

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

Overview of Latest Rural Developments

14 - 20 July 2011

WTO and Neighbourhood Policy

July 18, Brussels - A common understanding was reached between the Ukrainian Minister of Foreign Affairs Konstyantyn Gryshchenko and the EU Commissioner for Trade Karel de Gucht that all fundamental provisions of the agreement on deep and comprehensive Free Trade Area should be agreed upon before the Eastern Partnership Summit, which is scheduled for 29 September. "The European side is well aware that the FTA agreement must be prepared as soon as possible", Mr. de Gucht said. Both sides noted that the EU-Ukraine negotiations on FTA came to their final stage and negotiation teams have to as soon as possible agree upon all technical issues and find compromise wordings for the remaining ones.

Press Service of the Ministry of Foreign Affairs, 18.07.2011

The Ukrainian Minister of Foreign Affairs Konstyantyn Gryshchenko met with the Polish Foreign Minister Radoslaw Sikorski while visiting Brussels. They discussed prospects for completing negotiations on the EU-Ukraine Association Agreement and FTA. Both sides are going to intensify their efforts for all issues to be agreed upon before the end of the autumn. It was stated that the Association Agreement between Ukraine and the EU will not only be a success shared by Kyiv and Brussels, but also have a positive impact on the welfare and prosperity of Europe and its peoples. Mr. Gryshchenko especially appreciated the fact that support for Ukraine's European aspirations has in practice become one of Poland's priorities during its presidency in the EU.

Press Service of the Ministry of Foreign Affairs, 18.07.2011

Food Safety

Ukraine's President Viktor Yanukovich signed the law On Amendments to the Law of Ukraine On Veterinary Medicine (concerning production and circulation of veterinary preparations). The Ukrainian Parliament has adopted this law on June 16, 2011. It simplifies documentary requirements needed for business activities related to the production of veterinary preparations. According to the new law, business entities do not need special permits for operating facilities used for production, processing, storage and circulation of veterinary drugs and animal reproductive material.

<http://www.vet.gov.ua/>, 15.07.2011

While checking children's health camps in the resort area of Berdyansk (Zaporizhyya oblast), the veterinary police discovered and seized 230 kg of products which were not accompanied by documents confirming their origin and safety.

The veterinarians transmitted all investigation materials to the district prosecutor's office for criminal proceedings to be started against those responsible for such large-scale violations of food safety requirements.

<http://economics.unian.net/>, 19.07.2011,

In second quarter of this year, the Kyiv City State Inspectorate (which has recently joined the Ukrainian State Inspectorate for Agriculture) while making quality checks of vegetables, fruits and food containers found 74 cases of fruits and vegetables not being accompanied by quality and safety assurance documents. Inspectors checked 487 grocery stores in Kyiv and tested 385.1 tons of fruits and vegetables. 3.6 tons of low-quality products were driven out of circulation and 181 penalties issued.

Inspectors also checked quality, quantity and variety of early green crops raised in greenhouses and documents assuring consumer safety thereof. 796.1 tons of vegetables were checked with 12 penalties issued. Veterinarians were also checking the way in which wholesale and retail employees in Kyiv observe standards, guidelines and recommendations for processing, storage and sale of potatoes, other vegetables and fruits. 214.6 tons of potatoes and horticultural crops were inspected and six penalties issued.

LIHABusinesInform, 20.07.2011

Market infrastructure

During the first half of 2011, the total agricultural production in Ukraine increased by 3.2% compared to same period in 2010, with 6.9% production increase in agri-businesses and 0.2% production decrease in small households. This was disclosed by the State Statistics Service. The average price at which Ukrainian agri-businesses sell their products in 2011 increased by 23% compared with the corresponding period in 2010, with a 51% increase in prices for crop and a 2% decrease in prices for livestock.

