

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

Overview of Latest Rural Developments

28 July – 3 August 2011

WTO and Neighbourhood Policy

The Law # 3596-VI On Ratification of Agreement between Ukraine and the European Bank for Reconstruction and Development on Ukraine's contribution to participate in the East European Energy Efficiency and Environment Partnership Fund came into force.

The agreement is aimed at ensuring Ukraine's participation in the Eastern European Energy Efficiency and Environment Partnership Fund, whose objective is to provide effective international financial support for implementation of projects related primarily to energy efficiency and environmental improvement. To fulfil its obligations under the agreement, Ukraine should pay to the Fund 10 million euros (2 million annually over 5 years). Ukraine's participation in the Eastern European Energy Efficiency and Environment Partnership Fund will provide access to significantly greater financial resources than the contribution it will pay. These funds will be granted irrevocably for preparation and implementation of infrastructure investment projects. Implementation of these projects will have a significant economic impact thanks to reducing energy consumption in establishments maintained by government and local authorities.

RBC-Ukraine, 03.08.2011

Food Safety

July 27-28, 2011 a national workshop entitled "Diagnosis, prophylaxis and measures to combat bovine leukaemia in the modern business environment" was held in Kovel, Volyn oblast. The workshop was attended by heads of anti-epidemic departments from all regional veterinary services, heads of regional veterinary services from areas with high risk of bovine leukaemia, experts from the State Veterinary and Phytosanitary Service, National Research Institute for Laboratory Diagnostics and Veterinary Examination, and leading Ukrainian leukae-zoologists.

<http://www.vet.gov.ua/>, 29.07.2011

The veterinary police discovered illegal Suluguni cheese production facilities which were run by a Georgian citizen in Chernihiv oblast. Cheese was made from milk of unknown origin which was being bought without any quality and safety documents. Production premises were in unhygienic conditions. 60 kg of semi-finished cheese were withdrawn. Activities aimed at combating illegal circulation of animal products continue to be carried out in Ukraine. Mobile teams consisting of veterinary police employees and employees of the State Veterinary Service are now operating in Ukrainian regions to implement this task, they have already checked 435 business entities.

<http://www.vet.gov.ua/>, 01.08.2011

Market infrastructure

As of July 26, 2011, UAH 1.6 billion was allocated for budget programmes to support the agricultural sector, the Minister of Agrarian Policy and Food Mykola Prisyazhnyuk said. The MAPF press service says the process of paying subsidies to farmers is under personal control of the Minister. According to MAPF head, UAH 1,591.978 million have already been allocated from the General and Special funds of the State Budget and paid to farmers. "In some regions the agriculture support programmes are 100% funded, while in other there are problems. But I will personally control the budget funds coming to farms", Mr. Prisyazhnyuk said.

APK-Inform, 28.07.2011

The Government will allocate more than UAH 7 billion for building public food stocks in 2011, the Minister of Agrarian Policy and Food Mykola Prisyazhnyuk said during a working visit to Zhytomyr region. "These funds will help form public food stocks abundant enough to not only ensure food security but also to avoid state intervention, especially into the grain market", the Minister said. Another priority of the government agriculture support will be dairy development. According to the Minister, milk consumption in Ukraine is approximately 9.6 million tons, and about 1.8 million tons are being exported in form of cheese and other dairy products. "There is potential to increase both internal consumption and exports. We now have to motivate farmers and producers to increase milk production and stop decline in livestock number", the Minister said.

www.liga.net, 29.07.2011

The Ukrainian Antimonopoly Committee allowed Vita Genero Limited (Cyprus) to buy enough shares to secure more than 50% of votes in the governing bodies of 14 Ukrainian agri-companies.

Futhermore, the Committee allowed Pomarium Capital Limited to buy Bukovina Sad Ltd. (the village of Vashkovtsy, Chernivtsi oblast), Bukovina Agrosvit (the village of Serbichani, Chernihiv oblast), Agrosad-2005 Ltd. (the village of Vashkovtsy, Chernivtsi oblast) Ovochevy Budynok Podillya Ltd. (the village of Mokyyevtsi, Khmelnytsky oblast).

RBC-Ukraine, 29.07.2011

In January-June 2011 the aggregate index of expenditures for agricultural production in Ukraine was 119.5% compared with the corresponding period of 2010, the State Statistics Service said.

