, SRI LDVE and related regional institutions participated in 11 training workshops conducted by the EU experts during the project implementation. There were developed five basic reference books and textbooks. 43 key representatives of the Ukrainian side took part in 9 study visits to their European partners. Ukrainian experts will transfer the newly acquired experience to their colleagues. May 18, 2011 I. Bisyuk, the head of the State Veterinary and Phytosanitary Service of Ukraine, will hold a press conference on the occasion of the EU Twinning Project having been completed. Speakers at the press conference will include: the chairman of the Permanent Mission of the EU to Ukraine Jose Manuel Pinto Teixeira and project leaders.

<http://www.vet.gov.ua/>, 13.05.2011

Ukraine is interested in intensification of bilateral economic cooperation with Canada. This was stated by Deputy Minister of Economy of Ukraine Vasyl Marmazov when opening the 3rd round of talks between Ukraine and Canada to create a free trade zone. "The Free Trade Agreement between Canada and Ukraine should become an instrument to realize the potential of both countries in trade and economic cooperation", he stressed.

Press Service of the Ministry of Economic Development, 16.05.2011

The date of Ukraine's joining the EU depends on the extent to which the Ukrainian society will become Europeanised at the time when discussions on Ukraine's accession will start in the EU. Such an opinion was expressed by the chairman of the European Commission's Mission to Ukraine Jose Manuel Pinto Teixeira. "The question of when Ukraine will join the EU should be addressed to Ukrainian authorities and civil society. Everything depends on reforms which are now being carried out in Ukraine. When one day this issue will be discussed at the EU level, these will be the extent to which the Europeanizing reforms will have been implemented and the extent to which the Ukrainian society will have been reformed that will be taken to consideration. The main thing is how Europeanised the Ukrainian society will be at that moment", Mr. Teixeira said. He also said that one can not compare the situation which was 20 years ago with the one that is now in Ukraine. "Although, in my view, Ukraine could have done a lot more during these 20 years as had its neighbours who despite the fact of also having once been behind the Iron Curtain, succeeded, as in the case of Poland and Slovakia, in reforming their economic sectors and societies", Mr. Teixeira said.

RBC-Ukraine,17.05.2011

Food Safety

I. Bisyuk, the head of the State Veterinary and Phytosanitary Service of Ukraine, met with the managers of such European companies as Lactalis, VimBilDan Ukraine and Danone Milkiland Ukraine to discuss issues related to achieving stable level of food safety and ways to strengthen trust between central and local authorities in Ukraine and their foreign partners. The meeting was initiated by the Dairy Committee of the European Business Association and focused on the issue of persistency with which the safety of food products that are being imported to Ukraine should be checked. The meeting participants noted the high level of business community activities and expressed readiness for further talks.

<http://www.vet.gov.ua/>, 12.05.2011

The Government adopted the draft law On amending the law On State Biosafety System for Creating, Testing, Transportation and Use of Genetically Modified Organisms. The amendments provide for the introduction of a mechanism to trace the origin of GMO-containing products and empower the Cabinet of Ministers to determine which scientific institution will be the Scientific and Methodological Centre for GMO Testing and determine its major powers. Introducing such a traceability mechanism will allow business entities to save money on GMO testing and will also make them more responsible for the circulation of GMO products.

Press Service of the Ministry of Economic Development, 12.05.2011

The Ukrainian and Russian governments will conclude an agreement on cooperation in plant quarantine. The Cabinet of Ministers adopted the relevant decree on May 11. The Minister of Agrarian Policy and Food Mykola Prisyazhnyuk has been authorized to sign the agreement.

APK-Inform, 12.05.2011

According to the press-service of the State Veterinary and Phytosanitary Service of Ukraine, Australia is interested in supplying kangaroo meat to Ukraine.

