

 <p>МІНІСТЕРСТВО АГРАРНОЇ ПОЛІТИКИ ТА ПРОДОВОЛЬСТВА 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 29 September – 5 October 2011

WTO and Neighbourhood Policy

The Polish President Bronislaw Komorowski congratulated the Ukrainian President Viktor Yanukovich upon the success Ukraine made in integrating into the EU. This he said at a press briefing after meeting with Viktor Yanukovych who visited Warsaw to participate in the Eastern Partnership Summit. The Polish President called the Eastern Partnership Summit a good opportunity for analyzing Ukraine's progress in European integration. "The almost agreed-upon FTA agreement testifies to achievements upon which I would like to congratulate Ukraine. This is a very important step in the right direction", he said, and noted that Ukraine and Poland still have to work on the Association Agreement, and not to forget about the need to ratify these documents.

In his turn, Mr. Yanukovych thanked Mr. Komorowski for the high level at which the Eastern Partnership Summit was carried out. According to him, perfect organization and involvement of high-rank representatives make it possible to discuss all matters concerning Ukraine's relations with Poland and the EU in a traditionally friendly atmosphere.

www.unian.net, 29.09.2011

Ukraine's President Viktor Yanukovych believes that now is the time to implement specific actions in order to provide practical content to the Eastern Partnership Initiative. This he said in Warsaw at the plenary session of the Eastern Partnership Summit. According to Mr. Yanukovych, the Eastern Partnership Initiative has become an important auxiliary tool for the EU partner countries to develop their relations with the Union and promote their European aspirations. It must be a far-reaching project contributing to the obliteration of obstacles to countries interested in integrating into the European Union and willing to fulfil their respective obligations.

"I am confident that giving Ukraine and other partner countries that have achieved progress in the EU integration process a clear political signal about their European perspective, and materialising the Eastern Partnership Initiative by elaborating specific projects will be a key to the Initiative's success and a powerful impetus for continuation of internal reforms in these countries", Mr. Yanukovych said.

<http://eunews.unian.net>, 30.09.2011

The first Eastern Partnership Business Forum was held in the Polish city of Sopot under the slogan "The Business Dimensions of the Eastern Partnership: Economic Cooperation as the Driving Engine of European Integration." The forum discussed joint approaches to support private initiatives and entrepreneurship development in the EU and other countries.

The Polish President Jerzy Buzek, Polish Prime Minister Donald Tusk, EU Commissioner for Enlargement ENP Stefan Fuele, Ukrainian First Deputy Prime Minister/Minister of Economic Development and Trade Andriy Klyuyev, Co-Chairman of the Ukrainian-Polish Partnership Forum Anatoly Kinakh participated in the event.

www.meta.ua, 29.09.2011

Ukraine considers Serbia and Montenegro as its important partners in the South-East European region. This was announced by the Government Agent for European Integration Valery Pyatnitsky following bilateral talks in Belgrade and Podgorica. Mr. Pyatnytskiy noted that Ukraine is interested in active development of trade and economic cooperation with these two countries, in concluding bilateral free trade agreements with them and in their soon joining the WTO. "The implementation of these two important tasks is in the interest of both Montenegro and Serbia, and Ukraine", he said

The Ministry of Economic Development Press Service, 03.10.2011

The Council of Europe's Secretary General Torbjørn Jagland praised the results of Ukraine's presidency in the Council of Europe Committee of Ministers. He in particular stressed Ukraine's contribution to reforming the Council.

This he said while meeting with the head of the Committee of Ministers, Ukraine's Foreign Affairs Minister Konstantyn Hryshchenko in Strasbourg.

<http://eunews.unian.net>, 03.10.2011

Food Safety

October 6-7, 2011 - The International Veterinary Congress will be held in Ukraine to celebrate the World Veterinary Year "VET-2011".

Veterinary experts from Ukraine, France, Israel, Estonia, Britain and other countries will discuss the most pressing animal health issues.

<http://www.vet.gov.ua/>, 29.09.2011

Market infrastructure

The Dragon Capital senior expert Tamara Lovchenko believes that most companies will continue to lease the land from landowners under long-term contracts after the land market is launched in Ukraine. "The representatives of most companies say that they are not going to buy land, and will continue to lease it under 10-15 years contracts", she said. Ms. Lovchenko said the rent will rise by half. "The rent will increase to \$100 per 1 ha," she said, adding that some companies are currently paying \$60-70 per 1 ha of good quality land.

UNIAN, 29 09.2011

The agricultural land should not presently be sold to foreigners, the First Deputy Minister of Agrarian Policy and Food Mykola Bezugly said at a press conference. According to him, this point of view can be "very simply" explained. "Even if we reassess the land prices so, that 1 hectare will in average cost UAH 19.9 thousand. Provided there are some 28 million hectares of arable land in Ukraine, the price of all lands will equal to UAH 560 billion (55 billion euro). Although it is a huge amount for our country, it is negligible in terms of the EU budget or its Stabilization Fund, which totals 2 trillion Euro. We must realize what the consequences could be if someone would come and buy half of the Ukrainian arable lands for money additionally emitted in North America or Europe", Mr. Bezugly said.

