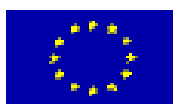




МІНІСТЕРСТВО АГРАРНОЇ ПОЛІТИКИ  
ТА ПРОДОВОЛЬСТВА УКРАЇНИ



Проект фінансується  
Європейським Союзом



Проект впроваджується  
консорціумом на чолі з WYG  
International

*Implementation of Ukrainian's Commitments under WTO and ENP Frameworks in the Rural sector  
EuropeAid/126205/C/SER/UA*

## Overview of Latest Rural Developments 22-28 September 2011

### WTO and Neighbourhood Policy

September 29-30, Ukraine's President Viktor Yanukovich will visit Warsaw to participate in the Eastern Partnership Summit and hold several bilateral meetings.

[www.president.gov.ua](http://www.president.gov.ua), 28.09.2011

Ukraine has achieved positive results on agricultural issues in the free-trade-area negotiations with the EU, the Minister of Agrarian Policy and Food Mykola Prysyazhnyuk said after the 18th round of talks.

Mr. Prysyazhnyuk said that Ukraine succeeded to increase by 2-4 times the duty-free exports quotas for key agricultural products. The agreement with the EU provides for a gradual increase of quotas for export of cereals from 1.6 to 2 million tons within 5 years, the Director of the MAPF Foreign Economic Relations Department Taras Kachka said. He added that the export quota for wheat which is initially set at 950 thousand tons will, within 5 years, be increased to 1 million tons, that for corn – from 250 to 350 thousand tons, and that for barley - from 400 to 650 thousand tons.

RBC-Ukraine, 27.09.2011

There is a need to streamline the EU integration oriented programmes at the final stage of Ukraine's rapprochement with the EU. A four-sided memorandum of cooperation between Ukraine, the EU, IMF and World Bank will serve this aim, the President of the Ukrainian Industrialists and Entrepreneurs Association and co-head of The European Choice parliamentary group Anatoly Kinakh said during a press conference dedicated to the final stage of Ukraine's integration to the EU. "After negotiating with the IMF and World Bank in Washington, we agreed to streamline different channels of international partnership and sign the memorandum, which will become a part of Ukraine's efforts towards integration into the European and global economic and political space", Mr. Kinakh said.

The UIEA Press Service, 22.09.2011

### Food Safety

The State Consumer Standard Committee proposes to label products as those with GMO content, regardless of the amount of GMO contained. This proposal is provided for in the draft Cabinet's decision adopting the Procedure for GMO labelling/marketing of foods.

The Procedure defines requirements for labelling food products containing GMOs or produced from their use and marketed in Ukraine. It is proposed that every food component featured in the product content list which contains GMOs or is produced from their use should be marked as the one with GMO content. The relevant genetically modified organism should also be specified.

The "GMO" or "No GMO" sign must be written in the same type as food components themselves, that is not less than 2 millimetres.

[www.liga.net](http://www.liga.net), 27.09.2011

The Deputy Head of the State Inspectorate for Agriculture Olexander Hryhorovych met with the Head of the Food, Agriculture and Consumer Protection Department of the German Embassy in Ukraine Dr. Volker Sasse and the German-Ukrainian Policy Dialogue project leader Dr. Heinz Strubenhoff to discuss the arrangements of study tours for Ukrainian experts to Germany scheduled for the second half of October 2011.

Mr. Hryhorovych stressed the importance of study tours which undoubtedly help Ukrainian experts to achieve effective results in their work. A joint bilateral document identifying ways to implement lessons learned during the study tours was decided to be developed. Mr. Hryhorovych also proposed to arrange a visit of German experts to Ukraine so that they could learn about the Ukrainian government's policy on supervision and control of agriculture.

The Press Service of the Inspectorate for Agriculture, 26.09.2011

Veterinary police inspectors detected a private clandestine facility producing pet animal feed without license and veterinary control. The business was suspended, 700 kg of feed products not having any quality and safety documents were withdrawn from circulation and the businessman was fined.

Measures aimed at combating illegal circulation of animal products were continued to be carried out last week. Fines collected amounted to UAH 30.6 thousand. 240 violations were documented, 133 official prescriptions were issued and their implementation controlled, 11 businesses were suspended.

