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

## **Overview of Latest Rural Developments**

### 13-19 October 2011

## WTO and Neighbourhood Policy

October 19-20, The First Deputy Prime Minister/Minister of Economic Development and Trade Andriy Klyuyev will visit Brussels to meet with the European Commission representatives, in particular with the European Commissioner for Trade Karel De Gucht. October 20, Mr. Klyuyev will participate in the workshop entitled "Ukraine-EU Association Agreement: Trade Aspects and Economic Issues" which will be held by the European Parliament Committee for Foreign Trade. The event will be attended by the Chairman of the European Parliament Committee for Foreign Trade Vital Moreira, his deputy Pawel Zalewski, the European Commissioner for Trade Karel De Gucht and Polish Deputy Minister of Economy Marcin Korolec.

During his visit Mr. Klyuyev will also meet with the representatives of the European Parliament.

#### www.me.gov.ua, 19.10.2011

Ukraine's Prime Minister Mykola Azarov believes that internal ratification of free trade agreement between the CIS countries will not take a lot of time and this FTA will be established in January 2012. He said this during his meeting with the President of the Russian Federation Vladimir Putin.

Azarov stressed that the establishment of a well-functioning free trade zone between the CIS countries will facilitate job creation and joint ventures and encourage trade and economic relations within the CIS.

## The Cabinet Secretariat Department for Information and Communications, 18.10.2011

October 18, The Deputy Prime Minister of Ukraine/Minister of Social Policy Serhij Tihipko met in Strasbourg with the Council of Europe's Secretary General Torbjorn Jagland. Mr. Jangland noted the Council of Europe's activities in the field of social cohesion in the context of the 50<sup>th</sup> anniversary of the European Social Charter. He also emphasized the importance of socially oriented projects foreseen in the Council of Europe Action Plan for Ukraine for 2011-2014 and of cooperation between the CoE and Ukraine to implement the Action Plan. Mr. Tihipko informed the Council of Europe's Secretary General on recent developments in social reforms in Ukraine.

## The Press Service of the Ministry of Foreign Affairs, 18.10.2011

Export duties for certain products will be only temporarily extended within the CIS FTA and be waived soon after CIS member states make their corresponding sectors more competitive, Ukraine's Prime Minister Mykola Azarov said in St. Petersburg. Sugar, alcohol and oil/gas are among products excluded from the FTA. According to Azarov, Russia will abolish oil and gas

export duties after a transition period. The Prime Minister said that these exclusions are not new, but have long been introduced. He also said that today Ukraine's trade turnover with the CIS is about USD 140 billion. Azarov noted that Ukraine is also completing negotiations on FTA with the European Union countries and other countries. "We are negotiating free trade agreements not only with the EU, but also with several other countries. It is our policy to facilitate the access of national producers to foreign markets", he stressed.

The Cabinet Secretariat Department for Information and Communications, 19.10.2011

# **Food Safety**

The International Epizootics Office reported that cases of the FMD were recorded among cattle in Paraguay. The import of animals from Paraguay susceptible to foot and mouth disease and products thereof was banned.

## www.vet.gov.ua, 13.10.2011

The Consumer Expertise Institute with the support of state agencies launches a project to audit Ukrainian meat producers, the Institute's director Yuri Chernobryvets announced at a press conference. "We are launching an independent audit of meat businesses to reveal the real situation with meat production in Ukraine", he said, and added that virtually all regulatory agencies support the Institute's initiative, including the State Consumer Standard Committee, the Ecohygiene and Toxicology Institute, the Ministry of Health and the Food Institute. "We want to invite all meat businesses to participate in our project for free. We are ready to visit all of them and carry out a professional inspection ", Mr. Chernobryvets said. He added that thanks to government support, the project will conduct lab research practically for free. The project is scheduled to finish in 1.5-2 months depending on how active producers participating therein will be. There are planned to be inspected businesses with popular brands.

UNIAN 14.10.2011

## **Market infrastructure**

Ukraine's trade balance has worsened significantly in January-August 2011 if compared to the same period last year. The negative balance increased by 1.8 times, from USD 4.5 billion to USD 8.1 billion.