RBC-Ukraine, 30 09.2011

The agricultural producers will, in total, lose UAH 10 billion if export duties for grain will be extended and those for oilseed and sunflower oil introduced in 2012, the Director General of the Ukrainian Agrarian Business Club Volodymyr Lapa said. "In 2012 the direct loss of agricultural

production will exceed UAH 8 billion. The published draft law will also result in significant indirect losses with the total amount of losses equalling to over UAH 10 billion. It is the largest fiscal pressure the agricultural sector experiences since the introduction of preferential taxation in late 90s", he said.

RBC-Ukraine, 03.10.2011

As of October 1, 2011 the land shares owners concluded 4.6 million contracts leasing out 17.3 million hectares of land for UAH 5.9 billion, the State Agency of Land Resources reports. The average rent per year is UAH 338.5 per 1 ha with in-kind payment prevailing in 65.5% of cases. The sum of money actually paid to land shares owners amounted to UAH 3.4 billion, accounting for 57.7% of the total amount contracted.

<http://economics.unian.net/>, 03.10.2011

October 5, the MAPF top managers, directors of agricultural wholesale markets from Poland, Hungary, Romania, Croatia, Bosnia and Herzegovina, Albania and Ukraine, and the representatives of the Ukrainian Agricultural Wholesale Markets Association will hold a press conference following the meeting of the Central and Eastern European Wholesale Markets Association. The Stolychny wholesale market will be shown to the guests.

The MAPF Press Service, 04.10.2011

The Minister of Agrarian Policy and Food Mykola Prisyazhnyuk met with farmers and agricultural producers from all regions of Ukraine to hear all their complaints and suggestions and voice his own clear position concerning the export restrictions. "Our ministry is not able to influence the Ministry of Finance, so we should work together to convey the fact that export duty is a big minus for farmers to the Government", he said, and added that the Ministry has introduced to the Parliament a draft law abolishing export duties. "My vision and suggestion is that we should also introduce a draft law refunding VAT directly to grain producers", Mr. Prisyazhnyuk said. Following the meeting, the Memorandum of Understanding between the MAPF, the Agrarian Union and the Farmers Association in Matters of Tax Policy and Agricultural Exports was elaborated.

www.minagro.gov.ua, 04.10.2011

Rural Development

A press conference dedicated to Myrgorod Pig Festival 2011 was held in the Regio News Agency. It was attended by Myrgorod mayor S. Solomakha, deputy director of Myrhorod Resort Company N. Butenko and the chairman of the festival's organizing committee O. Govorukha. Myrhorod Resort Company prospects in connection with granting the town of Myrgorod a status of resort of national significance were discussed, as well as Myrgorod Pig Festival 2011 arrangements, and Myrgorod sausages, a sample of Poltava gastronomic heritage, were sold. Myrgorod Pig Festival is dedicated to Myrgorod Speckled, the only native breed of pig in Ukraine.

IA RegioNews, 29.09.2011

ANNOUNCEMENT

October 8, 2011 - Ukrainian certified organic products will be featured at Organic Dyvohrai, an organic fair which for the second time will be held in Kiev.

<http://www.biolan.org.ua>, 29.09.2011

The land reform foresees a 10-times increase of the land tax. This will provide additional UAH 6.5 billion to satisfy the social needs of the rural areas, the First Deputy Minister of Agrarian

Policy and Food Mykola Bezugly said at a press conference. The new tax is provided for in the draft law which the Parliament will consider next week. All the UAH 6.5 billion received from the new tax are planned to be left at the disposal of rural councils.

RBC-Ukraine, 03.10.2011

September 30, Agricultural Science and Rural Development Department held a roundtable to establish the Centre for Dissemination of Knowledge on Agriculture, Natural Environment and Water Resources Protection. The meeting was held on Dutch-Ukrainian initiative in the Scientific Centre for Agricultural Education. The representatives of the Ministry of Agrarian Policy and Food, Ministry of Environment and Water Resources, State Agency of Forest Resources, State Agency of Land Resources, and Attaché for Agriculture, Nature and Food Quality of the Netherlands Embassy in Ukraine participated in the event. Following the meeting, it was decided to establish the Centre for Dissemination of Knowledge on Agriculture, Natural Environment and Water Resources Protection.

The MAPF Press Service, 03.10.2011

From 4 to 6 October the International Exhibition Centre hosted Animal Farming Ukraine 2011, the only international exhibition in Ukraine specialized exclusively in animal-related technologies and services. The exhibition was organized by Premier Expo (Ukraine), BTO Exhibitions BV (Netherlands) and ITE Group Plc (United Kingdom). The exhibition was supported by the Ministry of Agrarian Policy and Food, Parliamentary Committee on Agrarian Policy and Land Relations, Ukrainian Farmers and Private Landowners Association, Ukrainian Agrarian Confederation and Ukrainian Poultry Breeders Union. 130 companies from 20 countries participated in the event.

<http://animalfarming.com.ua>, 04.10.2011

Only governmental programmes, the effect of which would be felt in 5-7 years, can help revive rural areas, the director of the Avangard company Oleg Bakhmatyuk said at a press-conference. "Private companies can not bring about a powerful effect by themselves. These are only publicly funded local projects that can generate real economic effect and private sector can only assist the State in this process", Mr. Bakhmatyuk said.

RBC-Ukraine, 04.10.2011