APK-Inform, 01.08.2011

Modern fruits and vegetables storage facilities will be built in 3-4 years throughout Ukraine. The Prime Minister Mykola Azarov said at the opening of a storage facility in the village of Vasylivka, Vinnytsia oblast. Let us remind you that according to an agricultural markets expert from the Ukrainian Agri Business Club Roman Slastena, the lack of facilities to store the produce and transport it with minimal losses to consumers is the main cause of rising prices and imports of vegetables into Ukraine. He said the "stores and markets" problem will be in the next few years the major factor causing rise in vegetables prices in winter-spring period.

LIGABusinessInform, 02.08.2011

ANNOUNCEMENT

The largest wholesale market in Ukraine Stolychnyj will host representatives of the apple sector from 12 countries on August 11, who will participate in the conference entitled Apple Business in Ukraine, Russia and Moldova 2011. More than 200 representatives of the apple businesses have already confirmed their participation in the conference. Besides the representatives of Ukrainian, Russian and Moldavian companies, apple producers, traders, machinery and

equipment suppliers from Belarus, Poland, Holland, Britain, Belgium, Italy, Germany, Kazakhstan and the Czech Republic will be also among conference participants.

www.nrcu.gov.ua, 02.08.2011

The Ukrainian Ministry of Agrarian Policy and Food is negotiating with the Customs Union countries (Russia, Belarus, Kazakhstan) on establishing free trade regime for exporting 100 thousand tons of Ukrainian sugar, the Ukrainian agricultural minister, Mykola Prysyazhnyuk, said during a meeting on sugar industry development and ethanol production prospects, which was held in Vinnitsa oblast.

"In the future we need to reach agreement on increase in export quotas up to 500 tons", the Minister said. According to him, the number of employees engaged on sugar factories has increased due to increase in Ukrainian sugar beet and sugar production. The minister thinks, that the Russian Federation and other CIS countries, which will not be able to fully satisfy their own sugar demand till 2020, are potential markets for Ukrainian beet sugar exports.

www.unian.net, 03.08.2011

Rural Development

The State Agency for Land Resources proposes to make the approving procedure for allocating ownership rights to land free of charge. This is stated in the draft law amending the Land Code of Ukraine and bringing it in line with the law On permitting procedures in the economic sphere, which was published on the Agency's website. The draft offers to abolish charges for issuing decisions on allocating permanent use and lease rights to land of state or municipal ownership; on selling land of state or municipal ownership; on documents related to withdrawal/buying out of especially valuable land owned by individuals and legal entities. The above decisions are proposed to be valid for an indefinite period of time.

<http://economics.unian.net/>, 28.07.2011

A workshop called Agricultural Cooperatives as a Tool for Sustainable Rural Development is being held in Crimea. The workshop is organized by the Crimea's Integration and Development Programme, the Ukrainian and Crimean agricultural ministries and the Ukrainian Union of Agricultural Cooperatives' Members. The head of Research Support to Agriculture and Rural Development Department Iryna Sinjavaska reported that 33 cooperatives were created in Crimea as part of the Crimea's Integration and Development Programme. "Farmers are proud to have been able to get 70 quintals of early grains per hectare", she said. "If we were working separately we could not buy the equipment and cultivate the soil properly. Other farmers are already willing to join our cooperative", the head of Catherine ASC Oleg Podlesnyy said. Local rural communities are also satisfied since cooperative members helped to insulate the school's roof.

<http://minagro.gov.ua>, 29.07.2011

Three rural schools will be built by the end of the year in Rivne oblast, including one secondary school in the village of Berestya of Dubrovytsa rayon. The new school was decided to be built in this village since the old one was already dilapidating. Berestya residents were waiting for decades for a new school to be built, so they are not too upset with the fact that the school will not start operating on the first of September.

www.nrcu.gov.ua, 02.08.2011

In September, the Cabinet will hold a special session devoted to the agricultural science development, the Prime Minister Mykola Azarov said during his working visit to Vinnytsia oblast.

"In September the Cabinet will consider the activities carried out by the Academy of

Agricultural Sciences and possibilities for establishing public-private partnerships for Ukraine to have elite cattle and seeds of its own. There was a time when we had it all ", Mr. Azarov said. He noted that it is necessary to develop a proper state programme and reform the structure of agricultural science and education.

www.nrcu.gov.ua, 03.08.2011