<http://www.vet.gov.ua/>, 27.09.2011

## **Market infrastructure**

Ukraine signed an agreement with Bangladesh to export 1 million tons of wheat, the Minister of Agrarian Policy and Food Mykola Prysyazhnyuk said at a briefing. "We signed an agreement with the Ukrainian State Food Grain Corporation and the Bangladeshi State Company to export 1 million tons of wheat to Bangladesh. Such were the demands of the Bangladeshi side," Mr. Prysyazhnyuk said. He said that the agreement was signed with CIF delivery terms and payment by letter of credit.

<http://economics.unian.net/>, 22.09.2011

Next year the Government will increase public support to agriculture by UAH 3.9 billion, the Finance Minister Fedir Yaroshenko said in the Parliament. "In 2012 public support to agriculture will be increased by UAH 3.9 billion to UAH 40 billion", he said.

UNN, 23.09.2011

The high wholesale meat prices begin to fall, but the retail prices are not yet affected by this, the Executive Director of the Ukrainian Agribusiness Club (UABC) Elizaveta Svyatkivska said. The main reason for the meat price decline is the increased slaughter of cattle. "Traditionally people start to slaughter cattle in pre-winter season, when it becomes clear how much feed they have on their farms", the expert said.

Another reason is that the EU began to more actively import its pork. 10 thousand tons per month were imported in July and August 2011, whereas in previous months pork imports from the EU did not exceed 5 thousand tons. According to the UABC expert, in summer the increased pork import has not yet significantly influenced the meat prices, it started to do so only in September.

LIHABusinessInform, 23.09.2011

China pays great attention to developing agricultural relations with Ukraine and is ready to invest \$ 10 billion into agreed-upon projects, the Minister of Agrarian Policy and Food Mykola Prysyzhnyuk said after visiting the People's Republic of China as a member the official delegation headed by the National Bank director Serhiy Arbuzov.

The Ukrainian delegation met with the Chairman of the People's Bank of China, Chinese Minister of Commerce and China's EximBank President Li Zhohu. During the meeting with Mr. Zhohu issues were discussed related to financing agricultural infrastructure projects in Ukraine and EximBank's participation in the Ukrainian land market operations.

According to Mr. Prysyzhnyuk, China is interested in importing Ukrainian food and in selling it together with Ukraine on foreign markets.

The MAPF Press Service, 26.09.2011

## **Rural Development**

The draft law On Land Market should help to balance the interests of rural residents, agribusinesses and the State at the final stage of the land reform. This was the opinion expressed by most of the participants of the first Ukrainian agri-debates entitled "Is there a need to launch the agricultural land market and when Ukraine will be prepared for this step?" which were conducted by the Ukrainian Agrarian Business Club.

The Director of the Economic Development and Agricultural Market Department of the MAPF Sergiy Kvasha proposed to establish an integrated approach for completing the land reform. He said that the land legislation should take into account social, economic and political aspects and the agricultural sector should provide an adequate financial basis for developing rural social infrastructure.

According to law firms, the law needs to be revised, since, while such issues as the procedure of land sales are prescribed in great details, very little attention is given to privatization and land lease issues. Agri-holdings offer to pay special attention to issues related to land consolidation and land lease rights, and to make it possible for tenants to consolidate their lands. The UABC CEO Volodymyr Lapa drew the participants' attention to how the proposed land law will fit in the overall context of economic and agricultural policy and whether it is harmonized with the EU approaches. According to him, the draft proposes many artificial restrictions which demonstrate that the institutional capacity of the State is low. The head of the "Land Reform in Ukraine" Centre Maxym Fedorchenko, said that it is for the first time in 10 years that his organization calls the MPs to stop working on issues concerning the agricultural land market. In his opinion, the State is not yet prepared to play the role of an impartial and equidistant arbitrator/regulator on the land market.

<http://myland.org.ua>, 22.09.2011

In 2011 Crimean land-share owners have concluded 140 thousand land lease agreements totalling UAH 179.7 million, the Crimean Land Committee informs. Some 650 thousand hectares of private land were leased for agricultural production. Half of landowners are retired people. As of September 20, UAH 91 million 388 thousand were paid to the lessors. In most cases, the lease term does not exceed 5 years which does not allow the agri-producers to implement a full crop rotation plan and maintain the quality of soils. Meanwhile, land-shares owners do not want to enter into long-term contracts, since they wait for the law On Land Market to enter into force.

<http://agroua.net>, 27.09.2011