

 <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>		

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WTO and Neighbourhood Policy

Ukrainian First Deputy Prime Minister, Minister of Economic Development and Trade Andriy Klyuyev and the head of the Eastern Committee of German Economy Rainer Lindner and Ambassador Extraordinary and Plenipotentiary Ambassador of the Federal Republic Germany Hans-Jurgen Heimsoeth reached the preliminary agreement to hold a big Ukrainian-German business forum in autumn this year. Mr. Klyuyev said at the meeting that Ukrainian side proposes to hold a forum like this in Ukraine. He stressed that Ukrainian Government is interested in large German investors coming into the country and creating new businesses and new jobs. In his turn, Mr. Lindner said that this is a very promising field for collaboration. He also said that German businessmen have already announced about several new investment projects that are planned to be implemented in Ukraine.

The Press Service of the Ministry of Economic Development, 09.0609.2011

A group of Ukrainian parliamentarians from the "European Choice" inter-party group led by the group's co-chairs Anatolij Kinakh and Ivan Plushch met in Strasbourg with leaders and members of the European Parliament. The representatives of all factions of the European Parliament confirmed their openness and willingness to as soon as possible grant Ukraine EU associate status and expressed a desire to finalize the FTA with our country in 2011. Ukrainian parliamentarians met with the EP president Jerzy Buzek, former EP President Hans-Gert Pottering, the European People's Party president Joseph Daül, the vice president of the Progressive Alliance of Socialists and Democrats Hanes Svoboda and other leaders of EP factions.

UMB, 10.06.2011

Food Safety

ANNOUNCEMENT

EU-funded project "Implementation of Ukraine's Commitments under WTO and ENP Frameworks in the Rural Sector" plans to hold in Sumy on June 21 and 22 a workshop entitled "Official controls over food facilities operators; peculiarities of the HACCP audit". The workshop will be attended by state inspectors and veterinary officials from the regions of Ukraine.

<http://www.vet.gov.ua>, 10.06.2011

June 9, 2011 a conference entitled "Combining practical production, organic agriculture education and just marketing of quality organic products" was held in the Illinetsk State Agricultural College. The results of BIOLan Ukraine activities, plans to develop the organic production, its current state and prospects in Ukraine, trends and prospects for export of Ukrainian organic products, etc. were discussed during the event. After the conference, its

participants visited the test sites of the Illinets State Agricultural Institute.

<http://agronews.in.ua>, 10.06.2011

Every day inspectors from the Ukrainian Inspectorate for Agriculture are checking the quality and safety of the products sold in stores of different types of ownership.

39 210 kg of products from 44 Kyiv stores were inspected last week. Products that did not meet the requirements of current regulations and technological documentation were found. All the 461.9 kg of low-quality products were removed from the circulation.

The Press Service of the State Agricultural Inspection, 14.06.2011

Market Infrastructure

Almost 90% of fruit and vegetables sold in Crimea are being imported from other countries including Turkey while local products are being exported to other regions of Ukraine and Russia. "Today, only 10-20% of products marketed in Crimea are of local origin. Farms growing cherries, apples, peaches, and apricots try to sell their products to other regions", Mr. Kravets said. He named local low prices as the reason for mass export of local products. "Farmers are looking for higher prices and try to sell they products to other regions. The appearing gaps are being filled by products imported from other countries, including Turkey. One cannot do anything with it", the Minister said.

<http://www.lol.org.ua>, 09.06.2011

During 20 years Ukraine has attracted a total of \$ 1 billion of foreign investments into the agricultural sector which is an amount too small for its development. This view was expressed by the president of the Ukrainian Agrarian Confederation (UAC) Leonid Kozachenko during a meeting of the Working Group entitled "The EU and Ukraine on their way to an expanded free trade area" in the Institute for Strategic Studies. According to his estimates, \$ 60 billion are needed for a significant breakthrough to take place in the Ukrainian agribusiness. "The European Union is a player who does not yield its positions during negotiations. But we will not have any problems in negotiations with the EU, if investments come. At this stage we already see progress at the level of political decisions, and a willingness to compromises", the UAC president said.