The figures could be even worse than that were it not for the achievements of Ukrainian farmers, the export of whose products, increased, despite grain export restrictions, by 33% and reached USD 7.6 billion, while food imports increased by only 14% to USD 4,05 billion. In the said period national farmers` contribution to maintain Ukraine's trade balance amounted to 3.55 billion dollars (in 2010 it was USD 2.2 billion).

#### The Analytical Department of the Ukrainian Agrarian Confederation, 13.10.2011

October 19-21, The State Food-Grain Corporation will present its agricultural equipment at the Agri Market/Ukraine's Farmer 2011 exhibition. There also will be held a seminar on forward grain purchases and a round table entitled "Agricultural Market Infrastructure. Wholesale Markets and Agricultural Service Cooperatives".

## http://exhibition.farmer.co.ua, 13.10.2011

The Volyn Regional State Administration proposed the State Sugar Factory in Torun (Poland) to invest into Horokhiv and Volodymyr-Volynski sugar factories. According to the head of the Volyn Regional State Administration Boris Klimchuk, the Polish company wants to increase its

sales in Central and Eastern Europe and is interested in investing into sugar production facilities and, probably, into agricultural land.

## www.liga.net, 14.10.2011

In the first 9 months of 2011 agricultural production increased by 13.7%, if compared with the corresponding period in 2010, the State Statistics Committee reports. Agricultural enterprises increased their production by 15.7% and backyard holdings - by 12.3%. Crop production increased by 21.1% (agricultural enterprises - 21.4%; backyard holdings - 20.8%) and that of livestock by 2.8% (agricultural enterprises - 7.8%; and decreased by 1% in backyard holdings).

## LIHABusinessInform, 14.10.2011

#### **ANNOUNCEMENT**

October 24, The Ukrainian Agribusiness Club and the AgriEvent agency will, with the support of the Ukrainian Ministry of Agrarian Policy and Food and the Ministry of Economic Development and Trade, hold agri-debates entitled "The FTA with the EU: Chances and Opportunities for Ukraine's Agriculture".

Key issues for discussion:

- Possible free-trade regimes for agricultural products.
- Possibilities for exporting Ukrainian agricultural products to EU countries, after signing the FTA
- Improving the investment climate and attracting investments into Ukraine's agriculture.
- Transition to European quality and safety standards.

www.agrievent.com.ua, 17.10.2011

# **Rural Development**

Transition to environmentally safe products is the world trend which Ukraine should adopt in order to preserve the nation's health and ensure competitiveness and sustainability of its agribusiness, the Minister of Agrarian Policy and Food Mykola Prysyazhnyuk said. "Since there is an urgent need to develop organic farming, the MAPF will actively support and encourage the development of organic agriculture. Chemicals free food will enhance people's health and create new possibilities for national farmers", the Minister said. "The MAPF will also encourage the agricultural science and education experts to study ways to stimulate organic production. Every region should have its own producers of environmentally friendly products", Mr. Prysyazhnyuk emphasized.

#### The MAPF Press Service, 13.10.2011

Rural fire brigades are being set up in Zhytomyr oblast. Still another fire unit was opened in the village of Burkivtsi in Chudniv rayon. Four firefighters/drivers were employed to provide round-the-clock fire protection. 14 rural fire brigades are now operating in Zhytomyr oblast rural areas, with three of them having been set up in 2011. 47 fire units are planned to be set up by 2015 with UAH 6.3 million allocated for this purpose in the regional fire safety programme.

## kmu.gov.ua, 17.10.2011

In Ukraine there has been created the Federation of Agricultural Employers, the Ministry of Agrarian Policy and Food reports.

According to the agricultural minister Mykola Prysyazhnyuk, the cooperation between the MAPF and the experts from the Federation of Agricultural Employers will strengthen the dialogue between farmers and the Government. "The agri-industrial sector was the last sector not having an employers' federation, until finally such a federation was created. The MAPF will actively cooperate with it. The newly established federation will help farmers to make concerted

efforts to defend their interests. I wish it to be result-oriented and not to become just another fashionable association", Mr. Prysyazhnyuk said.

unian.net, 19.10.2011