APK-Inform, 14.07.11

Ukrainian poultry exports may significantly increase in 2011, the head of the Ukrainian Poultry Breeders Union Oleksandr Bakumenko said. He predicted that in 2011 Ukraine will be able to export some 60-70 thousand tons of poultry meat, which is two times more than in 2010.

www.liga.net, 14.07.2011

An agricultural wholesale market called Stolychnyj or Capital was started to be built in Kiev, so as to provide Kiev residents with quality food at affordable prices all year round. Experts believe it to be the most successful governmental-supported project in the food sector today. According to the CEO of Stolychnyj market Olexij Chumak, a site for selling food from vehicles has already started to operate. "Stolychnyj has all chances to become one of the most successful government-supported project in the food sector since Ukraine has become independent", the head of APK-Inform analytical agency Tatyana Getman said. She said the it is import that the project was developed on the extensive experience gained by Shuvar market in Lviv, and on the experience of foreign wholesale markets. Five agricultural wholesale markets are now being constructed in Ukraine, namely in Kyiv, Lviv, Donetsk, Kharkiv and Zaporizhya. The ministry expects food prices on new wholesale markets to be 30-35% lower than the existing ones.

<http://minagro.gov.ua/>, 15.07.2011

There will be more credits available for Ukrainian agri-producers, the head of the Ukrainian National Bank Serhiy Arbuzov said while meeting with Ukraine's President Viktor Yanukovich in Crimea. According to him, UAH 8 billion have been already allocated in 2011 to support farmers and reduce interest rates on agricultural loans. "We had a conversation with Mr.

President during which we identified main priorities for the agricultural sector development. We will strive for the agri-producers to receive more funds", Mr. Arbuzov said after a meeting with the President. He added that the National Bank is now working to further reduce interest rates and extend credit periods for agri producers.

Presidential Press Service, 18.07.2011

The Ukrainian Parliament published the draft law N9001-1 On Land Market, which was presented by the Government. The proposed draft permits the sale of agricultural land starting from January 1, 2012. Foreign citizens and companies with non-residents of Ukraine having more than 10% share thereof will not be allowed to buy agricultural land. Non-residents who have acquired the land illegally during the moratorium should in one year's time voluntarily return it to the State or undergo a land alienation procedure in court. The aim of the law is to legislatively regulate issues related to organization and operation of agricultural land market in Ukraine. The law's authors expect that adoption and implementation of the Law On Land Market will enable one to introduce a transparent land market for selling land of state, municipal and private property, regulate land sales related issues and improve the investment climate in Ukraine. Let us remind the reader that the Ukrainian Parliament has recently adopted the law On State Land Cadastre.

<http://biz.liga.net>, 20.07.2011

Rural Development

Ukraine's President Viktor Yanukovich signed the law facilitating the registration of farmers. According to the new law, in order for a person to become a farmer, one needs only to submit documents demonstrating applicant's experience in agriculture or his/her agricultural degree to rayon state administration or local council instead of having to be qualified by a qualification commission assessing applicant's abilities to become a farmer.

RBC-Ukraine, 14.07.2011

Another 1 million euros were allocated to implement the second phase of the UNDP-supported project Community Oriented Local Development, Kyiv Oblast Governor Anatoly Prisyazhnyuk said. "According to the signed agreement, 1 million Euro is needed for the second phase of the program. It will be financed by 65% UN, 30% local budgets and 5% communities own funds", Mr. Prisyazhnyuk said. He said the programme funds will be used in depressed areas of the Kiev oblast. "We agreed to allocate these funds primarily to depressed localities, which we still need to identify", the governor said. He added that the money will be allocated for the Drinking Water programme, for health care development, energy conservation and (re)construction of sewer facilities. According to Mr. Prisyazhnyuk, negotiations are underway to implement the third phase of this project.

RBC-Ukraine, 19.07.2011

Ukrainian MP Volodymyr Yavorivsky proposes to extend the moratorium on selling agricultural land and on introducing land as a contribution to company's statutory fund until January 1, 2013. This is stated in the draft № 9014 "On amendments to paragraphs 14 and 15 of transitional provisions of the Ukrainian Land Code concerning the time for launching the land market" which was introduced to the Parliament on July 18. The moratorium is proposed to be extended for one year since there is yet no law on land market, the land inventory is not fulfilled and the digital variant of the State Land Cadastre (whose completion is scheduled for July 2012) is not yet created. A one-year continuation of the moratorium will not only enable one to implement organizational and legal framework for selling agricultural land in Ukraine, but will also protect the property interests of land owners, the law's author says.

<http://www.unian.net>, 20.07.2011