LIGABusinessInform, 10.06.2011

Russia intends to reduce cheese imports from Ukraine since vegetable fats and particularly palm oil are being used in its production. Ukrainian producers and experts privately admit that Russia's claims are not groundless. Russia is forced to restrict the import of Ukrainian cheese. The main complaint is that vegetable fats are allegedly being used on Ukrainian dairies to reduce cheese production costs. "Although the volume of milk production is not growing in Ukraine, cheese production has surprisingly increased by considerable rates. At the same time, Ukraine is the world's largest tropical-oils importer", the head of the Russian National Union of Milk Producers Andrey Danilenko declared. He said that the Russian side has already revealed the use of vegetable fats in Ukrainian dairy products. Russian veterinarians are currently inspecting Ukrainian dairy enterprises. Raising import duties on dairy products, tougher rules for Ukrainian exporters and even a total ban on dairy imports from Ukraine (as it already was in 2005) are among the measures which Russia can take, if the use of vegetable fats is proved.

<http://www.anyfoodanyfeed>, 14.06.2011

Ukrainian farmers have received 500 new harvesters this year. According to the agricultural minister, Mykola Prisyazhnyuk, \$ 120 million were allocated for the purchase of new equipment in 2010 and another 25 million in 2011 for the purchase of equipment which is to be subsequently leased to farmers. "It is for the first time that the Government is implementing such

a programme. And this is a good start of our planned large-scale technical up-grade of the agricultural sector. Through the effective use of harvesters we will be able to timely harvest and prevent 6 million tons of grain losses ", Mr. Prysiashniuk emphasized.

MAPF Press Service, 14.06.2011

The Ukrainian Ministry of Finance allocated UAH 2.6 billion to the Ministry of Agrarian Policy and Food for the purchase of food to the Public Intervention Fund, Prime Minister Mykola Azarov said. "The Ministry of Finance has allocated UAH 2.6 billion to the MAPF for the purchase and storage of agricultural food products in the Public Intervention Fund", Mr. Azarov said. The Prime Minister also noted that the Government set as its objective to accumulate food supplies on both central and regional levels

RBC-Ukraine, 14.06.2011

Rural Development

National Sorocynci Fair will traditionally be held in the village of Velyki Sorochynci of Mirgorod rayon from 16 to 21 August. The official opening ceremony is scheduled for August 17.

"This year Ukraine will celebrate 20th Anniversary of its Independence and 15th Anniversary of its Constitution, and CIS countries will celebrate 20th Anniversary of CIS establishment. Therefore, the fair will host more guests this year and its programme will feature performances by ensembles from CIS countries.

<http://economics.unian.net/>, 10.06.2011

In addition to individuals, farms owners will also be granted with the right to buy agricultural land. This was announced by Deputy Minister for Agrarian Policy and Food Mykola Bezugly. "During the first stage it will be individuals, farms and the State represented by a special state authority who will be allowed to sell and buy land", Mr. Bezugly said.

The official also noted that, the Ministry thinks that certain restrictions as to who can buy and own land should be introduced due to current state of country's agricultural production and agricultural economy. Thus, the draft law on Land Market restricts foreigners and any legal entities founded by foreign individuals or foreign companies from purchasing agricultural land in Ukraine.

http://news.liga.net, 10.06.2011

The survey entitled "Assessing land reforms taken in 2010 in Ukraine" shows that 51.5% of Ukrainian land shares` owners believe the agricultural land should not be the subject of sale. The representative of the Centre for Social Expertise of the NAS Institute of Sociology Olexander Goncharuk said during the conference entitled "Land Privatization in Ukraine: results, implications, future directions" that 18,7% of the land shares owners support the launching of the land market provided there are appropriate conditions. 43,8% of farmers and two thirds of village councils` heads oppose the launching of the land market, while 27,5% of them support it, provided appropriate legal and economic conditions are established.

<http://economics.unian.net/>, 14.06.2011

The Parliament passed the draft allowing to extract peat from agricultural land and correspondingly amending the Ukrainian Land Code. The draft proposes to refer to peat land used as agricultural land as especially valuable land so as to enable it to be used for mining purposes.

It is also proposed to exempt from agricultural and forestry loss compensation those citizens and legal persons who use the land for peat extraction provided the land remains suitable for use in

social production.
<http://news.liga.net>, 14.06.2011