"The Australian side raised the issue of kangaroo meat exports to Ukraine", said Ivan Bisyuk, the head of the Veterinary Service after meeting with Australia's Ambassador to Ukraine Michael Potts. The Australian side proposed for Ukrainian veterinary experts to inspect Australian meat processing businesses this summer and provided the list of establishments (slaughterhouses, farms, laboratories) to be checked during the audit. In its turn, the Ukrainian side handed over its proposals concerning beef and mutton certificates to the Australian competent veterinary authorities.

Market Infrastructure

The International Finance Corporation (IFC) and Raiffeisen Bank Aval will each provide \$ 70 million worth of guarantees to Ukrainian farmers, Bloomberg reports. The program is designed for three years. Guarantees will be provided for Bayer AG (Germany), which will supply the plant protection products to Ukraine. The plan is intended to develop "a mechanism of risk division between the parties", the head of IFC in Ukraine Olena Voloshyna said.

RBC-Ukraine, 12.05.2011

The European Bank for Reconstruction and Development (EBRD) notes the worsening of the investment climate in Ukraine, Andre Küüsvek, the EBRD Director for Ukraine, said. "The investment climate worsened. There has always been corruption in Ukraine and it still remains. In addition, our customers say that an enormous pressure on the business community is being exacted through various (health, tax, environmental, etc.) inspections", Mr. Kuusvek said answering the question as to whether there are any improvements of the investment climate in Ukraine.

He also noted that the measures that the Government takes to secure the fulfilment of the State budget targets adversely affect the business.

www.liga.net, 12.05.2011

The observed increase in meat production in Ukraine led to rapid growth in meat exports and to a 50% decrease in pork and poultry imports, Ukrainian Agrarian Business Club (UABC) reports. The UABC experts say the main reason for such changes was that the meat prices in Ukraine approached those adopted in major exporting countries.

BIZ.liga.net, 12.05.2011

The European Bank for Reconstruction and Development (EBRD) is considering opening a \$ 25 million credit for Hlobino Group. The latter wants to use the credit to modernize and expand production capacities of its farms and a meat processing plant. The project cost is approximately \$ 91 million. It will be considered June 14, 2011

RBC-Ukraine, 17.05.2011

Rural Development

May 1-2, Sunny Drink Festival was held for the sixth time in Uzhgorod with the assistance of the Agricultural Development Department of the Transcarpathian Oblast State Administration. During the event visitors could buy wine, honey, bee products and many different souvenirs. A winemakers competition has been held where the tasting commission assigned gold, silver and bronze awards to best wines.

www.agroua.net, 12.05.2011

Hungarians plan to build a dairy farm with 9 thousand cows and annual capacity of 6 thousand litres of milk per cow in Ivano-Frankivsk region. The head of Ivano-Frankivsk oblast administration Myhailo Vyshyvanyuk said that Hungarians are ready to provide a 10-year loan at 6% per annum with loan payment deferred after one year after the dairy farm starts operating. The project cost will be determined after feasibility studies are completed.

The future dairy farm will not only produce dairy products bur also generate gas and electricity from animal waste.

<http://economics.unian.net/>, 13.05.2011

Agro Victoria farm (Pustomyty district of Lviv oblast) managed to receive a \$ 196 thousand grant from the Danish Government through the project entitled "Providing services to manage two chains of value-added agricultural products in Ukraine" (Agri-Lviv).The uniqueness of the farm is that it raises dairy goats apart from cows. There are only few such farms in Ukraine today.

Its owner Victor Kasperskij said: "Cow and goat milk are those two products whose production we plan to improve since, quality cow milk is in demand and goat milk production is practically an unfilled market niche. With the grant money, we purchased 20 bred heifers and 14 goats, are currently repairing livestock buildings, reconstructing the milking room, plan to purchase a feed cutter, manure dispensers, milking equipment, pasteurizers, mowers and repair silage pits. All the resources will be used to increase milk yields and improve milk production".

AgrI-Lviv, 16.05.2011

May 17, Ukrainian Parliament adopted the draft law On development of bio-fuel production and consumption.The draft # 7524 provides legal regulation for production and consumption of bio-fuels that is based on renewable raw materials and biochemical processing methods.

APK-Inform,17.05.2011